

H2O EuroSovereign

ACTIVE MANAGEMENT OF EUROPEAN GOVERNMENT BONDS IN EUR

3 FUND HIGHLIGHTS

- 1 European government bond fund denominated in EUR aiming to outperform the reference index Bloomberg Barclays EuroAgg Treasury (LEATTREU) over an investment horizon of 3 years.
- 2 Portfolio construction at the heart of the investment process: arbitrage implementation by country, yield curves, instruments and participation to government bond issues (tenders and syndications).
- 3 Strategies benefiting from H2O's expertise in the bond markets, in line with its broad macroeconomic guidelines.

3 MAIN REASONS TO INVEST

H2O EuroSovereign is characterised by the active management of European sovereign bonds which today, despite negative real yields, offer arbitrage opportunities due to investor constraints and the lack of safe haven assets.

1 An arbitrage fund with relative strategies

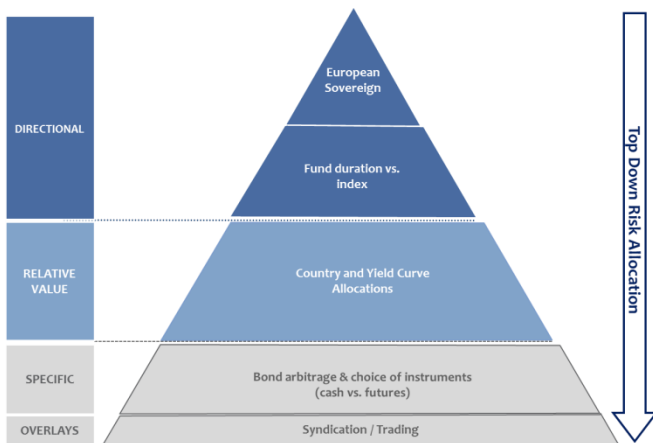
The fund's core strategy is to generate Alpha through relative value opportunities in European bond markets. For instance, the fund benefited from country spread divergences among European nations.

2 Dynamic management of yield sensitivity over several horizons

The allocation of portfolio sensitivity between +3 and +13, yield curve adjustments, country arbitrages, as well as Investors' biases observed during sovereign issuances are the performance drivers of H2O EuroSovereign.

3 Accessing H2O's expertise on European bond markets

The portfolio's active management provides exposure to multiple strategies combining a variety of sovereign issues from major countries within the Eurozone: Germany, France, Italy, Spain, Portugal, Greece, Austria, Slovenia, etc.



PROFILE

<ul style="list-style-type: none"> • INVESTMENT OBJECTIVE To outperform the reference Index 	<ul style="list-style-type: none"> • VALUE AT RISK* 2x Bench (99%, 20j)
<ul style="list-style-type: none"> • INVESTMENT UNIVERSE Index replication and active management. Overlays: Relative value on European bond markets Instruments: Cash and Futures 	<ul style="list-style-type: none"> • REFERENCE INDEX Bloomberg EuroAgg Treasury Total Return Index Value Unhedged EUR
<ul style="list-style-type: none"> • FUND LAUNCH DATE 19 June 2019 	<ul style="list-style-type: none"> • INVESTMENT HORIZON 3 years
<ul style="list-style-type: none"> • CURRENCIES AVAILABLE EUR 	<ul style="list-style-type: none"> • LEGAL STRUCTURE UCITS, compartment of the French SICAV H2O Invest
<ul style="list-style-type: none"> • SHARE CLASSES & TYPES AVAILABLE Institutional - I/C & SI/C 	

* Parametric Value-At-Risk = maximum potential loss that a portfolio may incur over a given time horizon, with a given probability. Ex: if VaR (99%; 20d) = 10% -> over the next 20 days, there is a 99% chance that the portfolio will not lose more than 10% of its value - or, alternatively, that there is only a 1% probability that it will lose more than 10% of its value.

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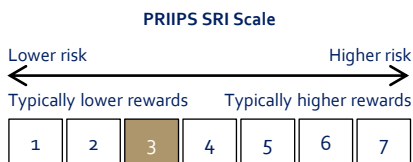
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□ FUND FEATURES

<i>Daily valuation</i>		I-C	SI/C
		EUR	EUR
Benchmark Anchored	ISIN	FR0013410867	FR0013410875
	Allocation Income	Accumulation	Accumulation
	Fixed fees	0.45%	0.35%
	Performance fees	-	-
	Min initial subscript ^o	100 000	100 000 000

□ RISKS

Investors should consider the investment objectives and risks involved. The fund invests exclusively in the European bond markets. These investments are sensitive to changes in interest rates. The fund is subject to specific risks, including credit risk, liquidity risk, counterparty risk and the risk associated with financial derivative instruments. An investor's capital will be at risk; you can get back less than you invested. Please refer to the full prospectus for more details on risks. To obtain this document, please contact your usual H2O AM contact or visit www.h2o-am.com



Disclaimer

Important note: Investors should consider the investment objectives, risks, charges and expenses of the fund before investing. These pieces of information are detailed in the fund's prospectus and KIID. To obtain these documents, please contact your usual investment advisor or visit our website www.h2o-am.com. All the funds listed above are managed by H2O Asset management

H2O EuroSovereign is a sub-fund of H2O Invest, a French SICAV with limited liability and segregated liability between sub-funds.

The Management Company, H2O AM EUROPE is authorized and regulated by the Autorité des Marchés Financiers under the AMF agreement number GP-19000011. The AMF Register can be accessed at <https://www.amf-france.org>;

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