Key Information Document

Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

Product

H2O ALLEGRO FCP
H2O ALLEGRO FCP I (ISIN: FR0011006188)

This product is authorised in France.

The management company of this product is H2O AM EUROPE, part of the H2O Asset Management group, which is authorised in France under the no. GP-19000011 and regulated by the Autorité des Marchés Financiers (AMF), the French Financial Markets Authority. The AMF is responsible for supervising H2O AM EUROPE in relation to this Key Information Document. Please visit the website at www.h2o-am.com or call +33 (0)1 87 86 65 11 for more information.

The date of this Key Information Document is 31 December 2024.

What is this product?

- Type: This product is an FCP (Fonds Commun de Placement or collective investment fund).
- Term: This product has no specific maturity date.

The contract may be terminated unilaterally by H2O AM EUROPE.

This product may be liquidated or merged with another product. In this event, you shall be informed by any appropriate means in accordance with applicable regulations.

Objectives

The objective of the unit is to outperform its benchmark index, the daily capitalised €STR, by 3% per year, over a minimum recommended investment period of 5 years, after deduction of management fees. The €STR (Euro Short-Term Rate) corresponds to the interbank market benchmark rate in the eurozone. It is calculated by the European Central Bank.

The investment policy of this UCITS (Undertaking for Collective Investment in Transferable Securities) 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 trends among markets than to the general direction taken by the markets. The modified duration range of the UCITS is between -8 and +8.

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 modified duration of the portfolio 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 non-government 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 commodity fluctuations (Canadian dollar, Australian dollar, New Zealand dollar etc.). Up to 100% of the UCITS' portfolio is made up 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 of Investment Grade, according to the Management Company's criteria at the time of their acquisition (e.g. 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 according to the Management Company's analysis) or public and/or private issuers with no rating restrictions.

The UCITS makes use of derivatives to expose the portfolio to the aforementioned asset classes, to manage currency risk and cash, and to manage the overall portfolio risk.

The UCITS is actively managed. Its management objective refers to the benchmark index, which is also a component of the performance fee calculation. The UCITS may invest in instruments that are included in the index, but its composition is in no way constrained by this market index.

You can ask to sell your product at a daily frequency. In exceptional cases, this ability may be limited if the gates mechanism has been implemented. You can find more details in the section "How long should I hold it and can I take money out early?".
Dividend income is not distributed. All income derived from the product is reinvested.

Intended retail investor

The product is aimed at investors (i) with basic knowledge of and limited or no experience in investing in this type of product, (ii) willing to accept a very high risk of loss of their investment and (iii) with the objective of increasing their capital during at least the recommended holding period.

Additional information about the product

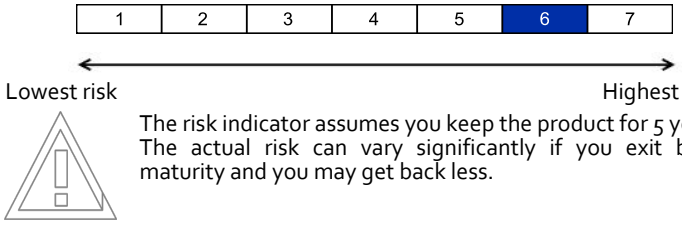
- Depositary: CACEIS Bank

Further information about the product and the prospectus, the latest annual reports and periodic documents and the most recent net asset value of the shares can be obtained free of charge in French or English on the website www.h2o-am.com or by sending a written request to the registered office of H2O AM EUROPE.

Information for Swiss investors
The representative and paying agent for the product in Switzerland is CACEIS Bank, Montrouge, Zurich Branch/Switzerland, Bleicherweg 7, CH-8027 Zurich. The prospectus, rules, key information documents and the annual and semi-annual reports are available free of charge from the representative.

What are the risks and what could I get in return?

Risk Indicator



The risk indicator assumes you keep the product for 5 years. The actual risk can vary significantly if you exit before maturity and you may get back less.

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you.

We have classified this product as 6 out of 7, which is the second-highest risk class. This rates the potential losses from performance at a high level, and poor market conditions are very likely to impact our capacity to pay you.

Be aware of currency risk. You will receive payments in a different currency, so the final return you will get depend on the exchange rate between the two currencies. This risk is not considered in the indicator shown on the left.

Other materially relevant risks not included in the summary risk indicator: liquidity, credit and counterparty risk, as well as the risk related to management techniques, may increase the variation in product performance.

This product does not include any protection from future market performance so you could lose some or all of your investment.

If we are not able to pay you what is owed, you could lose your entire investment. However, you may benefit from a consumer protection scheme (see the section "What happens if we are unable to pay out?"). The indicator shown above does not consider this protection.

Performance scenarios

The figures shown include all the costs of the product itself, but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

What you will get from this product depends on future market performance. Market developments in the future are uncertain and cannot be accurately predicted.

The unfavourable, moderate, and favourable scenarios shown are illustrations using the worst, average, and best performance of the product over the last 10 years. Markets could develop very differently in the future.

The stress scenario shows what you might get back in extreme market circumstances.

Recommended holding period: 5 years Example Investment: 10,000 EUR		**If you exit after 1 year**	**If you exit after 5 years**
Scenarios			
Minimum		There is no minimum guaranteed return. You could lose some or all of your investment.	
Stress	*What you might get back after costs* Average return each year	130 EUR -98.7 %	90 EUR -60.8 %
Unfavourable	*What you might get back after costs* Average return each year	5,260 EUR -46.9 %	9,720 EUR(*) -0.6 %
Moderate	*What you might get back after costs* Average return each year	11,770 EUR 17.5 %	18,070 EUR(*) 12.6 %
Favourable	*What you might get back after costs* Average return each year	21,210 EUR 112.6 %	29,450 EUR(*) 24.1 %

(*) The unfavourable scenario occurred for an investment (calculated on the historical performance of the product) between November 2023 and November 2024. The moderate scenario occurred for an investment (calculated on the historical performance of the product) between February 2019 and February 2024. The favourable scenario occurred for an investment (calculated on the historical performance of the product) between December 2014 and January 2020.

The Fund is the result of the division of another fund whose historical data has been used for the purposes of the above performance scenario calculations. Please see the Fund prospectus for more details.

What happens if H2O AM EUROPE is unable to pay out?

The assets of the product are held in safekeeping by CACEIS Bank (the "Depositary"). In the event of the insolvency of H2O AM EUROPE (the "management company"), the product's assets in the safekeeping of the Depositary will not be affected. However, in the event of the insolvency of the Depositary, or someone acting on its behalf, the product may suffer a financial loss. This risk is mitigated to a certain extent by the fact the Depositary is required by law and regulation to segregate its own assets from the assets of the product. The Depositary will also be liable to the product and the investors for any loss arising from, among other things, its negligence, fraud or intentional failure properly to fulfil its obligations (subject to certain limitations).

There is an investor compensation scheme or a guarantee fund in the event of default by the Management Company in certain circumstances. Unitholders/shareholders of the product for which H2O AM EUROPE maintains the nominative register could receive compensation if their units/shares of this product are not returned. This compensation could be up to 20,000 EUR.

What are the costs?

The person advising on or selling you this product may charge you other costs. If so, this person will provide you with information about these costs and how they affect your investment.

Costs over Time

The tables show the amounts that are taken from your investment to cover different types of costs. These amounts depend on how much you invest, how long you hold the product and how well the product does. The amounts shown here are illustrations based on an example investment amount and different possible investment periods. We have assumed:

- In the first year you get back the amount that you invested (0% annual return). For the other holding periods we have assumed the product performs as shown in the moderate scenario.
- 10,000 EUR are invested.

	If you exit after 1 year	If you exit after 5 years
Total costs	724 EUR	6,550 EUR
Annual cost impact (*)	7.3 %	7.3% each year

(*) This illustrates how costs reduce your return each year over the holding period. For example it shows that if you exit at the recommended holding period your average return per year is projected to be 19.9% before costs and 12.6% after costs.

These figures include the maximum distribution fee that the person selling you the product may charge (1.0% of amount invested / 100 EUR). This person will inform you of the actual distribution fee.

Composition of Costs

One-off costs upon entry or exit		If you exit after 1 year
Entry costs	1.0% of the amount you pay in when investing in this product. This includes distribution costs of 1.0% of amount invested / 100 EUR. Maximum amount that may be charged. The person selling you the product will inform you of the actual charge.	Up to 100 EUR
Exit costs	We do not charge an exit fee for this product.	None
Ongoing costs taken each year		
Management fees and other administrative or operating costs	1.0% of the value of your investment per year. H2O AM EUROPE may be required to remunerate third parties. Please see the Fund prospectus for further information. This figure is an estimate of the charges, taking into account the changes made to the fee structure. This figure may vary from year to year.	97 EUR
Transaction costs	1.8% of the value of your investment per year. This is an estimate of the costs incurred when we buy and sell the underlying investments for the product. The actual amount will vary depending on how much we buy and sell.	182 EUR
Incidental costs taken under specific conditions		
Performance fees	25.0% of the performance of the product compared with the benchmark, the daily capitalised €STR, +3% per year. 3.5% of the value of your investment per year. The actual amount will vary depending on how well your investment performs. The estimated total cost shown above includes the five-year average. Investors are reminded that performance fees may be charged even when the performance of the product is negative, particularly if the benchmark underperforms compared to the product.	345 EUR

How long should I hold it and can I take money out early?

Recommended holding period: 5 years

The recommended holding period corresponds to the period of time during which you must remain invested in the product to maximise the likelihood of obtaining a return while minimising the risk of losses. This duration was defined by taking into account the risk-reward profile, invested assets, management objective and investment strategy of the product.

You can ask to sell your product at a daily frequency. You may receive less than expected if you cash in earlier than the recommended holding period. The recommended holding period is an estimate and must not be taken as a guarantee or an indication of future performance, return or risk levels.

Redemption requests are received every day by 12:30 p.m. at the latest and are executed daily. This daily execution may be limited in the event that the gates mechanism, which allows unit redemption requests to be spread over several net assets values when they exceed a certain threshold, determined in an objective manner, is triggered. You will be informed that the gates mechanism has been activated on the website www.h2o-am.com. For more information about this mechanism, please see the prospectus and regulations for the UCITS.

The product does not benefit from a capital guarantee. The unitholders/shareholders of the product could receive compensation if their units/shares are not returned under the conditions described above. There is no correlation between this potential compensation and the holding period of the product.

How can I complain?

If you wish to make a complaint about the product, the conduct of H2O AM EUROPE or the person who advised you or sold you the product, our complaints handling process can be found at https://www.h2o-am.com/legal-notice/. You can also post your complaint to our registered office, 39, avenue Pierre 1er de Serbie, 75008 Paris, France, or email it to clientservices@h2o-am.com.

Other relevant information

Information about the past performance of the product can be found here: www.h2o-am.com/fr/fonds/?isin=FR0011006188. Past performance is shown over a period of 4 years.

Calculations of previous monthly performance scenarios can be found here: www.h2o-am.com/fr/fonds/?isin=FR0011006188.

Where this Product is used as unit-linked product in a life insurance or capitalisation contract, additional information about that contract, such as contract costs that are not included in the costs stated in this document, the contact in the event of a claim and what happens in the event of default by the insurance company are presented in the Key Information Document of this contract, which must be delivered by your insurer or broker, or any other insurance intermediary in accordance with its legal obligation.