

**THE NT EM LOCAL CURRENCY GOVERNMENT BOND INDEX FUND**

**SUPPLEMENT DATED 28 FEBRUARY 2019 TO THE PROSPECTUS  
DATED 23 JUNE 2017 FOR NORTHERN TRUST INVESTMENT FUNDS  
PLC**



# Supplement dated 28 February 2019 to the Prospectus dated 23 June 2017 for Northern Trust Investment Funds plc

## **THE NT EM LOCAL CURRENCY GOVERNMENT BOND INDEX FUND**

This Supplement contains specific information in relation to The NT EM Local Currency Government Bond Index Fund (the “Fund”), a sub-fund of Northern Trust Investment Funds plc (the “Company”) an open-ended investment company with variable capital established as an umbrella fund with segregated liability between Funds governed by the laws of Ireland and authorised by the Central Bank of Ireland (the “Central Bank”).

**This Supplement forms part of and should be read in conjunction with the Prospectus.**

The Directors of the Company, whose names appear in the **Management and Administration** section of the Prospectus, accept responsibility for the information contained in the Prospectus and this Supplement. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) such information is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

Words and expressions defined in the Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement.

**An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

**The Fund may invest in financial derivative instruments (FDI) for efficient portfolio management purposes (as detailed below). See section titled “Leverage” for details of the leverage effect of investing in FDI.**

**A Repurchase Charge of up to 2% of the repurchase price may be charged by the Directors in their discretion on the repurchase of Shares. The difference at any one time between the sale and repurchase price of Shares means that the investment should be viewed as medium to long term.**

## DIRECTORY

4	INVESTMENT OBJECTIVE AND POLICIES
5	PROFILE OF A TYPICAL INVESTOR
5	INVESTMENT RESTRICTIONS
5	EFFICIENT PORTFOLIO MANAGEMENT
5	BORROWINGS
5	RISK FACTORS
6	DIVIDEND POLICY
6	KEY INFORMATION FOR BUYING AND SELLING
7	FEES AND EXPENSES
8	MISCELLANEOUS

## INVESTMENT OBJECTIVE AND POLICIES

### Investment Objective

The investment objective of the Fund is to closely match the risk and return characteristics of the Bloomberg Barclays EM Local Currency Government 10% Country Capped B3 and better Index (the **Index**). Any change of index shall only be made with the prior approval of the Shareholders.

### Investment Policies

The Fund seeks to achieve its investment objective through investment in investible local currency bonds issued by the governments of emerging market countries that are constituents of or are eligible as constituents of the Index. The Fund may also invest in securities which were previously constituents of the Index but are no longer eligible for inclusion in the Index where they have less than one year to final maturity. Such securities are otherwise eligible for inclusion in the Index and so are included for investment purposes. Such securities shall be listed on stock exchanges or regulated markets in countries (within the list of Markets set out in Appendix I of the Prospectus) comprised within the Index, details of which are set out under the heading **Index Description** below. The Fund may also from time to time invest in freely transferable Debt and Debt Related Securities, supranational bonds which may be rated or unrated, fixed rate or floating rate and will be issued by public international bodies (of which one or more of the EEA member states are members) and bond futures that are not included in the Index in order to achieve its investment objective. Any such substitute instrument is selected using proprietary tools with the selection process focusing on instruments of similar currency, duration and credit quality to the Index constituent being replicated.

The Fund may also invest (up to 10% of its Net Asset Value) indirectly in such securities through holdings in open-ended collective investment schemes (including exchange traded funds) that satisfy Regulation 4(3) of the Regulations.

The Fund may not invest in any securities directly issued by any government that is subject to global sanctions from the United Nations or which appears on the Consolidated United Nations Security Council Sanctions List.

It is not anticipated that investments that are listed or traded in Russia will normally constitute a substantial element of the Fund and shall not in any event exceed 10% of the Net Asset Value of the Fund based on the concentration rules of the Index. Investment will only be made in securities that are listed/traded on the Moscow Exchange.

### Index Tracking Strategy

The Fund operates an index tracking strategy whereby it seeks to track the risk and return characteristics of the Index by investing directly in securities that are Index constituents or eligible as Index constituents (i.e. a physical replication model). The Fund does not seek to fully replicate the Index but instead seeks to construct a representative sample portfolio to obtain representative exposures in segments of the Index as well as to the overall Index (i.e. a stratified sampling technique) within the scope of the Fund's investment restrictions. The prime criterion for selecting securities is their suitability in terms of achieving the investment objective of the Fund to closely match the risk and return characteristics of the Index. In addition in selecting these securities factors relevant to the investment strategy of the Fund will also be taken into account including their liquidity. Accordingly, investment in the Fund should not be considered to provide a direct exposure to the Index. In normal market conditions the

Fund can be expected to closely match the performance of the Index with a potential difference of up to 1% annually. The Fund's ability to track the index will be affected by Fund expenses and transaction costs tied to the stratified sampling approach. Employing a stratified sampling approach can result in individual security overweights and underweights as the Fund will strive to achieve representative exposure in the more liquid and accessible sectors of the Index.

As the Fund does not pursue a synthetic index replication strategy, there is no corresponding counterparty risk related to the index replication strategy

#### **Index Description**

The Index measures the performance of investible local currency emerging markets bonds. The Index is a country-constrained version of the Emerging Markets Local Currency Government Index. The Index limits country exposure to a maximum of 10% and redistributes the excess market value index-wide on a pro rata basis. Countries included must have a sovereign rating of at least B3 or equivalent as per the index ratings methodology. As at the date of this Supplement, eligible countries for inclusion in the Index are Indonesia, Malaysia, Philippines, South Korea, Thailand, the Czech Republic, Hungary, Israel, Poland, South Africa, Romania, Russia, Turkey, Argentina, Brazil, Chile, Colombia, Mexico and Peru. Bonds which are included in the Index must have at least one year until final maturity.

The Index is rebalanced at each month end. The rebalancing frequency will have minimal impact on the strategy of the Fund or on transaction costs associated with the Fund as any rebalancing is not expected to require any higher frequency of position turnover in the Fund than would otherwise be the case.

Further details of the Index constituents, weightings and methodology can be navigated to from the following links:

[www.bloomberg.com/markets/rates-bonds/bloomberg-barclays-indices](http://www.bloomberg.com/markets/rates-bonds/bloomberg-barclays-indices).

In accordance with Regulation (EU) 2016/1011 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the **EU Benchmarks Regulation**) the Investment Manager has, on behalf of the Manager, put in place written plans which would enable the Fund to reference an alternative index, should the Index cease to be provided.

The Index used by the Fund in accordance with Article 3(1)(7)(e) of the EU Benchmarks Regulation is to be provided by an administrator either included in the register referred to in Article 36 of the EU Benchmarks Regulation or availing of the transitional arrangements pursuant to Article 51 of the EU Benchmarks Regulation.

#### **PROFILE OF A TYPICAL INVESTOR**

The Fund is designed for institutional investors including, but not limited to: national and multi-national corporations, pension funds, insurance companies, sovereign wealth funds, charities and fiduciary managers. A typical investor is a sophisticated investor prepared to accept medium to high volatility. A typical investor will be seeking to achieve exposure to the performance of local currency emerging markets debt markets, prepared to accept the risks associated with an investment of this type and seeking to achieve a return on investment in the medium to long term.

#### **INVESTMENT RESTRICTIONS**

The general investment restrictions set out under the heading Investment Objective and Policies of the Funds – Investment Restrictions in the Prospectus shall apply.

It is noted in particular that the Fund may not invest more than 10% of net assets in collective investment schemes on aggregate.

#### **USE OF EFFICIENT PORTFOLIO MANAGEMENT TECHNIQUES, FINANCIAL DERIVATIVE INSTRUMENTS AND SECURITIES FINANCING TRANSACTIONS**

The purpose of efficient portfolio management should be in line with the best interests of Shareholders and is to achieve one or more of the following: the reduction of risk, the reduction of costs, and the generation of additional capital or income for the Fund with no, or with an acceptably low level of risk.

The Fund may use the following Financial Derivative Instruments (**FDI**) futures and spot and forward foreign exchange contracts (including non deliverable forwards) for the purpose of gaining exposure to local currencies for efficient portfolio management purposes. Further details of the techniques and instruments that the Fund may employ for efficient portfolio management purposes are set out in the **Efficient Portfolio Management, Financial Derivative Instruments and Securities Financing Transactions** section of the Prospectus.

The Fund may use securities lending transactions in accordance with the requirements of SFTR and the Central Bank Rules. Any type of assets that may be held by the Fund in accordance with its investment objective and policies may be subject to such Securities Financing Transactions. The maximum proportion of the Fund's assets that can be subject to Securities Financing Transactions will be 100%, i.e. all of the assets of the Fund and the expected proportion of the Fund's assets that can be subject to Securities Financing Transactions will be 100%. Use of repurchase/reverse repurchase agreements and Total Return Swaps by the Fund is not envisaged. In any case the most recent semi-annual and annual report of the Company will express as an absolute amount and as a percentage of the Fund's assets the amount of Fund assets subject to Securities Financing Transactions.

Collateral or margin may be passed by the Fund to a counterparty or broker in respect of Efficient Portfolio Management Techniques or Securities Financing Transactions. Please refer to the section of the Prospectus entitled "Collateral Policy" for further details.

The use of **FDI and Securities Financing Transactions** for the purposes outlined above may expose the Fund to the risks disclosed under the section of the Prospectus titled **Risk Factors**.

#### **LEVERAGE**

Global exposure and leverage as a result of its investment in FDI as described above shall not exceed 100% of the Net Asset Value of the Fund. Global exposure will be measured using the commitment approach.

#### **BORROWINGS**

In accordance with the general provisions set out in the Prospectus under the heading **Investment Objectives and Policies of the Funds – Borrowing and Lending Powers**

the Fund may borrow up to 10% of its net assets on a temporary basis.

## RISK FACTORS

The general risk factors set out under the heading **Risk Factors** section of the Prospectus apply to the Fund.

### Russian Markets

There are significant risks inherent in investing in Russia. There is no history of stability in the Russian market and no guarantee of future stability. The economic infrastructure of Russia is relatively underdeveloped and the country maintains a high level of external and internal debt. Tax regulations are ambiguous and unclear and there is a risk of imposition of arbitrary and onerous taxes. Banks and other financial systems are not well developed or regulated and as a result tend to be untested and have low credit ratings. Bankruptcy and insolvency are a commonplace feature of the business environment. Foreign investment is affected by restrictions in terms of repatriation and convertibility of currency. The concept of fiduciary duty on the part of a company's management is generally non-existent. Local laws and regulations may not prohibit or restrict a company's management from materially changing the company's structure without shareholder consent. Foreign investors cannot be guaranteed redress in a court of law for breach of local laws, regulations or contracts. Regulations governing securities investment may not exist or may be applied in an arbitrary and inconsistent manner.

### Economic Factors

Despite improvement in the long-term prospects of certain emerging market economies, these economies in general differ from the economies of western countries in many respects, including, for example, the general level of economic development, unemployment, wealth distribution, rate of inflation, volatility of the rate of growth and inflation, level of capital reinvestment, resource self-sufficiency, dependency on foreign trade and balance of payments position. In particular, many of these countries have high levels of external debt, and their economies have historically experienced sustained periods of extremely high inflation, and some economies continue to do so. Many emerging market countries are currently experiencing severe economic dislocation, including high real interest rates and unemployment, declining equity values, illiquid capital markets, declining GDP, and capital flight. Although such dislocations may be short-term, there can be no assurance that emerging market economies will improve, or that historical rates of inflation will not return. Moreover, while emerging market countries have made substantial progress in implementing economic reforms, including privatisation, trade liberalisation and lifting restrictions on capital flows, the reform process is not complete. In the past, emerging market governments have imposed wage and price controls, exchange controls, and have nationalized or strictly regulated key industries, and such governments may take similar actions in the future, which could adversely affect the Fund. Emerging market companies are experiencing a more competitive environment, and a process of consolidation, downsizing and modernisation is underway, all of which are contributing to significant increases in unemployment and levels of bankruptcies.

As the Fund may use certain derivatives for efficient portfolio management purposes it should be noted that the use of derivatives involves risks different from, or possibly greater than, the risks associated with investing directly in securities and other investments. They also involve the risk of mispricing or improper valuation and the risk that

changes in the value of the derivative may not correlate perfectly with the underlying asset or index.

### Sanctions

In the event that any constituents of the Index are issued by countries that subsequently become subject to sanctions imposed by the United Nations, the Investment Manager shall sell such constituent as soon as practicable and shall refrain from purchasing such constituent until such time as the relevant sanction is lifted. Sanctions may lead to a deviation in performance of the Fund relative to the Index.

## RISK MANAGEMENT PROCESS

The Manager on behalf of the Fund has filed with the Central Bank its risk management process which enables it to accurately measure, monitor and manage the various risks associated with the use of FDI. Any FDI not included in the risk management process will not be utilised until such time as a revised submission has been cleared by the Central Bank. The Manager will, on request, provide supplementary information to Shareholders relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

## INVESTMENT MANAGER AND SUB-INVESTMENT MANAGER

The Manager has appointed Northern Trust Global Investments Limited (**NTGIL**) as the Investment Manager of the Fund. The Investment Manager has appointed its affiliate Northern Trust Investments, Inc. (**NTI**) as the sub-investment manager of the Fund (the **Sub-Investment Manager**) pursuant to the sub-investment management agreement dated 28 April, 2014 (the **Sub-Investment Management Agreement**).

NTI is an Illinois State Banking Corporation and an investment adviser registered under the United States Investment Advisers Act of 1940, as amended. It primarily manages assets for institutional and individual separately managed accounts, investment companies and bank common and collective funds.

NTI is an indirect subsidiary of Northern Trust Corporation. Northern Trust Corporation is regulated by the Board of Governors of the Federal Reserve System as a financial holding company under the U.S. Bank Holding Company Act of 1956, as amended.

The Sub-Investment Management Agreement provides that the appointment of the Sub-Investment Manager will continue unless and until terminated by the Sub-Investment Manager giving not less than 180 days' written notice to the Investment Manager or by the Investment Manager giving not less than 30 days' written notice to the Sub-Investment Manager although in certain circumstances the Sub-Investment Management Agreement may be terminated forthwith by notice in writing by either party to the other; the Sub-Investment Management Agreement contains certain indemnities in favour of the Sub-Investment Manager which are restricted to exclude matters resulting from the wilful misfeasance, bad faith, fraud, wilful default or negligence of the Sub-Investment Manager in the performance or non-performance of its obligations and duties.

## DIVIDEND POLICY

### Accumulating Shares

In respect of the Accumulating Shares, the Directors intend to declare all net income of the Fund attributable to each relevant class annually as a dividend to the Shareholders of each relevant class of Shares on the register of members as at the close of business on the relevant Dealing Day. The Shareholders shall reinvest all dividends in the following manner: any dividends on each relevant class of Accumulating Shares shall be paid by the Company into an account in the name of the Depositary for the account of the relevant Shareholders. The amount standing to the credit of this account shall not be an asset of the Fund and will be immediately transferred, pursuant to a standing instruction, from the aforementioned account to the Subscriptions/Redemptions Account. The Net Asset Value per Share will not change as a result of the above reinvestment process and no additional Shares will be issued.

### **Distributing Shares**

In respect of the Distributing Shares, the Directors intend to declare and pay all net income of the Fund attributable to each class annually as a dividend to the Shareholders of each relevant class of Shares on the register of members as at the close of business on the relevant Dealing Day. Any such dividend shall be paid to Shareholders in the form of cash on the last Business Day of the month. The Shareholders shall reinvest all dividends unless the Shareholder elects in writing to receive the dividends in the form of cash payable annually. In the case of a reinvestment of dividends, any dividends on each relevant class of Distributing Shares shall be paid by the Company into an account in the name of the Depositary for the account of the relevant Shareholders. The amount standing to the credit of this account shall not be an asset of the Fund and will be immediately transferred, pursuant to a standing instruction, from the aforementioned account to the Subscriptions/Redemptions Account.

Further details on the distribution policy are set out in Prospectus under the heading **Dividend Policy**.

## **KEY INFORMATION FOR BUYING AND SELLING**

### **Share Classes**

Shares may be issued as Accumulating Shares or (where specifically identified as such) Distributing Shares.

**Accumulating Shares** means Shares in the Fund in respect of which the net income will be reinvested.

**Distributing Shares** means Shares in the Fund in respect of which the net income shall be distributed.

### **Classes of Shares Available**

A, B, C, D, E, F, G, H

Each of the above referenced Share Classes are available as Accumulating Shares and Distributing Shares.

### **Currencies Available**

Each of the Share Classes are available in Euro, Sterling and U.S. Dollar.

### **Minimum Shareholding**

For all Shares Classes USD100,000 (or its equivalent in the relevant Share Class currency) subject to the discretion of the Directors to allow lesser amounts.

### **Minimum Initial Investment Amount**

For all Shares Classes USD100,000 (or its equivalent in the relevant Share Class currency) subject to the discretion of the Directors to allow lesser amounts.

### **Base Currency**

USD

### **Business Day**

Any day (except Saturday or Sunday) on which the banks in both Dublin, Ireland and London, England are open generally for business, or such other day as the Directors may, with the consent of the Depositary, determine and notify to Shareholders via

<https://www.northerntrust.com/asset-management/europe/services/pooled-funds>.

### **Dealing Day**

The Dealing Day for the Fund will be every Business Day or such other day or days as the Directors may determine and notify in advance to Shareholders, provided that there shall be at least one Dealing Day per fortnight.

### **Dealing Deadline**

In respect of a Dealing Day, the Dealing Deadline is 12.00 p.m. (Irish Time) on the Business Day immediately preceding each Dealing Day.

### **Settlement Date**

In the case of applications, proceeds must be received no later than two Business Days after the relevant Dealing Day or as otherwise determined by the Manager.

In the case of repurchases proceeds must be remitted to investors no later than two Business Days after the relevant Dealing Day (assuming the receipt of the relevant duly signed repurchase documentation) or as otherwise determined by the Manager provided that in all cases proceeds are paid within ten Business Days.

An exchange of Shares will in effect be represented by a redemption of Shares in the Original Class and a simultaneous subscription for Shares in the New Class on the relevant Dealing Day. In such cases, the settlement of the transaction shall be effected on a timely basis (not to exceed five Business Days), subject to receipt of the relevant duly signed exchange request documentation.

### **Preliminary Charge**

There will be no Preliminary Charge for this Fund.

### **Repurchase Charge**

Up to 2% of the repurchase price.

### **Anti-Dilution Levy**

An Anti-Dilution Levy will be charged at the discretion of the Directors. The Anti-Dilution Levy is designed to cover the costs of dealing in the various markets and preserve the value of the underlying assets of the Fund. The Anti-Dilution Levy will typically be applied where the Fund receives net subscriptions or net redemptions on any Dealing Day and will result in an dilution adjustment being applied to the Net Asset Value per Share in order to determine a subscription price, if there is a net inflow, or a repurchase price, if there

is net outflow, on the relevant Dealing Day. Please see the Prospectus for further details.

#### **Valuation Point**

Close of business in the relevant recognised market on each Dealing Day.

#### **Initial Issue Price**

For euro denominated share classes €100 per Share, for US Dollar denominated share classes \$100 per Share, for sterling denominated share classes, £100 per Share.

#### **Initial Offer Period**

The Initial Offer Period in respect of Euro B and Euro D is closed.

The Initial Offer Period in respect of all other Share Classes shall commence at 9am (Irish time) on 1 March 2019 and will continue until 5.00p.m. (Irish time) on 30 August 2019 or such earlier or later date as the Directors may determine.

After the Initial Offer Period, the Fund will be continuously open for subscriptions on each Dealing Day.

### **FEES AND EXPENSES**

#### **Fees of the Manager, the Investment Manager, the Depositary, any sub-custodian and the Administrator**

The Manager will be entitled to receive out of the net assets of the Fund an annual fee, accrued and calculated on each Dealing Day and payable monthly in arrears at an annual rate which will not exceed 0.50% in respect of all Share Classes (plus Value Added Tax ("VAT") thereon, if any).

Such fee shall accrue and be calculated on each Dealing Day and be payable monthly in arrears. The Manager shall be entitled to be reimbursed out of the assets of the Fund for the reasonable out-of-pocket expenses incurred by the Manager in the performance of its duties.

The Manager will pay out of the above fee (and not out of the assets of the Fund) the fees of the Investment Manager who will in turn pay the fees of the Sub-Investment Manager out of this fee. The Investment Manager shall also be entitled to be reimbursed out of the assets of the Fund for the reasonable out-of-pocket expenses incurred by the Sub-Investment Manager in the performance of its duties.

The Administrator is also entitled to receive out of the net assets of the Fund an annual fee, accrued and calculated on each Dealing Day and payable monthly in arrears at an annual rate which will not exceed 0.08% of the net assets of the Fund (plus VAT, if any). The Administrator is entitled to be repaid out of the assets of the Fund all of its reasonable agreed upon transaction and other charges (which will be at normal commercial rates) and other out-of-pocket expenses (plus VAT thereon, if any).

The Depositary shall be entitled to receive out of the net assets of the Fund an annual fee, accrued and calculated on each Dealing Day and payable monthly in arrears, at an annual rate of up to 0.08% of the net assets of the Fund (plus VAT thereon, if any).

The Depositary is also entitled to be repaid out of the assets of the Fund, sub-custodian's fees (which will be charged at normal commercial rates) as well as agreed upon transaction charges (which will be at normal commercial

rates) and other out-of-pocket expenses out of the assets of the Fund (plus VAT thereon, if any).

A distribution fee of up to 1% may be applied to the Share Classes (plus VAT thereon, if any).

This section should be read in conjunction with the section entitled Expenses of the Funds in the Prospectus.

#### **Establishment costs**

The organisational and establishment expenses relating to the creation of the Fund are estimated not to exceed USD35,000 and will be borne by the Fund and will be amortised by the Fund over the first five accounting periods of its operation (or such other period as may be determined by the Directors at their discretion) and shall be subject to such adjustment following the establishment of new Funds as the Directors may determine. The Manager may create additional Funds from time to time subject to obtaining prior approval from the Central Bank.

### **MISCELLANEOUS**

#### **Reporting**

Some Shareholders may receive additional information and/or reports in relation to the Fund on a frequent basis. Any such information will be available to all investors in the Fund on request. Any such information will only be provided on a historical basis and after the relevant Dealing Day to which the information relates. Please contact your relationship manager to discuss any reporting needs.

**There are 19 other Funds of the Company currently in existence, namely:**

- **The NT Pacific (ex-Japan) Equity Index Fund**
- **The NT Europe (ex-UK) Equity Index Fund**
- **The NT Index Linked Bond Index Fund**
- **The NT Japan Equity Index Fund**
- **The NT UK Equity Index Fund**
- **The NT North America Equity Index Fund**
- **The NT Euro Government Inflation Linked Index Fund**
- **The NT Emerging Markets Index Fund**
- **The NT Frontier Markets Index Fund**
- **The NT All Country Asia ex Japan Custom ESG Equity Index Fund**
- **The NT Emerging Markets Custom ESG Equity Index Fund**
- **The NT High Quality Euro Government Bond Index Fund**
- **The NT Emerging Markets Quality Low Carbon Fund**
- **The NT Emerging Markets Custom Equity Index Fund**
- **The NT US High Yield Fixed Income Fund**
- **The NT Emerging Markets Custom ESG Feeder Fund**
- **The NT Euro Government Bond Index Fund**

- The NT Emerging Markets ESG Leaders Equity Index Fund
- The NT World Equity Index Feeder Fund

**Further Information on the Index**

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Neither Barclays Bank PLC, Barclays Capital Inc., nor any affiliate (collectively “Barclays”) nor Bloomberg is the issuer or producer of The NT EM Local Currency Government Bond Index Fund and neither Bloomberg nor Barclays has any responsibilities, obligations or duties to investors in The NT EM Local Currency Government Bond Index Fund. The Bloomberg Barclays EM Local Currency Government 10% Country Capped B3 and better Index is licensed for use by the directors of Northern Trust Investment Funds plc as the “Issuer” of shares in The NT EM Local Currency Government Bond Index Fund. The only relationship of Bloomberg and Barclays with the Issuer in respect of the Bloomberg Barclays EM Local Currency Government 10% Country Capped B3 and better Index is the licensing of the Bloomberg Barclays EM Local Currency Government 10% Country Capped B3 and better Index which is determined, composed and calculated by BISL, or any successor thereto, without regard to the Issuer or The NT EM Local Currency Government Bond Index Fund or the owners of The NT EM Local Currency Government Bond Index Fund.

Additionally, the Issuer of The NT EM Local Currency Government Bond Index Fund may for itself execute transaction(s) with Barclays in or relating to the Bloomberg Barclays EM Local Currency Government 10% Country Capped B3 and better Index in connection with The NT EM Local Currency Government Bond Index Fund. Investors acquire shares in The NT EM Local Currency Government Bond Index Fund from the directors of Northern Trust Investment Funds plc and investors neither acquire any interest in the Bloomberg Barclays EM Local Currency Government 10% Country Capped B3 and better Index nor enter into any relationship of any kind whatsoever with Bloomberg or Barclays upon making an investment for shares in The NT EM Local Currency Government Bond Index Fund. The NT EM Local Currency Government Bond Index Fund is not sponsored, endorsed, sold or promoted by Bloomberg or Barclays. Neither Bloomberg nor Barclays makes any representation or warranty, express or implied, regarding the advisability of investing in The NT EM Local Currency Government Bond Index Fund or the advisability of investing in securities generally or the ability of the Bloomberg Barclays EM Local Currency Government 10% Country Capped B3 and better Index to track corresponding or relative market performance. Neither Bloomberg nor Barclays has passed on the legality or suitability of The NT EM Local Currency Government Bond Index Fund with respect to any person or entity. Neither Bloomberg nor Barclays is responsible for or has participated in the determination of the timing of, prices at, or

quantities of shares in The NT EM Local Currency Government Bond Index Fund to be issued. Neither Bloomberg nor Barclays has any obligation to take the needs of the Issuer or the shareholders of The NT EM Local Currency Government Bond Index Fund or any other third party into consideration in determining, composing or calculating the Bloomberg Barclays EM Local Currency Government 10% Country Capped B3 and better Index. Neither Bloomberg nor Barclays has any obligation or liability in connection with administration, marketing or trading of The NT EM Local Currency Government Bond Index Fund. The licensing agreement between Bloomberg and Barclays is solely for the benefit of Bloomberg and Barclays and not for the benefit of the shareholders of The NT EM Local Currency Government Bond Index Fund investors or other third parties. In addition, the licensing agreement between Northern Trust Investments, Inc. and Bloomberg is solely for the benefit of Northern Trust Investments, Inc. and Bloomberg and not for the benefit of the shareholders of The NT EM Local Currency Government Bond Index Fund, investors or other third parties.

NEITHER BLOOMBERG NOR BARCLAYS SHALL HAVE ANY LIABILITY TO THE ISSUER, INVESTORS OR OTHER THIRD PARTIES FOR THE QUALITY, ACCURACY AND/OR COMPLETENESS OF THE BLOOMBERG BARCLAYS EM LOCAL CURRENCY GOVERNMENT 10% COUNTRY CAPPED B3 AND BETTER INDEX OR ANY DATA INCLUDED THEREIN OR FOR INTERRUPTIONS IN THE DELIVERY OF THE BLOOMBERG BARCLAYS EM LOCAL CURRENCY GOVERNMENT 10% COUNTRY CAPPED B3 AND BETTER INDEX. NEITHER BLOOMBERG NOR BARCLAYS MAKES ANY WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY THE ISSUER, THE INVESTORS OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE BLOOMBERG BARCLAYS EM LOCAL CURRENCY GOVERNMENT 10% COUNTRY CAPPED B3 AND BETTER INDEX OR ANY DATA INCLUDED THEREIN. NEITHER BLOOMBERG NOR BARCLAYS MAKES ANY EXPRESS OR IMPLIED WARRANTIES, AND EACH HEREBY EXPRESSLY DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE BLOOMBERG BARCLAYS EM LOCAL CURRENCY GOVERNMENT 10% COUNTRY CAPPED B3 AND BETTER INDEX OR ANY DATA INCLUDED THEREIN. BLOOMBERG RESERVES THE RIGHT TO CHANGE THE METHODS OF CALCULATION OR PUBLICATION, OR TO CEASE THE CALCULATION OR PUBLICATION OF THE BLOOMBERG BARCLAYS EM LOCAL CURRENCY GOVERNMENT 10% COUNTRY CAPPED B3 AND BETTER INDEX AND NEITHER BLOOMBERG NOR BARCLAYS SHALL BE LIABLE FOR ANY MISCALCULATION OF OR ANY INCORRECT, DELAYED OR INTERRUPTED PUBLICATION WITH RESPECT TO ANY OF THE BLOOMBERG BARCLAYS EM LOCAL CURRENCY GOVERNMENT 10% COUNTRY CAPPED B3 AND BETTER INDEX. NEITHER BLOOMBERG NOR BARCLAYS SHALL BE LIABLE FOR ANY DAMAGES, INCLUDING, WITHOUT LIMITATION, ANY SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES, OR ANY LOST PROFITS, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH, RESULTING FROM THE USE OF THE BLOOMBERG BARCLAYS EM LOCAL CURRENCY GOVERNMENT 10% COUNTRY CAPPED B3 AND BETTER INDEX OR ANY DATA INCLUDED

**THEREIN OR WITH RESPECT TO THE NT EM LOCAL  
CURRENCY GOVERNMENT BOND INDEX FUND.**

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