

Robeco FinTech I USD

Robeco FinTech is an actively managed fund that invests in stocks in developed and emerging countries. The selection of these stocks is based on fundamental analysis. The fund's objective is to achieve a better return than the index. Proprietary valuation models are used to select stocks with good earnings prospects and a reasonable valuation and those companies which benefit from the increasing digitization of the financial sector are included. These are individually assessed on the basis of industry trend analysis, in-depth discussions with corporate management, analysts and industry experts.



Patrick Lemmens, Michiel van Voorst, Koos Burema
Fund manager since 17-11-2017

Performance

	Fund	Index
1 m	-6.20%	-2.58%
3 m	-16.96%	-3.66%
Ytd	-15.94%	-7.37%
1 Year	-14.32%	7.81%
2 Years	7.20%	18.50%
3 Years	8.83%	13.41%
Since 11-2017	10.30%	10.15%

Annualized (for periods longer than one year)

Note: due to a difference in measurement period between the fund and the index, performance differences may arise. For further info, see last page.

Calendar year performance

	Fund	Index
2021	4.48%	18.54%
2020	27.26%	16.25%
2019	35.90%	26.60%
2018	-3.85%	-9.42%
2019-2021	21.80%	20.38%

Annualized (years)

Index

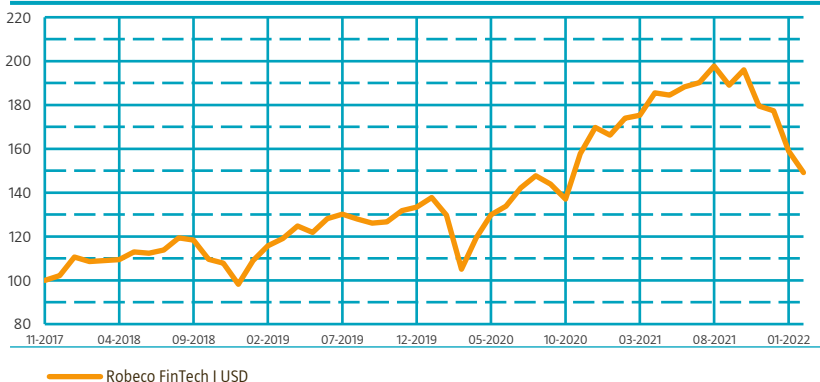
MSCI All Country World Index (Net Return, USD)

General facts

Morningstar	★
Type of fund	Equities
Currency	USD
Total size of fund	USD 1,362,468,575
Size of share class	USD 55,997,670
Outstanding shares	367,728
1st quotation date	17-11-2017
Close financial year	31-12
Ongoing charges	0.93%
Daily tradable	Yes
Dividend paid	No
Ex-ante tracking error limit	-
Management company	Robeco Institutional Asset Management B.V.

Performance

Indexed value (until 28-02-2022) - Source: Robeco



Performance

Based on transaction prices, the fund's return was -6.20%.

The challengers and winners made equally negative performance contributions. Enablers made a clearly lower but still negative performance contribution. The best relative performance was delivered by Upstart, Discover Financial Services, CyberArk, Capital One Financial, Signature Bank, Endava and Adyen. The largest detractors from performance were TCS Group, PayPal, Kaspi and Intuit.

Market development

Just when Covid worries started to dissipate as we entered the endemic phase of the virus, and the world started to prepare for full normalization of the global economy, the Russian invasion of Ukraine is casting dark clouds over financial markets. It is difficult to write about fundamentals in fintech when the whole world is concerned about Russia's next move and the subsequent sanctions. All this pales in comparison with the human tragedy we can witness every day. Our only direct exposure to Russia is challenger bank TCS Group. Coming back to fundamentals, virtually all our holdings sold off in February, in spite of solid earnings reports from for example Square (Block), Upstart, Adyen, MercadoLibre and NU Holdings. Clearly PayPal disappointed investors. Overall, 73% of our holdings have now reported, with 96% reporting in-line to better revenues and 71% reporting in-line to better EPS. The relatively poorer EPS performance often comes from increasing costs as companies decide to invest for the future. Despite all the market turmoil and uncertainty, February was very active in terms of M&A deals, funding rounds as well as in terms of calls for more regulation and oversight.

Expectation of fund manager

The digitalization of financial services continues and is even accelerating in some areas such as digital payments. Digital payments are accelerating; the move from cash to plastic through credit and debit cards is already being overhauled by a shift towards digital and mobile wallets. One of the important features of BNPL is that it removes friction for the consumer. Removing this friction for the end consumer is core to embedded finance. In essence, it is about offering financial services hidden in commercial transactions in such a way that the customer does not see them. Software is eating the world! The trend towards embedded finance only underpins our belief that traditional banks and insurers need to invest more and outsource more of their IT stack to stay relevant. Fintech can also stimulate financial inclusion, by serving clients that do not have a bank account, and by supporting people living in poverty or in vulnerable situations by reducing their exposure and vulnerability to shocks and disasters through insurance.

Sustainability profile

- Exclusions
- ESG Integration
- Voting & Engagement

For more information on exclusions see <https://www.robeco.com/exclusions/>

Top 10 largest positions

The five largest positions in the fund are MercadoLibre, Tencent, Discover Financial, Capital One Financial and Adyen.

Fund price

28-02-22	USD	152.28
High Ytd (03-01-22)	USD	182.01
Low Ytd (23-02-22)	USD	146.96

Fees

Management fee	0.80%
Performance fee	None
Service fee	0.12%
Expected transaction costs	0.13%

Legal status

Investment company with variable capital incorporated under Luxembourg law (SICAV)
 Issue structure Open-end
 UCITS V Yes
 Share class I USD
 This fund is a subfund of Robeco Capital Growth Funds, SICAV

Registered in

Austria, Denmark, Germany, Ireland, Italy, Luxembourg, Singapore, Spain, Switzerland, United Kingdom

Currency policy

The fund can engage in currency hedging transactions. Typically currency hedging is not applied.

Risk management

Risk management is fully integrated into the investment process to ensure that positions always meet predefined guidelines.

Dividend policy

The fund does not distribute dividend. The fund retains any income that is earned, and so its entire performance is reflected in the price.

Fund codes

ISIN	LU1700711580
Bloomberg	RGFIEU LX
WKN	A2JHGW
Valoren	38714659

Top 10 largest positions

Holdings

Discover Financial Services
 Capital One Financial Corp
 Tencent Holdings Ltd
 MercadoLibre Inc
 Adyen NV
 Visa Inc
 FleetCor Technologies Inc
 Intuit Inc
 Coinbase Global Inc
 Intercontinental Exchange Inc
Total

Sector	%
Consumer Finance	4.10
Consumer Finance	3.96
Interactive Media & Services	3.58
Internet & Direct Marketing Retail	3.53
IT Services	3.32
IT Services	3.19
IT Services	3.11
Software	2.97
Capital Markets	2.81
Capital Markets	2.74
Total	33.31

Top 10/20/30 weights

TOP 10	33.31%
TOP 20	55.07%
TOP 30	69.82%

Statistics

	3 Years
Tracking error ex-post (%)	9.87
Information ratio	-0.36
Sharpe ratio	0.40
Alpha (%)	-4.45
Beta	1.17
Standard deviation	22.31
Max. monthly gain (%)	15.31
Max. monthly loss (%)	-18.74

Above mentioned ratios are based on gross of fees returns

Hit ratio

	3 Years
Months outperformance	20
Hit ratio (%)	55.6
Months Bull market	24
Months outperformance Bull	15
Hit ratio Bull (%)	62.5
Months Bear market	12
Months Outperformance Bear	5
Hit ratio Bear (%)	41.7

Above mentioned ratios are based on gross of fees returns.

Sustainability

The fund incorporates sustainability in the investment process through exclusions, ESG integration, engagement and voting. The fund does not invest in issuers that are in breach of international norms or where activities have been deemed detrimental to society following Robeco's exclusion policy. Financially material ESG factors are integrated in the bottom-up investment analysis to assess existing and potential ESG risks and opportunities. In the stock selection the fund limits exposure to elevated sustainability risks. In addition, where a stock issuer is flagged for breaching international standards in the ongoing monitoring, the issuer will become subject to engagement. Lastly, the fund makes use of shareholder rights and applies proxy voting in accordance with Robeco's proxy voting policy.

Asset Allocation

Asset allocation		
Equity		99.6%
Cash		0.4%

Sector allocation

The fund does not have a sector allocation policy. The fund invests in three different segments that benefit from the digitization of the financial sector, and focuses on the fintech long-term growth investment universe. It invests in three distinct segments, labeled as winners, challengers and enablers. Winners are well-established companies that clearly stand out from their peers. Challengers are younger, less-established companies that have the potential to become tomorrow's winners. Enablers are companies that help the financial industry to develop and implement technology.

Sector allocation		Deviation index	
IT Services	<div><div></div></div> 28.2%	<div><div></div></div> 24.6%	
Software	<div><div></div></div> 18.8%	<div><div></div></div> 12.5%	
Capital Markets	<div><div></div></div> 18.7%	<div><div></div></div> 15.8%	
Consumer Finance	<div><div></div></div> 13.5%	<div><div></div></div> 13.0%	
Commercial Banks	<div><div></div></div> 6.4%	<div><div></div></div> -0.9%	
Professional Services	<div><div></div></div> 3.8%	<div><div></div></div> 3.1%	
Internet & Direct Marketing Retail	<div><div></div></div> 3.6%	<div><div></div></div> 0.4%	
Interactive Media & Services	<div><div></div></div> 3.6%	<div><div></div></div> -0.6%	
Entertainment	<div><div></div></div> 1.2%	<div><div></div></div> -0.1%	
Thriffs & Mortgage Finance	<div><div></div></div> 1.1%	<div><div></div></div> 1.0%	
Insurance	<div><div></div></div> 1.1%	<div><div></div></div> -2.0%	
Beverages	<div><div></div></div> 0.0%	<div><div></div></div> -1.6%	
Other	<div><div></div></div> 0.0%	<div><div></div></div> -65.8%	

Regional allocation

The fund currently has about 68% of its investments in the US, which is the dominant country for listed fintech equity investments, but over time we expect China, India and other emerging markets next to Europe to gain importance. We have defined a proprietary fintech universe with companies exposed to payments, distributed ledger technology, regtech, insurtech, personal finance, security, wealth management, electronic trading, big data, etc.

Regional allocation		Deviation index	
America	<div><div></div></div> 69.9%	<div><div></div></div>	5.3%
Asia	<div><div></div></div> 14.7%	<div><div></div></div>	-2.8%
Europe	<div><div></div></div> 13.0%	<div><div></div></div>	-3.4%
Middle East	<div><div></div></div> 2.4%	<div><div></div></div>	1.4%
Africa	<div><div></div></div> 0.0%	<div><div></div></div>	-0.4%

Currency allocation

The fund has no active currency positions.

Currency allocation		Deviation index	
U.S. Dollar	<div><div></div></div> 74.0%	<div><div></div></div> 13.1%	
Euro	<div><div></div></div> 7.0%	<div><div></div></div> -1.0%	
Hong Kong Dollar	<div><div></div></div> 6.4%	<div><div></div></div> 2.8%	
Japanese Yen	<div><div></div></div> 3.9%	<div><div></div></div> -1.7%	
Indian Rupee	<div><div></div></div> 1.9%	<div><div></div></div> 0.5%	
Kazakhstan Tenge	<div><div></div></div> 1.3%	<div><div></div></div> 1.3%	
Chinese Renminbi (Yuan)	<div><div></div></div> 1.2%	<div><div></div></div> 0.6%	
Singapore Dollar	<div><div></div></div> 1.2%	<div><div></div></div> 0.9%	
Pound Sterling	<div><div></div></div> 1.0%	<div><div></div></div> -2.8%	
Swiss Franc	<div><div></div></div> 0.7%	<div><div></div></div> -1.9%	
Swedish Kroner	<div><div></div></div> 0.7%	<div><div></div></div> -0.2%	
Brasilian Real	<div><div></div></div> 0.6%	<div><div></div></div> 0.0%	
Other	<div><div></div></div> 0.0%	<div><div></div></div> -11.7%	

Investment policy

Robeco FinTech is an actively managed fund that invests in stocks in developed and emerging countries. The selection of these stocks is based on fundamental analysis. The fund's objective is to achieve a better return than the index. The fund promotes ESG (i.e. Environmental, Social and corporate Governance) characteristics within the meaning of Article 8 of the European Sustainable Finance Disclosure Regulation and integrates ESG and sustainability risks in the investment process. In addition, the fund applies an exclusion list on the basis of controversial behavior, products (including controversial weapons, tobacco, palm oil and fossil fuel) and countries, next to voting and engaging. Proprietary valuation models are used to select stocks with good earnings prospects and a reasonable valuation and those companies which benefit from the increasing digitization of the financial sector are included. These are individually assessed on the basis of industry trend analysis, in-depth discussions with corporate management, analysts and industry experts. The majority of stocks selected will be components of the Benchmark, but stocks outside the Benchmark may be selected too. The investment policy is not constrained by a benchmark but the fund may use a benchmark for comparison purposes. The fund can deviate substantially from the issuer, country and sector weightings of the Benchmark. There are no restrictions on the deviation from the Benchmark. The Benchmark is a broad market weighted index that is not consistent with the ESG characteristics promoted by the fund.

Fund manager's CV

Mr. Patrick Lemmens is a Senior Portfolio Manager. He is the Lead Portfolio Manager of Robeco New World Financials fund. He has been responsible for this fund since October 2008. Prior to joining Robeco in 2008, Patrick was employed at ABN AMRO Asset Management as a Senior Portfolio Manager for 5 years and 9 years as a Senior Investment Analyst, both in Global Financials. He managed the ABN AMRO Financials Fund between October 2003 and December 2007. Patrick started his career in the investment industry in 1993. He holds a Master's degree in Business Economics from the Erasmus University Rotterdam and is a CEFA holder since 1995. He is registered with the Dutch Securities Institute. Michiel van Voorst is co-portfolio manager of Robeco New World Financials and Robeco FinTech. Michiel re-joins Robeco from Union Bancaire Privée in Hong Kong where he was CIO Asian Equities. Besides this role, Michiel is a Board member of a Hong Kong based Fintech startup offering regulated software services (SaaS) for independent financial advisors globally. Prior to that, Michiel spent 12 years at Robeco in several senior positions including senior portfolio manager Rolinco Global Growth fund and Robeco Asian Stars. Prior to joining Robeco in 2005, Michiel was Portfolio Manager US Equity at PGGM and Economist with Rabobank Netherlands. He has more than 20 years of broad equity experience in both developed and emerging markets. Michiel van Voorst holds a Master's degree in Economics from University of Utrecht and is CFA charter holder since 2004. Koos Burema is co-portfolio manager of Robeco New World Financials and Robeco FinTech. Koos was an Analyst with the Emerging Markets team covering Korea + technology in Taiwan and Mainland China. Besides this, he was responsible for the quality check on ESG integration in the investment process. Before joining the team in January 2010, he worked as a Junior Portfolio Manager for different sector teams within Robeco. Prior to joining Robeco in September 2007, Koos was employed by IEX.nl, the largest Dutch investment website for six years. Koos holds a Master of Science in Business Administration from the University of Groningen and is CFA charter holder since 2011.

Fiscal product treatment

The fund is established in Luxembourg and is subject to the Luxembourg tax laws and regulations. The fund is not liable to pay any corporation, income, dividend or capital gains tax in Luxembourg. The fund is subject to an annual subscription tax ('tax d'abonnement') in Luxembourg, which amounts to 0.01% of the net asset value of the fund. This tax is included in the net asset value of the fund. The fund can in principle use the Luxembourg treaty network to partially recover any withholding tax on its income.

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Morningstar

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