

Press Release

Robeco launches innovative AI-driven NextGen Global Small Cap ETF

- Machine learning unlocks alpha in an under-researched small-cap universe
- Born from Robeco's NextGen Quant Incubator to accelerate next-generation innovation
- Underrepresented global small caps add unique growth exposure and diversification

Rotterdam, 3 March 2026 – Today Robeco announces the launch of its NextGen Global Small Cap ETF, an actively managed strategy powered by machine learning. The ETF brings together the firm's decades of quantitative investing expertise and advanced AI technology, offering investors a data-driven way to access the global small-cap equity universe.

Global small caps represent one of the broadest and least efficiently covered segments of equity markets. With thousands of companies, lower analyst coverage, and less skewed index composition, the asset class offers fertile ground for active strategies. Robeco's new active ETF uses machine learning to identify opportunities across this expansive universe, dynamically determining which features matter for each individual stock.

While several active and passive small-cap ETFs exist, these strategies often rely on linear combinations of well-known factors alone, typically resulting in similar portfolio characteristics across providers. In contrast, the NextGen Global Small Cap ETF uses machine learning to detect non-linear relationships in return drivers, capturing higher-order interactions between signals across multiple investment horizons and dynamically adapting signal weighting at the individual stock level accordingly.

This enables the strategy to uncover patterns other models might miss, creating an ideal environment for extracting alpha. With even the most advanced AI models requiring sound human judgment, especially during extreme or unforeseen market conditions, Robeco's portfolio managers remain accountable for validating whether the assumptions underpinning the model remain intact.

As yet an under-represented asset class in many portfolios, global small caps can play a valuable role within broader equity allocations. Their return drivers differ significantly from large caps, and their valuations offer attractive entry points. As a result, small caps can serve as a powerful diversifier in portfolios, providing exposure to companies earlier in their growth cycle and less influenced by global macroeconomic dynamics.

The newest active ETF is Robeco's latest product to emerge from the firm's NextGen Quant Program, a research platform designed to rapidly develop and test innovative quantitative strategies. Launched in late 2023, the NextGen Quant Program has already delivered several client ready innovations, including the Dynamic Theme Machine ETF. By combining new technological capabilities with Robeco's existing intellectual property, the incubator accelerates the creation of next-generation solutions, complementing our flagship quant offerings.

Nick King, Head of ETFs at Robeco: "Investing in small caps aims to enhance long-term return potential and provide diversification benefits. The NextGen Quant team have developed a unique AI-powered process to select stocks from this incredibly broad universe, while maintaining disciplined risk management. Wrapping the strategy as an ETF makes it efficient and accessible to clients."

Mike Chen, Head of NextGen Quant at Robeco: "The NextGen Quant Program is transforming cutting-edge ideas into real investment strategies, complementing our flagship offerings and offering clients

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regulations and taxes in the countries of their respective citizenship, residence or domicile. The Fund information, if any, contained in this document is qualified in its entirety by reference to the prospectus, and this document should, at all times, be read in conjunction with the prospectus. Detailed information on the Fund and associated risks is contained in the prospectus. The prospectus and the Key Information Document (PRIIP) for the Robeco Funds can all be obtained free of charge from Robeco's websites.