

This letter is sent to you as a Shareholder in the Federated Hermes US High Yield Credit Fund (the “Fund”), a sub-fund of Federated Hermes Investment Funds plc (the “Company”). It is important and requires your immediate attention. If you are in any doubt as to the action to be taken, you should immediately consult your stockbroker, solicitor or attorney, accountant or other independent financial adviser. If you have sold or otherwise transferred your holding in the Fund, please immediately send this document to the stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. This letter has not been reviewed by the Central Bank of Ireland (the “Central Bank”).

Federated Hermes Investment Funds plc

(an investment company constituted as an umbrella fund with segregated liability between its sub-funds.)

All capitalised terms used in this letter and not defined herein shall have the meanings ascribed to them in the Company’s current prospectus dated 15 August 2023 (the “Prospectus”) and the supplement for the Fund (the “Supplement”) dated 15 August 2023.

4 October 2023

Dear Shareholder

RE: Changes to the Fund and Portfolio Management Team

We are writing to you as a Shareholder in the Fund to advise you of certain proposed updates to the Fund which will be effective on or around 18 October 2023, subject to the approval of the Central Bank (the “Effective Date”).

It is proposed to reclassify the Fund as an Article 8 fund for the purposes of Regulation (EU) 2019/2088 of the European Parliament and the Council on sustainability-related disclosures in the financial services sector (“SFDR”). In order to effect the reclassification, the following changes to the Supplement are proposed:

1. The Investment Policy section of the Supplement is proposed to be updated to reflect that the Investment Manager will exclude investment by the Fund in the following companies:
 - *companies that generate more than 0% of their revenue from the manufacture of Controversial Weapons or by providing either an essential and/or tailor-made product or service to the manufacturers of Controversial Weapons;*
 - *companies that generate more than 5% of their revenues from the production of tobacco products; and*
 - *companies that are in contravention of the principles of the UN Global Compact.*(collectively, the “Exclusions”).
2. The Investment Policy of the Fund is proposed to be updated to detail how the Investment Manager assesses the ESG risks of a company and the methodology the investment team uses to score companies. Where possible an ESG score of 1 – 10 and a Climate Change Impact score (CCI) will be assigned to each company.

The proposed changes will result in the Fund promoting environmental and/or social characteristics in accordance with Article 8 of SFDR, namely to promote investment in companies: (i) with reduced ESG risks as determined by reference to the Investment Manager’s ESG scoring methodology; (ii) showing a willingness to engage on material ESG issues; and (iii) with limited to no revenue generated from excluded sectors, referred to as “Exclusions” above. The proposed reclassification of the Fund as an Article 8 fund will require the Supplement to be updated on the Effective Date to include the additional disclosures in Annex II to SFDR Level 2 (the “SFDR Annex”).

The SFDR Annex is proposed to be included in the Supplement as an annex and shall contain further information in relation to how the Fund promotes the environmental and/or social characteristics set out above. It is proposed that the SFDR Annex shall outline the following as the binding elements of the investment strategy of the Fund in order to attain the environmental and/or social characteristics promoted by the Fund:

- *The percentage of ESG-analysed issuers in the Fund will always be between 90%-100%.*
- *The Investment Manager will not invest in new companies with an ESG score of 2 or below (scores are evaluated on an on-going basis and can fluctuate).*
- *The Investment Manager will apply the Exclusions based on information available to it on the relevant companies.*

Portfolio Management Team Changes

To support the team, Mitch Reznick, Head of Sustainable Fixed Income at Federated Hermes Limited, will be appointed as a co-Portfolio Manager of the Fund on the Effective Date. Mr. Reznick has worked with the investment team since 2018, providing sustainability advice and support. He will work alongside Mr. Durbiano as lead Portfolio Manager and Mr. Scherr and Ms. Glass as co-Portfolio Managers.

If you would like to discuss this matter further, please contact your usual Federated Hermes representative, or contact the NT investor services team at FederatedHermes_TA_Queries@ntrs.com.

Yours faithfully,



Director

For and on behalf of

Federated Hermes Investment Funds plc