

NORTHERN FUNDS

TAX-EXEMPT FUND

FIXED INCOME

MUTUAL FUND

AS OF 2Q23

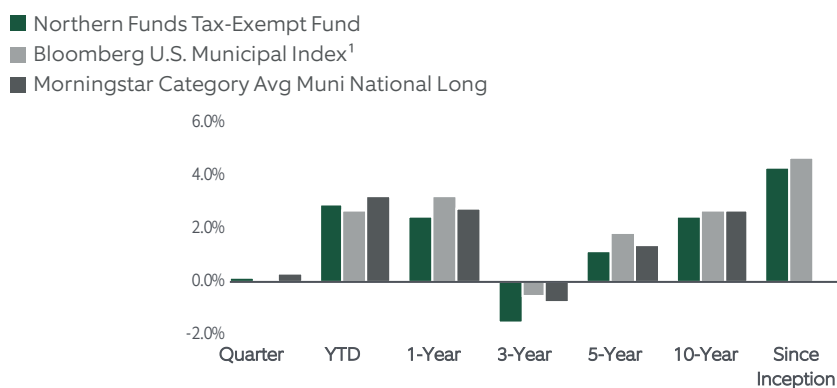
Investment Objective

The Fund seeks to provide a high level of current income exempt from regular federal income tax by investing in municipal instruments.

Investment Approach

The Fund seeks to primarily invest in high-quality, investment-grade municipal securities with an average maturity between 10 and 30 years. The Fund selects investments based on their relative value with a focus on total return.

INVESTMENT PERFORMANCE % — AS OF 6/30/23



Average Annual Returns

	Quarter	YTD	1-Year	3-Year	5-Year	10-Year	Since Inception
■ Fund	0.15	2.92	2.39	-1.60	1.15	2.45	4.26
■ Benchmark ¹	-0.10	2.67	3.19	-0.58	1.84	2.68	4.63
■ Morningstar	0.28	3.17	2.75	-0.83	1.38	2.62	—

Performance quoted represents past performance and does not guarantee future results. Investment return and principal value will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than that shown here. Performance data current to the most recent month end is available by calling 800-595-9111.

In the absence of applicable expense reimbursements and fee waivers, fund performance and returns since inception and dividends would have been reduced. Total return is based on net change in NAV assuming reinvestment of distributions.

*The 30-Day SEC Yield w/waivers represents the annualization of the Fund's net investment income, excluding capital gain income and includes contractual expense reimbursements. It would be lower without those reimbursements. Negative 30-Day SEC Yield results when accrued expenses of the past 30 days exceed the income collected during the past 30 days. The 30-Day SEC Yield w/o waivers represents the annualization of the Fund's net investment income, excluding capital gain income and excludes contractual expense reimbursements, resulting in a lower yield. Negative 30-Day SEC Yield results when accrued expenses of the past 30 days exceed the income collected during the past 30 days.

Please see back page for calendar year returns, index definitions and investment terms.

FUND OVERVIEW

Benchmark/Index	Fund
Bloomberg U.S. Municipal Index ¹	
Morningstar Category	Muni National Long
Inception Date	4/1/94
Total Net Assets	\$763.4 Million
Symbol/CUSIP	NOTEX
Dividend Schedule	Monthly
Expense Ratio - Gross (%)	0.50
Expense Ratio - Net (%)	0.45

The Gross and Net Expense Ratios are as of the most recent prospectus. The Net Expense Ratio includes contractual expense reimbursements by the advisor through at least July 31, 2024. Please read the current prospectus for more complete information on fees and expenses.

FUND CHARACTERISTICS

	Fund
Number of Holdings	286
30-Day SEC Yield w/ Waivers (%)*	4.14
30-Day SEC Yield w/o Waivers (%)*	4.09
Tax-Equivalent 30-Day SEC Yield (%)	6.99
Effective Duration	6.91 Years
Average Maturity	17.01 Years

Tax-equivalent yields are based on an assumed tax rate of 40.8% for national municipal funds.

NOT FDIC INSURED

MAY LOSE VALUE

NO BANK GUARANTEE

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CALENDAR YEAR RETURNS %

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Tax-Exempt Fund	-11.20	1.27	5.10	7.62	0.65	4.83	0.40	3.69	10.47	-3.64
Benchmark ¹	-8.53	1.52	5.21	7.54	1.28	5.45	0.25	3.30	9.05	-2.55
Morningstar Muni National Long	-11.88	2.88	5.36	8.37	0.27	5.71	0.00	3.07	10.58	-4.59

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MATURITY DISTRIBUTION %

Maturity Range	Fund	Fund
0 — 1 Year	6.4	41.2
1 — 5 Years	9.9	37.1
5 — 10 Years	4.0	1.5

QUALITY DISTRIBUTION %

Quality Rating	Fund	Benchmark ¹
AAA	8.7	15.9
AA	53.6	53.7
A	30.2	24.4
BBB	3.2	5.5
Not Rated	0.5	0.5
Cash & Cash Equivalents	3.9	0.0

SECTOR WEIGHTINGS %

Economic Sector	Fund	Benchmark ¹
Revenue	81.4	70.3
General Obligation	14.1	28.7
Cash	3.9	0.0
Pre-Refunded	0.7	1.0

PORTFOLIO MANAGEMENT

Refer to Northern Trust's website for more information on the Portfolio Management Team managing this fund.

DISCLOSURE AND RISKS

All data is as of date indicated and subject to change.

Bond Risk: Bond funds will tend to experience smaller fluctuations in value than stock funds. However, investors in any bond fund should anticipate fluctuations in price, especially for longer-term issues and in environments of rising interest rates.

Tax-Free/AMT Risk: Tax-exempt funds' income may be subject to certain state and local taxes and, depending on your tax status, the federal alternative minimum tax.

DEFINITIONS

¹ Bloomberg U.S. Municipal Index is an unmanaged index of investment grade (Baa3 or better) tax-exempt bonds with a remaining maturity of at least one year. It is not possible to invest directly in an index

Characteristics: Benchmark and Fund analytics have been calculated using a third party vended model. All material has been obtained from sources believed to be reliable, but the accuracy, completeness and interpretation cannot be guaranteed. Information contained herein is current as of the date appearing in this material only and is subject to change without notice. Certain benchmark calculations may not match the published benchmark characteristics.

Distribution Calculations: All distribution calculations (Maturity Distribution, Sector Weightings and Quality Distribution) are measured on a trade date basis and are adjusted for uninvested cash from the market value used to compute the percentage calculations.

Effective Duration: Effective Duration measures percent change in price for 100 basis point parallel shift.

Quality Distribution: Credit quality ratings are based on Moody's, Standard & Poor's and Fitch ratings. If ratings from all three rating agencies disagree, the security is assigned the middle rating. If two of the three agree, the security is assigned the rating from those two. If two of these rating agencies have assigned different ratings, the security is assigned the lower rating from those two. If none of these three rating agencies have assigned a rating, the security is assigned a rating of not rated. The ratings, expressed in Standard & Poor's nomenclature, range from AAA (extremely strong capacity to meet its financial commitment) to D (in default). Short-term ratings, when applicable, are expressed in Standard & Poor's nomenclature, range from A-1 (obligors capacity to meet its financial commitment on the obligation is strong) to A-3 (exhibits adequate protection parameters). The ratings represent the rating agencies opinions of the quality of the securities they rate. Ratings are relative and subjective and are not absolute standards of quality.

Please carefully read the prospectus and summary prospectus and consider the investment objectives, risks, charges and expenses of Northern Funds carefully before investing. Call 800-595-9111 to obtain a prospectus and summary prospectus, which contain this and other information about the funds.

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