

**THE NT WORLD EQUITY INDEX FEEDER FUND**

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

## The NT World Equity Index Feeder Fund

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

*This Supplement contains specific information in relation to The NT World Equity Index Feeder 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”).*

***The Fund is a feeder fund which will invest 85% or more of its Net Asset Value permanently in Northern Trust World Equity Index Fund (the “Master Fund”), a sub-fund of the Northern Trust UCITS Common Contractual Fund (the “CCF”), an open-ended umbrella common contractual fund governed by the laws of Ireland, and authorised by the Central Bank pursuant to the UCITS Regulations. The Manager of the Company also acts as manager of the CCF and has appointed the Investment Manager as investment manager of the Master Fund.***

*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 medium to high volatility. A typical investor will be seeking to achieve exposure to large and mid cap representation across developed market equities 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 passively managed.***

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

## INVESTMENT OBJECTIVE AND POLICIES

### The Fund

#### Investment Objective

The investment objective of the Fund is to invest at least 85% of its assets in the Master Fund.

#### Investment Policies

Save as hereinafter provided, it is not intended that the Fund will make any direct investments and all monies received by it will be invested in the Master Fund as soon as reasonably practicable.

The Fund may invest up to 15% of net assets, in aggregate, in (a) ancillary liquid assets, including cash deposits, cash equivalents, certificates of deposits and Money Market Instruments, which may be held by the Fund to meet expenses or pending investments and (b) FDI as set out in the section titled "**Use of Efficient Portfolio Management Techniques, Financial Derivative Instruments and Securities Financing Transactions**".

As a result of the direct investments which may be made by the Fund as detailed above and different fee structures, the performance of the Fund and the Master Fund may not be identical.

### Master Fund

## NORTHERN TRUST WORLD EQUITY INDEX FUND

#### Investment Objective

The investment objective of the Master Fund is to closely match the risk and return characteristics of the MSCI World Index (the "**Index**") with net dividends reinvested. Any change of Index shall only be made with the prior approval of its unitholders (the "**Unitholders**").

#### Investment Policies

The Master Fund seeks to achieve its investment objectives through investment primarily in a diversified portfolio of transferable Equity and (where considered by the Investment Manager to be necessary or appropriate) Equity Related Securities issued by companies or linked to companies within the Index.

"Equity and Equity Related Securities" includes but is not limited to equities, depositary receipts, preferred shares, equity linked notes (unleveraged debt securities linked to the performance of equities), warrants (not more than 5% of the Master Fund's net asset value), convertible securities (such as convertible preference shares, share purchase rights and bonds convertible into common or preferred shares). Such Equity and Equity Related Securities shall be listed on stock exchanges or regulated markets in countries (within the list of Regulated Markets as defined in the prospectus for the CCF) comprised within the Index, details of which are set out under the heading "Index Description" below. Where direct access to the equity markets in those countries is not practicable, indirect exposure may be achieved through investment in Equities and/or Equity Related Securities listed on markets elsewhere. The Master Fund may from time to time hold securities which are not included in the Index constituents as a result of corporate actions and other such activities. In such event, the Master Fund will sell such securities as soon as practicable taking into account the best interests of the Unitholders.

The Investment Manager will use a proprietary optimisation methodology for the Master Fund to construct the portfolio as further set out in the section "**Index Tracking Strategy**" below. The Master Fund may invest in FDI for EPM purposes and may be fully or partially hedged back to the base currency of the Master Fund in accordance with the powers and restrictions set out by the Central Bank in relation to techniques for EPM purposes as further disclosed in section 3.5 entitled "Hedging" in the prospectus of the CCF. The Master Fund may invest in FDI as set out in the section titled "Efficient Portfolio Management, Financial Derivative Instruments and Securities Transactions" in the prospectus of the CCF.

The Master Fund may also invest (up to 10% of its net asset value) indirectly in Equities and Equity Related Securities comprised within the Index through holdings in open-ended collective investment schemes ("**CIS**") (including UCITS exchange traded funds). Any such CIS will have investment objectives which are materially similar to the Master Fund.

The Investment Manager shall also ensure that any investments made by the Fund pursuant to its strategy are in accordance with rules regarding cluster munitions laid down in the relevant national legislation adopting the Convention on Cluster Munitions. Please refer to the Master Fund prospectus for further detail.

#### Index Tracking Strategy

The Master Fund operates an index tracking strategy whereby it seeks to track the risk and return characteristics of the Index by investing directly in assets that are Index constituents (i.e. a physical replication model). However, the Master Fund does not seek to fully replicate the Index but instead seeks to match the Master Fund's investments with Index constituents on a sample based physical replication model (i.e. an optimisation approach) within the scope of the general UCITS investment restrictions and the specific investment restrictions set out in the CCF prospectus. Accordingly, investment in the Master Fund should not be considered to provide a direct exposure to the Index. In normal market conditions the Master Fund can be expected to closely match the performance of the Index. However, in normal market conditions an ex-post tracking error of 0.05% - 0.50% should be anticipated. This is due to transaction costs and the liquidity impact of the Master Fund's optimisation approach and the fact that the respective Class returns reflect the relevant withholding tax rates applicable to such Classes under the CCF structure. Employing an optimisation approach (rather than full replication) necessarily results in individual security overweights and underweights, as the Master Fund will strive to achieve representative exposure in the more liquid and accessible sectors of the Index.

As the Master 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 is a free float-adjusted market capitalisation weighted index that is designed to measure the equity market performance of developed markets. The Index does not have any restrictions on industry or sector focus.

The valuation function within MSCI is functionally independent of the design of the Index. The Index is reviewed quarterly for any necessary rebalancing – in February, May, August and November, with the objective of reflecting change in the underlying equity markets in a

timely manner, while limiting undue index turnover. The rebalancing frequency will have minimal impact on the strategy of the Master Fund or on transaction costs associated with the Master Fund as any rebalancing is not expected to require any higher frequency of position turnover in the Master Fund than would otherwise be the case.

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

<https://www.msci.com/index-methodology> and

<https://www.msci.com/constituents>

## INVESTMENT RESTRICTIONS

### The Fund

The general investment restrictions set out under the heading **Investment Restrictions** in the Prospectus shall apply, save for the derogation in accordance with Regulation 78(1) of the UCITS Regulations from Regulations 4(3)(a), 68, 70 and 74(2)(a)(iii) of the UCITS Regulations. The investment restrictions as they apply to the Fund should be read accordingly.

### The Master Fund

The general investment restrictions set out in the "Investment Restrictions" section of the CCF prospectus apply to the Master Fund.

## INTERNAL CONDUCT OF BUSINESS RULES

The Manager on behalf of the Fund has put in place internal conduct of business rules in relation to the investment by the Fund in the units of the Master Fund (the "**Business Rules**"). The Business Rules set out which Classes of the Master Fund are available for investment by the Fund, details of the charges and expenses to be borne by the Fund, the standard dealing arrangements and events affecting dealing arrangements.

Further information relating to the Business Rules is available from the Manager at their offices in Dublin, Ireland.

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

### The Fund

Derivatives may be used by the Fund but use is expected to be limited. The Fund may use currency forwards and exchange traded futures for hedging purposes as further described in the Prospectus.

### The Master Fund

The Master Fund may use currency forwards and exchange traded futures for EPM purposes as further described in the prospectus of the CCF.

The Master Fund may engage in transactions in FDI identified above for the purposes of EPM and/or to protect against exchange risks within the conditions and limits laid down by the Central Bank from time to time. Such transactions may include foreign exchange transactions and while seeking to protect against exchange risks may still

alter the currency characteristics of transferable securities held by the Master Fund. Please see section entitled "Hedging" in the prospectus of the CCF for more details.

Collateral or margin may be passed by the Master Fund to a counterparty or broker in respect of OTC FDI transaction. Further details of the Master Fund's collateral policy are set out in Schedule II section 9 of the CCF's prospectus.

The use of FDI for the purposes outlined above may expose the Master Fund to the risks disclosed under the section of the CCF's prospectus entitled "Risk Factors".

The Master Fund shall not engage in any securities lending or use repurchase agreements/reverse repurchase agreements (i.e. Securities Financing Transactions) and this section will be updated in accordance with the Central Bank Rules and the disclosure requirements of Regulation 2015/2365 in advance of any change in this regard.

## RESPONSIBLE INVESTMENT – CORPORATE ENGAGEMENT

Hermes Equity Ownership Services has been appointed to carry out corporate engagement with carefully selected securities held within the Fund. Please refer to the Prospectus for further detail on this appointment.

## BORROWING AND LEVERAGE

Each of the Fund and the Master Fund may borrow up to 10% of its respective Net Asset Value on a temporary basis.

Global exposure and leverage as a result of its investment in FDI shall not exceed 100% of the Net Asset Value of the Fund and will be calculated in accordance with the requirements of Regulation 78(2)(b) of the UCITS Regulations.

Global exposure and leverage as a result of its investment in FDI shall not exceed 100% of the Net Asset Value of the Master Fund. In each case, global exposure will be measured using the commitment approach.

## MATERIAL CONTRACTS OF THE MASTER FUND

The manager of the CCF has appointed Northern Trust Global Investments Limited as investment manager to the Master Fund pursuant to an investment management agreement.

## RISK FACTORS

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

In addition, the following specific risk factors apply:

**Master/Feeder Risks; and  
Feeder Fund Risks.**

## 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 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.

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

### **TAXATION**

There are not anticipated to be any adverse tax consequences for investors resulting from the Fund's investment in the Master Fund relative to an investment in a directly investing fund. Investors in the Fund should refer to the section of the Prospectus entitled "Taxation" for further information on taxation provisions which should be taken into account when considering an investment in the Fund. Prospective investors should consult their own professional advisors on the relevant taxation considerations applicable to the purchase, acquisition, holding, switching and disposal of Shares and receipt of distributions (if applicable) under the laws of their countries of citizenship, residence or domicile.

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

#### **Share Classes**

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

#### **Fund 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**

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. Any applications received after the Dealing Deadline for a Dealing Day will be processed on the next Dealing Day unless the Directors in their absolute discretion in exceptional circumstances, otherwise determine to accept one or more applications received after the Dealing Deadline for processing on that Dealing Day provided that such request(s) have been received prior to the Valuation Point for the particular Dealing Day.

#### **Initial Offer Period**

The Initial Offer Period in respect of Euro A, Euro C, Euro D, GBP B and USD D 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 will 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 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.

#### **Preliminary Charge**

There will be no Preliminary Charge for this Fund.

#### **Redemption Charge**

There is no Redemption Charge for this Fund.

#### **Repurchase Requests**

It should be noted that if an investor wishes to effect a repurchase of their entire holding in the Fund, such a repurchase request should specify the number of Shares to which the request relates (rather than stipulate a cash amount).

#### **Anti-Dilution Levy – Master Fund**

An anti-dilution levy may be applied by the Master Fund to its investors, including the Fund.

This Anti-Dilution Levy will be charged at the discretion of the Manager. The Anti-Dilution Levy will cover the Master Fund's costs of dealing in the various markets and will preserve the value of the underlying assets of the Master Fund.

The Master Fund Anti-Dilution Levy will be passed through to investors subscribing for or redeeming Shares in the Fund in a manner that avoids double-charging but facilitates the Master Fund and the Fund passing on the relevant dealing costs to the particular investors subscribing for or redeeming Shares, as appropriate. The Anti-Dilution Levy will typically be applied where the Master Fund receives net subscriptions or net redemptions on any Dealing Day and will result in a 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**

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.

It should be noted that the Directors may be required to exercise their discretion to value the Fund's assets (that is units in the Master Fund) at a fair value (with such method of valuation to be approved by the Depositary, in accordance with the valuation provisions outlined in the Prospectus and the Articles), in circumstances where the

latest available net asset value per unit of the Master Fund does not adequately capture any subsequent market events that the Directors are aware of at the time the Fund's valuation is carried out.

#### **Initial Issue Price**

For Euro denominated share classes €10 per Share, for USD denominated share classes \$10 per Share, for GBP denominated share classes, £10 per Share.

#### **Classes of Shares Available**

A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, W, X, Y and Z

Each of the above referenced Share Classes may be issued as either Accumulating Shares or Distributing Shares

#### **Currencies Available**

Each of the Share Classes are available in USD, EUR or GBP.

#### **Currency Hedged Share Classes**

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

#### **Minimum Shareholding**

USD 100,000 (or the equivalent in GBP or EUR) subject to the discretion of the Directors to allow lesser amounts

#### **Minimum Initial Investment Amount**

USD 100,000 (or the equivalent in GBP or EUR) subject to the discretion of the Directors to allow lesser amounts

#### **Minimum Additional Investment Amount**

USD 100,000 (or the equivalent in GBP or EUR) subject to the discretion of the Directors to allow lesser amounts

#### **German Taxation**

The Fund will invest and be managed such that it qualifies as an Equity Fund as defined in the Prospectus.

### **FEES AND EXPENSES**

The Investment Manager will 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 0.50 % of the Net Asset Value of the Fund in respect of the class A Shares (plus VAT thereon, if any).

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

The Fund will directly (through its investment in the Master Fund) bear a pro rata share of the costs of the expenses of the Master Fund, which will include (but is not limited to) legal, accounting, auditing, organisational, administrative, custodial and operating expenses.

Where, in connection with an investment in the Master Fund, a distribution fee, commission fee or other monetary benefit is received by the Fund, the Manager or any person acting on behalf of either the Fund or the Manager, the fee, commission or other monetary benefit shall be paid into the assets of the Fund.

The Manager shall not be entitled to 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 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 also 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).

The Investment Manager may from time to time, at its sole discretion and out of its own resources, decide to (i) rebate to Shareholders part or all of the fees set out above and/or (ii) enter into loss compensation arrangements with Shareholders.

In addition to the fees outlined above, the Fund will also be responsible for the fees of Hermes EOS (for its services in respect of the Fund, as described in the CCF prospectus), up to 0.02% of the Net Asset Value of the Fund per annum. Such fee shall accrue and be calculated on each Dealing Day and be payable quarterly in arrears. These fees will be discharged by the Investment Manager who will then be reimbursed by the Fund the corresponding amount, out of the assets of the Fund.

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