

THE NT US HIGH YIELD FIXED INCOME FUND

Supplement dated 14 August 2023 to the Prospectus dated 14 August 2023 for Northern Trust Investment Funds plc

The NT US High Yield Fixed Income Fund

*This Supplement contains specific information in relation to The NT US High Yield Fixed Income Fund (the "**Fund**"), a Fund of Northern Trust Investment Funds p.l.c. (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.

A typical investor is prepared to accept a degree of high volatility. A typical investor will be seeking to achieve exposure to lower quality bonds and other fixed-income securities and will be seeking to achieve a return on investment in the medium to long term.

Investment in the Fund may be appropriate for professional or retail investors who have knowledge of, and investment experience in, this particular financial product and understand and can evaluate the strategy, characteristics and risks in order to make an informed investment decision. This Fund is actively managed.

The Fund may invest in financial derivative instruments ("FDI") for hedging and efficient portfolio management ("EPM") purposes (as detailed below). See below section titled "Borrowing and Leverage" for details of the leverage effect of investing in FDI.

INVESTMENT OBJECTIVE AND POLICIES

Investment Objective

The investment objective of the Fund is to seek to provide a high level of current income.

Investment Policies

The Fund seeks to achieve its investment objectives by investing, under normal circumstances, at least 80% of its net assets in lower quality bonds and other fixed-income securities (commonly referred to as “junk bonds”). These may be fixed or floating rate and may include:

- debt securities such as bonds of U.S. and non U.S. corporations and banks;
- debt securities such as bonds of state, local and non U.S. governments;
- debt securities such as bonds of the U.S. government or its agencies, instrumentalities or sponsored enterprises, including obligations that are issued by private issuers that are guaranteed as to principal and interest by the U.S. or non U.S. governments, their agencies or instrumentalities;
- senior and subordinated bonds and debentures issued by U.S. and non U.S. corporations and/or U.S. or non U.S. governments, their agencies or instrumentalities;
- zero coupon and pay-in-kind bonds (which make interest payments in additional bonds rather than in cash) issued by U.S. and non U.S. corporations and/or U.S. or non U.S. governments, their agencies or instrumentalities;
- convertible securities (such as bonds convertible into common or preferred shares), preferred stock, mortgage backed securities and up to 10% of net assets in securitised loan participations;
- warrants, rights and other equity securities that are acquired in connection with the Fund's investments in debt or convertible securities; and
- repurchase agreements relating to the above instruments for EPM purposes only.

Lower quality securities are rated BB, Ba or lower by a Nationally Recognized Statistical Rating Organization (NRSRO). Unrated securities will be of comparable quality as determined by the Investment Manager. Lower rated securities tend to offer higher yields than higher rated securities with similar maturities. However, lower rated securities are considered speculative and generally involve greater price volatility and greater risk of loss than higher rated securities. There is no minimum rating for a security purchased or held by the Fund, and the Fund may purchase securities that are in default. Although the Fund invests primarily in lower quality fixed-income securities, it may invest a portion of its assets in securities of higher quality. During temporary defensive periods, the Fund may invest all of its assets in securities of higher quality. The Fund may not achieve its investment objective when this temporary strategy is used. Although the Fund primarily invests in the debt obligations of U.S. issuers, it may make limited investments in the securities of non U.S. issuers. In buying and selling securities for the Fund, the Investment Manager uses a relative value approach. This approach involves an analysis of general economic and market conditions. It also involves the use of models that analyze and compare expected returns and assumed risks. Under the relative value approach, the Investment Manager will emphasize particular securities and types of securities (such as asset-backed, mortgage-backed and corporate securities) that the team believes will provide a favorable return in light of the risks. The Investment Manager also may consider obligations with a more favourable or

improving credit or industry outlook that provide the potential for capital appreciation.

The Fund does not have any portfolio maturity limitation, and may invest its assets from time to time in instruments with short, medium or long maturities. The instruments held by the Fund are considered speculative, and an investment in the Fund presents substantial risks relative to a fund that invests in investment grade instruments.

The Fund may invest in FDI for EPM purposes. The Fund may be fully or partially hedged back to the Base Currency in accordance with the powers and restrictions set out by the Central Bank in relation to techniques for EPM purposes as further disclosed in the **Efficient Portfolio Management, Financial Derivative Instruments and Securities Financing Transactions** section of the Prospectus. The Fund may invest in FDI as set out in the section titled “**Use of Efficient Portfolio Management Techniques and Financial Derivative Instruments**” below.

INVESTMENT RESTRICTIONS

The general investment restrictions set out under the heading **Investment Restrictions** in the Prospectus shall apply.

The Fund does not intend to invest in CIS and, for the avoidance of doubt, may not invest more than 10% of Net Asset Value in CIS in aggregate.

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

The Fund may use currency forwards and exchange-traded futures for hedging and EPM purposes. Further details of the techniques and instruments that the Fund may employ for EPM purposes are set out in the **Efficient Portfolio Management, Financial Derivative Instruments and Securities Financing Transactions** section of the Prospectus.

The Fund may also enter into certain currency related transactions in order to hedge exchange rate fluctuation risks between the denominated currencies of the Fund's assets and the designated currency of the relevant Share Class.

As a result of currency hedging, hedged Share Classes may be exposed to counterparty risk as further detailed in the section of the Prospectus entitled **Credit Risk and Counterparty Risk**.

The Fund may use repurchase agreements and securities lending transactions (i.e. Securities Financing 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. There is no restriction on the proportion of assets that may be subject to Securities Financing Transactions and therefore the maximum and expected proportion of the Fund's assets that can be subject to Securities Financing Transactions can be as much as 100%, i.e. all of the assets of the Fund. Use of 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 EPM 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**. In addition, the prices of these instruments may be imperfectly correlated to the prices of the underlying securities, for example, because of transaction costs and interest rate movements and the use of these instruments may further expose the Fund to the risk that the legal documentation of the relevant counterparty may not accurately reflect the intention of the parties.

BORROWING AND LEVERAGE

The Fund may borrow up to 10% of its Net Asset Value on a temporary basis.

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.

RISK FACTORS

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

INVESTMENT MANAGER AND SUB-INVESTMENT MANAGER

The Manager has appointed Northern Trust Global Investments Limited as the Investment Manager of the Fund. The Investment Manager has appointed Northern Trust Investments, Inc as the sub-investment manager of the Fund.

DIVIDEND POLICY

Accumulating Shares

No dividends will be declared in respect of the Accumulating Shares.

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 monthly 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.

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 Distributing Shares.

Base Currency

USD

Business Day

Any day (except Saturday or Sunday) on which the banks in Ireland are open generally for business, or such other day as the Directors may determine and notify to Shareholders.

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. In determining whether a day should be treated as a Dealing Day, the Directors may take into account whether there are sufficient market exchanges open as determined by the Investment Manager to allow the normal liquidity trading of the portfolio. The Investment Manager maintains a list of any non-Dealing Days on the Website.

Dealing Deadline

Subject to the provisions under the heading "**Valuation Point and Dealing Cut-off Point**", in respect of a Dealing Day, the Dealing Deadline is 4 p.m. (Irish time) on that Dealing Day.

Initial Offer Period

The Initial Offer Period in respect of USD B is closed.

The Initial Offer Period in respect of all other Share Classes will commence at 9.00 a.m. (Irish time) on 15 August 2023 and shall continue until 5.00 p.m. (Irish time) on 13 February 2024 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.

Settlement Date

In the case of applications, proceeds must be received no later than one Business Day 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 one Business Day 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.

Preliminary Charge

There will be no Preliminary Charge for this Fund.

Redemption Charge

There is no Redemption Charge for this Fund.

Anti-Dilution Levy

The Directors or the Manager (or their duly appointed delegate) may impose an anti-dilution adjustment as further detailed in the section of the Prospectus entitled **Anti-Dilution Levy**.

In Specie Issues

The Directors may in their absolute discretion, provided that they are satisfied that no material prejudice would result to any existing Shareholder and subject to the provisions of the Companies Acts, require that subscriptions are made in specie. It is envisaged that this discretion will only be used in exceptional circumstances and in the case of subscriptions of significant volume. For further information on the considerations application please see the **In Specie Issues** section of the Prospectus.

Valuation Point and Dealing Cut-off Point

With respect to: (i) currencies and currency-related transactions only, 4pm (London time); and (ii) all other assets, the close of business of the relevant market that closes last on each Dealing Day, which in all cases shall be after the Dealing Deadline.

As an amendment to fifth paragraph of the **Application for Shares** section of the Prospectus there will be no discretion for the Directors to accept applications in any circumstances after the close of business in the relevant recognised market that closes first on the relevant Dealing Day.

Initial Issue Price

For Euro denominated share classes €10 per Share, for US Dollar denominated share classes \$10 per Share, for Sterling denominated share classes, £10 per Share.

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.

Currency Hedged Share Classes

Each Share Class is available as either a hedged or an unhedged Share Class.

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.

FEES AND EXPENSES

The Investment Manager will be entitled to receive an annual fee of up to 0.50% in respect of the Class A, B, C, D, E, F, G and H. The Investment Manager will in turn pay the fees of the Sub-Investment Manager out of this fee.

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

The Manager shall not receive a fee but shall be entitled to be reimbursed out of the assets of the Fund for the reasonable out-of-pocket expenses incurred in the performance of its duties.

The Sub-Investment Manager shall also be entitled to be reimbursed out of the assets of the Fund for the reasonable out-of-pocket expenses incurred in the performance of its duties.

The Administrator shall be entitled to receive out of the Net Asset Value 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 Asset Value 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 Asset Value 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 0.2% of the Net Asset Value 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 (plus VAT thereon, if any).

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

Establishment costs

The organisational and establishment costs relating to the creation of the Fund have been fully amortised by the Fund.

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.

Other Funds

The other Funds of the Company are listed in the Global Supplement to the Prospectus.

New Funds may be created from time to time by the Directors with the prior approval of the Central Bank in which case further Supplements incorporating provisions relating to those Funds will be issued by the Company.