



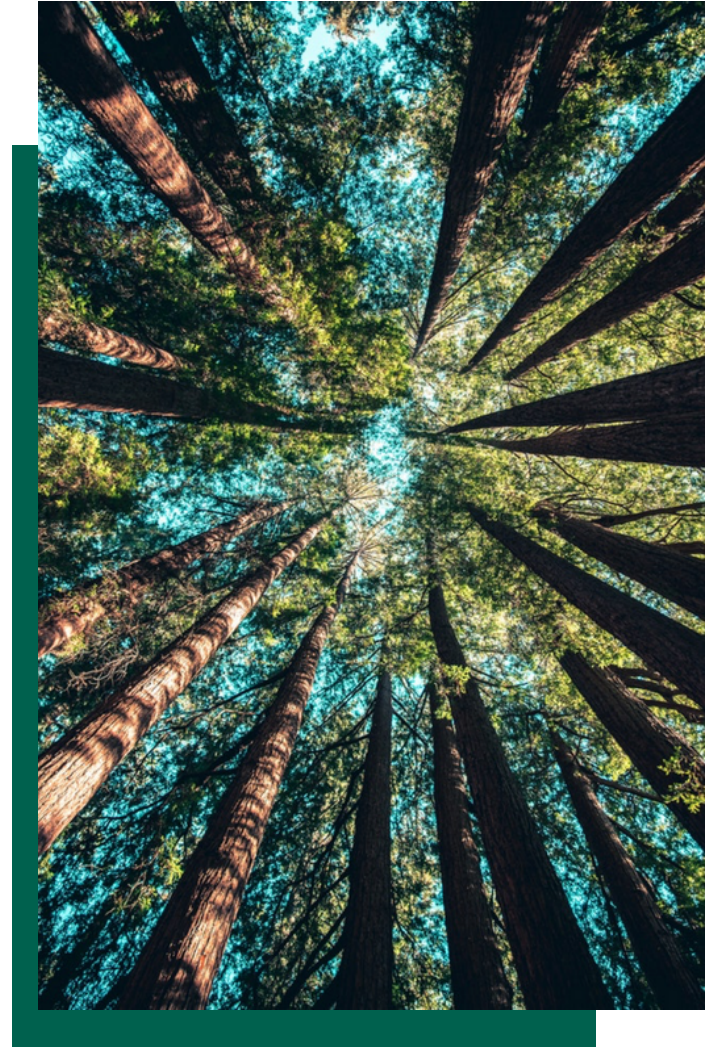
Econopolis Demographic Dynamics *January 2026* Sustainable Investment Policy

Econopolis Demographic Dynamics is a Sub-Fund of Econopolis Funds, a SICAV laws of the Grand Duchy of Luxembourg, that is managed by Conventum TPS. The investment policy is delegated to Econopolis Wealth Management NV (hereinafter "Econopolis").

Our philosophy

Econopolis' long-term success is based on trust and confidence. **Sustainable business is a prerequisite to uphold trust and confidence.** This document sets the principles for how Econopolis ensures long-term sustainability of its operations, and by doing so **strengthening long-term relationships with our customers and our contribution to a greater good.**

Our investment philosophy is inspired by the books written by Geert Noels, which outline the fundamentals of sustainable and responsible economic principles. This charter also aims to support Econopolis and its employees in performing their work and decision-making. It contains both general principles and specific criteria that apply to the relevant investment portfolios.



Core principles

For Econopolis, **sustainability means taking responsibility for the impact we have on our surroundings**. It encompasses the ability to be a credible and reliable partner, which acts in the best interest of customers and ethically and responsibly towards society. Human rights, employee rights, environmental responsibility and anticorruption are included in our decision-making processes in order to contribute to sound financial markets. Sustainability is at the core of our day-to-day activities, and a way of creating value.

The below principles for sustainability are based on Econopolis' Code of Conduct and guide behaviour in our daily work and when making business decisions. We take these principles and other relevant environmental, social and governance principles into consideration when evaluating business risks and opportunities. Econopolis also expects business partners and suppliers to adhere to these principles.

Econopolis is a signatory of the **United Nations Principles for Responsible Investments (UN PRI)**, demonstrating that we are committed to the six UN PRI principles for incorporating ESG issues into investment practice.

- ✓ We are committed to good corporate citizenship
- ✓ We are committed to human rights, labour rights and freedom
- ✓ We are committed to equal opportunities and diversity
- ✓ We are committed to caring for the wellbeing of our employees
- ✓ We are committed to ethics, honesty and sincerity
- ✓ We are committed to caring for the environment
- ✓ We reject any form of bribery and corruption



Sustainability at Econopolis

As an asset manager, **we believe sustainability goes far beyond the investing sphere** and should be embedded in the whole organisation and in its day-to-day business. We are proud to be able to showcase excellent sustainable and ethical business results:

- ✓ Each employee signed our *Integrity Policy*, which is our deontological, moral and ethical code.
- ✓ Employees are encouraged to contribute to mitigate Econopolis' environmental impact.
- ✓ Econopolis has subscribed to the principles of UNPRI.



Sustainability as defined by the SFDR

The SFDR classification (Sustainable Finance Disclosure Regulation) is a European regulation that aims to provide transparency on how financial markets integrate sustainability into their investment decisions. There are three different classifications within SFDR:

- ✓ **Article 6:** Funds that integrate sustainability considerations into the process but do not have specific sustainability objectives.
- ✓ **Article 8:** Funds that promote, among other characteristics, environmental or social characteristics, or a combination of both, provided that the companies in which the investments are made follow good governance practices.
- ✓ **Article 9:** Funds that have a sustainable investment objective and therefore aim to invest in economic activities that contribute to an environmental or social objective.

The Demographic Dynamics fund is an Article 8 fund, and thus promotes environmental and social characteristics, and while it does not have a sustainable investment objective, it will have a minimum proportion of 75% sustainable investments. According to Article 2 of the SFDR, a sustainable investment is defined as:

“ An investment in an economic activity that contributes to an environmental objective (such as limiting climate change or protecting water and marine resources) or a social objective (such as promoting social cohesion, inclusion, and labor conditions). Moreover, such investments must not significantly harm other environmental or social objectives and must be conducted by companies that follow good governance practices. ”

How Econopolis follows this definition, can be found in our responsible investment policy.

Responsible investment policy

The responsible investing policy of the Econopolis Demographic Dynamics Sub-Fund is **based on four different sustainable strategies**, and covers both direct and indirect investments (e.g. via other investment funds). Together, these strategies offer investors the necessary confidence that their investments are made in line with our principles regarding sustainable investing. On top of these four strategies, Econopolis also takes **clearly defined positions regarding controversial activities**. The four strategies and our positions regarding these controversial activities are briefly outlined below and are discussed in more detail on the next few pages.

1 Negative selection

Some companies do not have a place in a sustainable investment portfolio. Therefore, we apply specific negative selection criteria to filter out these companies. In order to achieve this, we follow the exclusion list of the Norwegian Pension Fund.

2 Norms-based screening

Our norms-based sustainable investment strategy is based on the book “Econoshock” by our founder Geert Noels. **We assess companies based on whether they are involved in violations of the 10 Principles of the UN Global Compact.** Furthermore, we follow the activity-based exclusion list of the World Bank/IFC and the OECD Guidelines for Multinational Enterprises.

3 ESG Integration

We **integrate ESG-factors in our investment decisions**. To supplement our own analysis and have an objective viewpoint, we have **a partnership with Clarity AI, a sustainability platform that uses machine learning to deliver ESG insights to investors**. The research of Clarity AI and their ESG Risk scores are designed to measure ESG material factors that will drive long-term financial value in a particular business.

4 Best-in-universe selection

Based on the **ESG Risk scores** of Clarity AI, we apply a best-in-universe selection strategy. Only issuers of which the ESG Risk score is part of the best 50% of the whole universe are eligible for this strategy. Furthermore, we exclude companies with the highest Clarity AI Controversy Score in terms of severity, as measured by the **Controversy score** of Clarity AI.

5 Positions regarding controversial activities

As a responsible investor, we expect that **invested companies operate in line with our commitment to the UN PRI** and in observance of existing laws and regulations, international humanitarian law and international conventions, as well as standards for sound environmental, social and governance performance. We have clearly defined positions regarding a range of controversial activities.

Grace period in an ESG breach

When an ESG breach or controversy is identified in an investment, a grace period of up to three months is applied before divesting. This period is intended to enable a careful assessment. It also prevents unnecessary transaction costs and suboptimal sell opportunities.

1 Negative selection

The Norwegian Government Pension Fund Global is one of the largest sovereign wealth funds in the world, with assets of over US\$1 trillion, and is widely regarded as a leader in sustainability.

The Norwegian Pension Fund publishes **clear expectations for the companies in its portfolio regarding global challenges in both governance and sustainability**. Furthermore, the Norwegian Ministry of Finance has issued specific monitoring and exclusion guidelines. These criteria pertain to specific product types and stipulate that the fund may not invest in companies that themselves, or through entities under their control, produce weapons whose normal use violates fundamental humanitarian principles, produce tobacco, or sell weapons or military equipment to certain countries. Companies may also be excluded if there is an unacceptable risk of conduct that is considered highly unethical.

All companies on the Norwegian Pension Fund's exclusion list are also excluded from our funds. The full list of companies can be found at:

<https://www.nbim.no/en/thefund/responsible-investment/exclusion-ofcompanies/>



2 Norms-based screening

Econopolis was founded based on the book "Econoshock" by our founder, Geert Noels. Our responsible investment standards are therefore also influenced by this book. To implement our standards-based strategy, companies that do not comply (structurally, repeatedly, and severely) with **the 10 Principles of the UN Global Compact (UNGC) are not eligible for investment**. The same applies to **the OECD Guidelines for Multinational Enterprises**. Furthermore, companies involved in activities on **the exclusion list of the International Finance Corporation**, a subsidiary of the World Bank, are also not eligible for investment. These activities are not consistent with our own responsible investment standards, which we strive to uphold at all times. The full list of activities can be found at:

<https://www.ifc.org/exclusionlist>

The ten principles of the UN Global Compact and the OECD Guidelines for Multinational Enterprises together form **a broad framework for responsible business conduct**. The UNGC principles focus on four themes: **respect for human rights, fair labor practices, environmental stewardship, and combating corruption**. The OECD Guidelines complement these by advising companies on how to apply these values throughout their entire value chain. They emphasize due diligence, transparency, fair competition, preventing bribery, protecting consumer interests and privacy, sharing knowledge and technology, and paying taxes where value is created.



3 ESG integration

To justify an investment, Econopolis integrates the different aspects of ESG. Our process contains the following elements:

- ✓ We use **Clarity AI to obtain comprehensive ESG data**. This helps us conduct a detailed ESG analysis of each investment before it is added to our investable universe. More information about Clarity AI, and how we use it in our investment process, can be found in section four “Best-in-universe selection”.
- ✓ **Our fund managers carefully check whether (potential) investments meet our ESG requirements**. This ensures that our portfolios do not contain ESG ‘blind spots’, meaning that all positions are screened from an ESG perspective. If a company or government lacks an ESG score or the ESG score is insufficient, additional rules are applied. In such cases, a fund manager can present a detailed case to our investment committee, which reviews it before the investment is added. In order to allow our own take on sustainable issues, we allow maximum 10% of the portfolio to consist of companies with an inadequate Clarity AI rating, if accepted by the committee. The portfolio can also invest 10% of its assets in companies not rated by Clarity AI.
- ✓ Econopolis expects the **companies in our portfolio to act in accordance with our commitment to the UN PRI** and to consider existing laws and regulations, international humanitarian law, and international treaties. We have clearly defined positions on controversial activities and monitor investments for potential involvement in these activities. More information about these positions can be found in section five, “Positions regarding controversial activities”.

4 Best-in-universe selection

Selection process for companies

Clarity AI is an independent data provider specializing in ESG and corporate governance research and ratings. Founded in 2017, the company uses **artificial intelligence to analyze large volumes of data** (such as news, media, and NGO sources) and convert them into actionable controversy indicators and ESG risk scores. A summary of their methodology can be found in the Appendix of this document. The goal of Clarity AI is to provide investors and companies with the insights needed to make better-informed decisions, ultimately leading to a greater societal impact on the markets.

At Econopolis, Clarity AI is used as an **independent sustainability filter** in the investment process. This means that Clarity AI applies ESG risk scores and controversy ratings to the companies and governments in which we invest. The ESG risk score of an issuer is a weighted average of its scores on the Environmental, Social, and Governance pillars and assesses how material ESG issues can affect the future financial performance of companies. Every company we invest in, has to follow these rules:

- ✓ Only companies with an ESG Risk Score in the top 50% of the Clarity AI universe are eligible.
- ✓ The average Clarity AI ESG Risk Score of the portfolio must be above 60.
- ✓ Companies with the highest Clarity AI Controversy Score in terms of severity are not suitable for the portfolio.



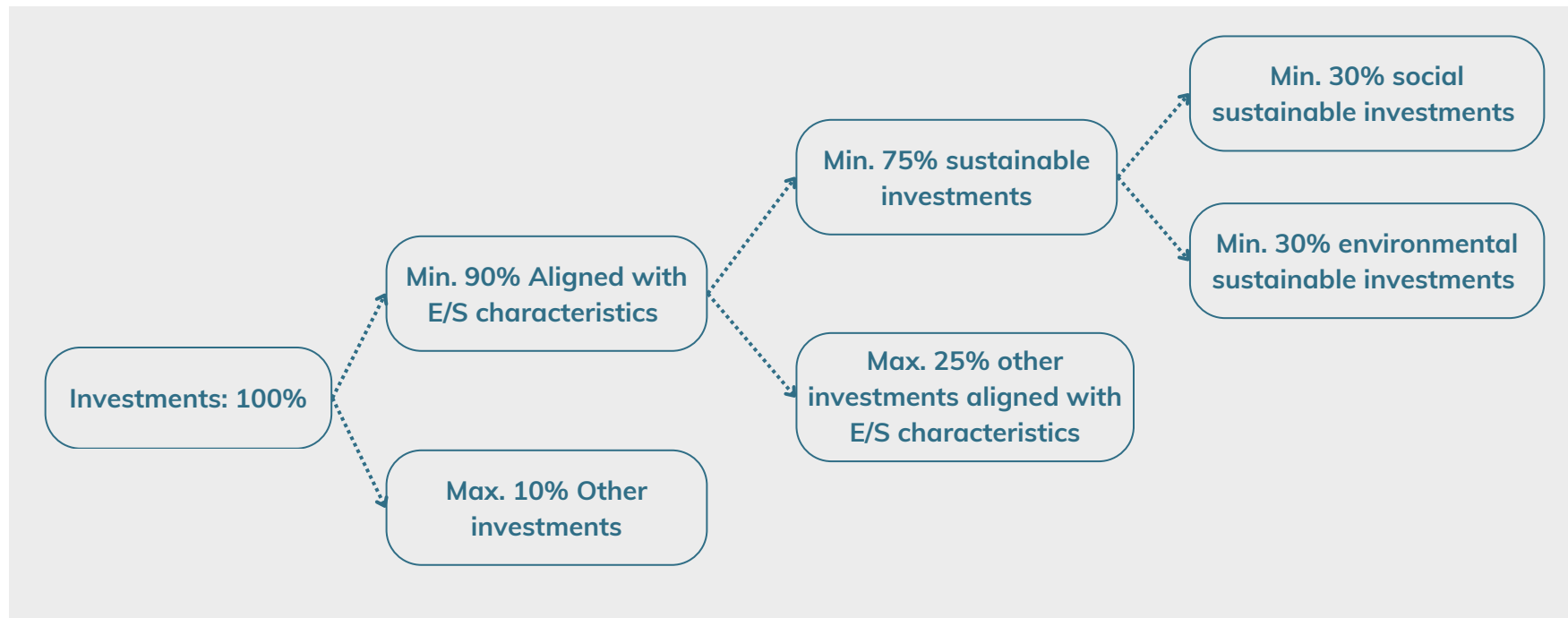
Selection process for sustainable investments under SFDR

The **objective of the sustainable investments** in the sub-fund is to contribute to the mitigation of climate change by limiting the maximum global temperature rise to well below 2°C, or to contribute to social diversity by promoting diversity at the highest level. Specifically, a sustainable investment contributes to the environmental goal by being among the **best-in-universe based on scope 1 and 2 emissions** or by being issued with a clear environmental goal in the form of a use-of-proceeds instrument (e.g., green bonds). Additionally, an investment is also considered sustainable if it contributes to a social goal. This can be achieved by being among the **best-in-universe based on the percentage of women on the board of directors** or by being issued with a clear social goal in the form of a use-of-proceeds instrument (e.g., social bonds). To achieve this best-in-universe selection, Econopolis uses the following criteria for a sustainable investment, which must contribute to an environmental or social goal:

- ✓ To measure whether an investment meets the environmental goal, the CO2 emissions (scope 1 and 2) are considered, and these must be best-in-universe (top 50%).
- ✓ To contribute to the social goal, the investment should have a higher percentage of women in the board of directors than the European average, with a minimum gender diversity of 33%.
- ✓ Companies must not cause significant harm to other environmental or social goals.

Figure 1 below shows the investment process and the asset allocation of the sub-fund. At least 90% of all investments of the sub-fund will be aligned with environmental and social (E/S) characteristics. Other than these investments, the sub-fund can invest maximum 10% in other instrument (cash, cash equivalents or instruments for hedging purposes). **Of all investments aligned with E/S characteristics, at least 75% should be sustainable investments.** Of these sustainable investments, at least 30% has to contribute to the social goal, and 30% has to contribute to the environmental goal. The remaining 15% floats between the two as either environmentally or socially sustainable as to allow for flexibility for proper portfolio management as fitting in the strategy of the sub-fund.

Figure 1: Asset allocation of Demographic Dynamics



5 Positions regarding controversial activities

We set clear expectations on corporate ESG management in our direct investments and communicate these expectations to companies we are invested in and other stakeholders. We expect that invested companies operate in line with our commitment to the UN PRI and in observance of existing laws and regulations, international humanitarian law and international conventions, as well as standards for sound environmental, social and governance performance. We have clearly defined positions within the following areas:

Human and Labour Rights

We expect companies to obey internationally recognised human rights principles and to prevent and manage their impact on human rights. Human rights related issues include complicity in human right abuses, modern slavery and child labour, occupational safety and health, the rights of indigenous people and displacement of local communities, freedom of association and collective bargaining and international humanitarian law.

Econopolis does not invest in companies not complying with the UNGC principles related to human and labour rights.

Weapons

In accordance to the law of June 8 2006, last modified on July 16 2009, Econopolis does not invest in companies with weapons-related activities that cannot be financed in Belgium (cluster munitions, anti-personal mines, depleted uranium munitions and armours, nuclear/chemical/ biological weapons, white phosphorus, etc.). On top of this, Econopolis does not invest in companies of which more than 5% of the revenues result from the production or trade in weapons/munition or tailor-made components thereof as we see these activities as highly controversial given their indiscriminate effect on human populations.

Companies focusing on non-critical equipment for combat applications, cybersecurity, surveillance and communication systems, dual-use goods, or supporting services such as maintenance, training, and research and development, provided these activities are not directly related to weapons, remain permitted. They will continue to be subject to appropriate ESG due diligence.

Tobacco

Econopolis does not invest in companies active (>5%) in the production or wholesale of tobacco products or e-cigarettes, because we are concerned about the impact of these products on the health and well-being of society.

Adult entertainment / Pornography

Econopolis does not invest in companies involved in the production of pornography or adult entertainment. We consider this sector highly controversial due to its perceived negative impact on society. Furthermore, there is a high probability that companies operating in this sector do not comply with human rights principles (e.g., the UNGC labor principles).

Alcohol

Econopolis does not invest in companies that derive a significant portion of their revenue (>10%) from the production or trade of alcohol (excluding beer, wine and champagne), given the potential impact on the health and well-being of individuals, and society in general (addiction problems, chronic diseases, traffic accidents, etc.).

Fur

Econopolis does not invest in companies that derive a significant portion of their revenue (>5%) from the production of fur products. We consider this activity highly controversial given its impact on animal welfare.

Gambling

Econopolis does not invest in companies that derive a significant portion of their revenue (>5%) from gambling products or services (including casinos). We consider these activities highly controversial, given the potential impact they can have on players, their environment, and society in general (e.g., addiction problems, risk of personal bankruptcy, etc.).

Unconventional oil & gas

Econopolis does not invest in companies active in the exploration or extraction of unconventional oil and gas (extracted using methods other than traditional production methods). This includes, among other things, the extraction of tar sands oil, coalbed methane, extra-heavy oil, and Arctic oil and gas, as well as oil and gas produced by methods such as fracking or ultra-deep drilling. These activities pose unacceptable environmental risks (including water consumption, pollution, and energy-intensiveness) and are therefore excluded from investments.

Conventional oil & gas

Econopolis does not invest in companies involved in the exploration, extraction, or refining (except from oil to chemicals) of conventional oil and gas resources, or the transportation of oil. We consider these activities to contribute negatively to climate change.

Coal

Econopolis does not invest in companies involved in the exploration, extraction, mining, distribution, refining, or transportation of thermal coal. We consider these activities incompatible with a sustainable future and contributing to global warming due to the carbon intensity of generating electricity from coal.

Electricity generation

Strict requirements apply to companies active in generating electricity or heat from non-renewable sources. They must demonstrate that they are reducing their negative impact, not building new coal-fired power plants or expanding their production capacity, and actively engaging in the energy transition. This can be achieved, for example, through a climate objective (e.g., through SBTi targets), low carbon intensity, or a clear shift of revenues and investments to more sustainable activities.

Water consumption

Water consumption is currently not incorporated into our investment process with specific criteria due to a lack of consistent data. Nevertheless, it is factored into both the assessment by the independent non-financial rating agency Clarity AI and our stance on controversial activities. For example, the water-intensive extraction process of shale gas is a key reason why unconventional oil and gas companies are excluded from our investment universe.

Taxes

The ability and willingness of issuers to pay taxes, and whether this is transparent and compliant with applicable tax laws, is taken into account in the ESG analysis of issuers, both by our internal analysts and by the independent rating agency Clarity AI (including through its Controversy Score, for which we apply specific criteria).

The impact of palm oil on deforestation and biodiversity

Econopolis does not invest in companies that produce palm oil unless they are certified by the Roundtable for Sustainable Palm Oil (RSPO). We have found that palm oil production is associated with a range of environmental, social, and governance issues. These include deforestation, biodiversity, the rights of local communities, working conditions, and the rights of indigenous peoples.

Gender & diversity

Managing material gender and diversity issues is an integral part of Clarity AI's ESG Risk Rating, as well as the Clarity AI Controversy Score.

Agricultural products

Econopolis does not invest in derivatives contracts on agricultural products. The impact of food speculation on volatility and prices poses an unacceptable risk to local farmers and poorer communities.

Death penalty

A country's stance on the death penalty is integrated into the ESG analysis and the country risk assessment calculated by the independent rating agency Clarity AI. In the sustainability policies of the government bond funds, we apply an ESG filter to government bond investments based on these government risk assessments.

Pollution & Waste

An issuer's pollution and waste policies and practices are incorporated into both the ESG Risk Rating and the Controversy Score, which are calculated by the independent rating agency Clarity AI.

Oppressive regimes

Econopolis does not invest in government bonds issued by governments subject to broad sanctions and that do not respect human rights. More details about our responsible investment policy regarding government bond investments can be found later in this document.

Appendix

1 Clarity AI ESG Score Methodology

Step 1: Data collection



Step 2: Metric scores



Step 3: Metric scores aggregation

Collecting data

Clarity AI collects data from a wide range of sources, including specialized data providers, general financial data providers, global news monitoring services, public sources such as company reports and websites, and a network of business partners providing their own data.

Cleaning data

This data is supplemented with estimates via machine learning models to fill in information not disclosed by organizations. These collected datasets are cleaned and checked for reliability through advanced quality controls and standardization techniques.

Determining the score

After collecting and curating the data, scores are calculated for different types of metrics: quantitative metrics, policy metrics, and controversies. Quantitative metrics are scored by comparing a company's performance on an ESG issue with that of other companies within the same sector. Policy metrics are scored based on the presence of specific policies, while controversy scores are derived from incidents companies have experienced over the past three years. These scores range from 1 (worst performing) to 100 (best performing).

Score aggregation

The calculated scores are then aggregated to obtain a total score for each company. This is done by weighting and combining the scores of different metrics at various levels (subcategories, categories, pillars, company, portfolio). The total ESG risk score of a company is the weighted average of the scores for the Environmental, Social, and Governance pillars, with deductions for any controversies. The aggregation follows specific rules and materiality matrices that reflect the relative contribution of each metric to the company's exposure to ESG risks.

Appendix

2 Clarity AI Controversy Score Methodology

Step 1: Incident detection



Step 2: Incident classification



Step 3: Attribution of scores

Data Search

Identification of controversial articles from a corpus of news sources. There is a universe of 33,000+ media sources available, covering more than 200 countries. Daily, more than 1.4 million articles are added to this universe.

Categorization

Articles are labeled according to one of the 39 categories. These categories are a further breakdown of E, S, and G aspects. For example, water use and animal welfare are assigned to the environmental (E) category, while work incidents belong to the social category, and workplace ethics belong to governance (G).

Severity Assessment

Incidents are assessed on the severity of the issue, the extent of the impact, and the company's management of the issue. The severity score is labeled as either no controversies, minor, moderate, significant, severe or very severe controversies.

Controversy Score determination

The severity levels of incidents are combined to generate a final controversy score. This reflects the impact on stakeholders, the environment, or society and takes into account the company, its subsidiaries and its supply chain.

Disclaimer

This document is a representation of the ESG policy of the sub-fund and not a prospectus. The content of this document may under no circumstances be considered as investment advice in relation to any financial instrument. The investment products mentioned by name in the document, if proposed to clients, should be assessed against the risk profile and existing portfolio of clients. The information contained in this document may not be distributed or copied or transferred directly or indirectly to any other person for any purpose whatsoever.

If you want a complete and correct picture of the characteristics, costs, risks and objectives of the product in question, we advise you to carefully consult the Prospectus and the Key Information Document (KID). The KID contains the most important information that you as a private investor need to make a well-considered decision in a standardized and transparent format. You can find these documents via the link below:

<https://www.econopolis.be/en/funds/equity-funds/econopolis-demographic-dynamics/>