

KEY INVESTOR INFORMATION

This document provides you with key investor information about this Fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this Fund. You are advised to read it so you can make an informed decision about whether to invest.

H2O ALLEGRO

Share Class: R – EUR (C)

ISIN: FR0011015460

Investment Manager: H2O Asset Management LLP

OBJECTIVES AND INVESTMENT POLICY

- The UCITS' management objective is to outperform, over its recommended minimum investment term of 3 to 4 years, the daily capitalised EONIA, after the deduction of management fees. This objective is to be achieved by means of management that establishes strategic and tactical positions as well as arbitrages on all interest rate and international currency markets. The EONIA corresponds to the average overnight rate in the eurozone.
- The investment policy of this UCITS seeks to outperform the benchmark index, independently of market conditions, by implementing various management strategies, within the framework of its fixed overall risk budget for its portfolio. As an illustration, the UCITS is statistically calibrated, in ordinary market conditions, so as not to lose more than 20% with a horizon of 20 days and with a probability of 99%. The UCITS' performance has stronger links to relative changes among markets than to the general direction taken by these markets. The modified duration range of the UCITS is between -8 and +8.
- The AMF classification of this UCITS is: Bonds and other international debt securities.
- In order to achieve the management objective, different strategies may be implemented, depending on the risk allocation choices. The first type is an active management strategy, allocating the portfolio modified duration among the four main OECD government bond markets (United States for the dollar zone, Germany for the European zone, United Kingdom and Japan). The second strategy type is the active management of the overall credit risk on OECD non-government bonds and non-OECD government and nongovernment bonds. The third and final strategy type involves the management of currencies through an allocation of US dollars (purchase or sale of the US dollar against other currencies) and a relative allocation among the three main currency blocs: the European currencies (euro, pound sterling, Swiss franc, etc.), the yen bloc (Japanese yen, South Korean won) and the currency bloc linked to the development of raw materials (Canadian dollar, Australian dollar, New Zealand dollar, etc.). Up to 100% of the UCITS' portfolio may consist of bonds issued or guaranteed by OECD member states with no rating restrictions. Up to 100% of the portfolio may be composed of securities issued by private issuers whose registered offices are located in an OECD country. The Management Company relies on its teams and its own methodology to appraise the credit risk. In addition to this appraisal, the bonds are subject to a minimum rating constraint corresponding to the investment grade in accordance with the management company's criteria at the time of their acquisition (for example, BBB- according to the Standard & Poor's scale). Up to 40% of the portfolio may also be composed of bonds from private issuers from OECD countries with a rating that is lower than BBB- (or an equivalent rating in accordance with the management company's analysis) or public and/or private issuers with no rating restrictions.
- The UCITS accumulates its income.
- Redemption requests are received daily by 12.30 p.m. at the latest and are executed daily.

RISK AND REWARD PROFILE

Lower Risk ← → Higher risk
Potentially lower returns Potentially higher returns



The risk and return indicator indicates the exposure of the UCITS to international interest rate and foreign currency markets as part of a flexible strategy seeking absolute performance.

- The historical data used to calculate the level of risk may not provide a reliable indication of the UCITS' future risk profile.
- The lowest category does not mean a risk-free investment.
- The risk category associated with this UCITS is not guaranteed and may change over time.

Major risks for the UCITS that are not taken into account in the benchmark:

- **Credit risk:** Credit risk arises from the risk of a deterioration in the quality of an issuer and/or an issue, which may lead to a decrease in the value of the security. It may also arise due to an issuer included in the portfolio defaulting upon the maturity of the security that has been issued.
- **Liquidity risk:** Liquidity risk represents the fall in the price the UCITS may potentially have to accept in order to sell certain assets for which there is insufficient market demand.
- **Counterparty risk:** Counterparty risk is the risk of a counterparty with which the UCITS has entered into over-the-counter contracts, being unable to meet its obligations towards the UCITS.
- **Impact of management techniques, particularly Forward Financial Instruments:** The risk entailed in management techniques is the risk of losses being worsened through the use of forward financial instruments such as over-the-counter financial contracts and/or transactions involving the temporary purchase and sale of securities.

CHARGES

The charges and fees you pay are used to cover the costs of running the Fund, including the costs of marketing and distributing shares. These charges reduce the potential growth of your investment.

One-off charges taken before or after you invest

Entry charge	2.00%
Exit charge	None

The percentage indicated is the maximum that might be taken out of your money before it is invested.

In certain cases, investors may pay less.

Investors can obtain the actual amount of the entry and exit charges from their advisor or distributor.

Charges taken from the Fund over the previous financial year

Ongoing charges	1.36%
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Performance-related charges taken by the Fund

Performance fee	20% of the UCITS' outperformance of the benchmark, the capitalised Eonia, i.e. 6.80% for the previous financial year.
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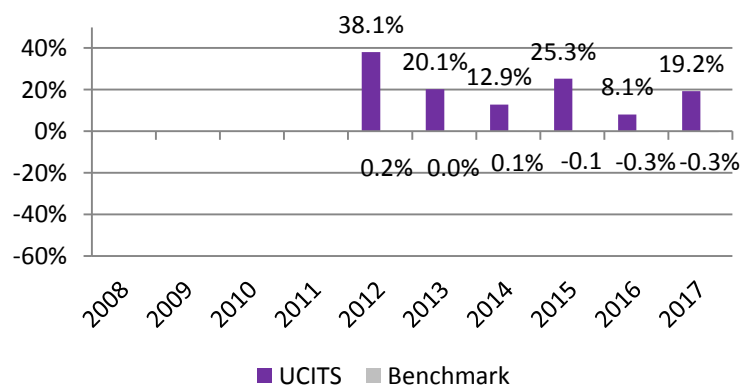
Ongoing expenses are established on the previous accounting year's figures, closed on December 2017. This figure may vary from one year to the next.

The ongoing charges do not include:

- Outperformance fees.
- Intermediary charges, except in the case of entry and/or exit charges paid by the UCITS when it buys or sells units in another collective investment scheme.

For more information on charges, investors are advised to refer to the 'Charges' section of the prospectus for this UCITS, available from the website at www.h2o-am.com.

PAST PERFORMANCE



- The performance graph shown here does not constitute a reliable indication of future performance.
- Annual performance is calculated following the deduction of charges from the UCITS.
- **UCITS launch year** : 2011.
- **Year the R(C) unit was created**: 2011.
- **Currency** : EURO

USEFUL INFORMATION

- Depositary: CACEIS Bank
- The prospectus, annual reports and latest periodic documents, as well as all other practical information for the UCITS, may be obtained from the Management Company on written request to: H2O AM LLP, 10 Old Burlington Street, London W1S 3AG, Great Britain, or to the following e-mail address: info@h2o-am.com. Further information about the Fund (including the current prospectus and most recent financial statements) and the different Classes of Shares are available at the registered office. The net asset value per share for each share class of the Fund is available at www.h2o-am.com. Information about other unit classes is available in the same manner.
- Tax: Depending on your tax system, any capital gains and/or income related to the holding of units may be subject to tax. You are advised to seek information on this matter from your advisor or distributor.
- The net asset value is available from the management company at the postal address above and at www.h2o-am.com.
- H2O AM LLP may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the prospectus for this UCITS.
- Information for Swiss investor: The FCP representative and paying agent in Switzerland is RBC Investor Services Bank S.A., Esch-sur-Alzette, succursale de Zurich, Badenerstrasse 567, Case postale 1292, 8048 Zurich. The full prospectus, the key investor information document, the articles of association as well as the annual and semi-annual reports of the Fund may be obtained from the Swiss representative free of charge.

This UCITS is approved in France and regulated by the AMF, the French Financial Markets Authority. H2O AM LLP is authorised in the United Kingdom and regulated by the Financial Conduct Authority (FCA). This key investor information is accurate as at 09 February 2018.

DISCLAIMER : This KIID is solely provided for commercial use and has not be submitted to the FINMA. The official swiss language version of the key investor information document is binding.