

# NORTHERN FUNDS

## ACTIVE M INTERNATIONAL EQUITY FUND (NMIEX)

As of 09/30/21

### FUND COMMENTARY

Non-U.S. equity markets, as measured by the MSCI World ex USA IM Index, were down 0.45% in the third quarter. Growing concerns over inflation due to supply chain bottlenecks and rising energy prices and the outlook for interest rates took their toll on the markets in September. The Pacific ex-Japan region led the decline, followed by Europe and North America (Canada). The one bright spot was Japan which posted positive performance. On a sector basis, the consumer sectors lagged the Index while energy benefitted from rising demand and supply constraints. Growth outperformed value and small cap outpaced large cap.

The Fund outperformed its benchmark during the quarter, returning -0.22% versus -0.45% for the MSCI World ex USA IM Index. Stock selection within financials and an overweight to information technology contributed to the relative outperformance. The Fund's exposure to emerging markets detracted from results, as emerging markets underperformed international developed markets for the quarter. Stock selection within the region also detracted.

Three of the five sub-advisers outperformed the Fund's benchmark for the quarter. WCM, a growth sub-adviser, benefitted from a style tailwind while Wellington, a value sub-adviser, benefitted from the value snapback that occurred during the last week of the quarter. Victory's small cap strategy also contributed positively as small cap stocks were in favor. Conversely, Polen's growth strategy was negatively impacted by that value snapback, while Causeway's exposure to emerging markets detracted from results.

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

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## ACTIVE M INTERNATIONAL EQUITY FUND (NMIEX)

Performance as of 09/30/21				Annualized Returns					
FUND	QTR	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception*	Gross Expense Ratio	Net Expense Ratio
Active M International Equity Fund	-0.22%	11.14%	31.02%	9.59%	10.46%	7.81%	4.31%	0.92%	0.85%
MSCI World ex-USA IM Index <sup>1</sup>	-0.45%	9.43%	27.05%	8.10%	9.09%	8.17%	4.57%		

\*Inception Date- 06/22/06

<sup>1</sup>**MSCI World ex-USA IM Index** is a free float-adjusted, market capitalization weighted index that is designed to measure the equity market performance of developed markets. It captures large, mid and small cap representation across 22 developed markets, excluding the United States, and covers approximately 99% of the free float-adjusted market capitalization in each country. The index is calculated net of foreign tax withholdings. It is not possible to invest directly in an Index.

**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.**

The Gross and Net Expense Ratios are as of the most recent prospectus. The Net Expense Ratio includes contractual expense reimbursements that, if not extended, will end on July 31, 2022.

**Emerging Markets Risk:** Emerging market investing is subject to additional economic, political, liquidity and currency risks not associated with more developed countries.

**Equity Risk:** Equity securities (stocks) are more volatile and carry more risk than other forms of investments, including investments in high-grade fixed-income securities. The net asset value per share of this Fund will fluctuate as the value of the securities in the portfolio changes.

**International Risk:** International investing involves increased risk and volatility.

**Multi-Manager Risk:** is the risk that the sub-advisers' investment styles will not always be complementary, which could affect the performance of the Fund.

Not FDIC insured | May lose value | No bank guarantee

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