

# NORTHERN TRUST ASSET MANAGEMENT

## NORTHERN TRUST NORTH AMERICA

### CUSTOM ESG INDEX FGR FUND

Marketing Communication  
**PASSIVE EQUITY**

SHARE CLASS G EUR AS OF DECEMBER 2023

#### Investment Objective

The investment objective of the Fund is to closely match the risk and return characteristics of the MSCI North America Custom ESG Index (the "Index") with net dividends reinvested.

The Fund invests in equities (that is, shares and other similar kinds of assets) issued by or relating to companies included in the Index. Target Market: This Fund is appropriate for investors who plan to invest over the medium to long term; and are looking for a passively managed investment in the relevant market(s) with Environmental, Social and Governance (ESG) principles implemented according to a defined set of exclusions. This Fund may be appropriate for investors who seek a Fund which features tax transparency. The Index is a custom index which corresponds with the MSCI North America Index with the exclusion of companies not considered to meet socially responsible principles identified by applying criteria that refer to the UN Global Compact ten principles, as well as other ESG criteria selected by the Investment Manager.



**NORTHERN  
TRUST**

ASSET MANAGEMENT

For regulatory reasons we are unable to provide performance information where the track record is less than 12 months; if you are an existing investor in, or distributor of, this fund please contact your normal representative.

#### Northern Trust Asset Management

As a leading global asset management firm, our investment expertise, strength and innovation have earned the trust and confidence of the world's most sophisticated institutional and individual investors.

Our forward-looking, historically aware investment approach powers a broad range of capabilities and solutions. And our comprehensive asset class offering includes passive, factor-based, fundamental active and multi-manager solutions that are available in a variety of investment vehicles.

With \$1 trillion in total assets under management,\* and a long-standing history of solving complex investment challenges, we believe our strength and stability drive opportunities for our clients.

Learn more at [northerntrust.com/strength](https://northerntrust.com/strength).

\* Assets under management as of December 31, 2022. For the Northern Trust Asset Management entities included in the AUM total, please see disclosure at end of this document.

#### RISK WARNINGS

**Liquidity Risk** – Some recognised exchanges are less liquid or more volatile which may affect the price received and time taken when selling investments. Small capitalisation companies are also less liquid and this may result in fluctuations in the price of units.

**Investment Risk** - The Fund may not achieve its investment objective. An investment in the Fund involves investment risks including possible loss of the amount invested.

**Counterparty Risk** - In case of bankruptcy of the broker, there is no guarantee collateral held by the broker will be returned to the Fund. In the event of bankruptcy of the counterparty, the premium and any unrealised gains may be lost.

**Derivative Risk** - Derivatives may result in gains or losses that are greater than the original amount invested.

**Valuation Risk** - A position in the Fund may be valued incorrectly, as some prices may be uncertain at a point in time.

**Currency Risk** - Where a class of units are in a currency other than the base currency of the Fund, the non-base unit classes of the Fund may be affected unfavourably by fluctuations in currency rates.

## NORTHERN TRUST NORTH AMERICA CUSTOM ESG INDEX FGR FUND

TOP HOLDINGS %	Fund
Apple Inc.	7.1
Microsoft Corporation	6.3
Amazon.com, Inc.	3.3
NVIDIA Corporation	2.9
Alphabet Inc. Class A	2.0
Meta Platforms Inc. Class A	1.9
Alphabet Inc. Class C	1.7
Tesla, Inc.	1.7
Broadcom Inc.	1.2
JPMorgan Chase & Co.	1.2

SECTOR ALLOCATION %	Fund	Benchmark
Information Technology	29.4	29.4
Financials	14.2	14.2
Health Care	12.3	12.3
Consumer Discretionary	11.0	11.0
Communication Services	8.6	8.6
Industrials	7.4	7.4
Consumer Staples	5.6	5.6
Energy	4.5	4.5
Materials	2.7	2.7
Real Estate	2.6	2.6
Utilities	1.7	1.7

TOP REGIONS/ COUNTRIES %	Fund	Benchmark
United States	95.8	96.0
Canada	4.2	4.0

FUND OVERVIEW	
Domicile	Netherlands
Legal Structure	Fonds voor gemene rekening (FGR)
Regulatory Structure	UCITS
Proxy Voting	Yes
Distributions	May and November
Total Fund Assets	\$1.8 Billion
Benchmark	MSCI North America Custom ESG Ind (prior to 31.8.18 MSCI N Am Ind)
Fund Launch Date	11/03/15
Share Class Launch Date	10/11/22
Fund Base Currency	USD
Share Class Currency	EUR
Bloomberg Ticker	NTNORTC
ISIN	NL00150016F0
Minimum Initial Investment	No Minimum
Minimum Subsequent Investment	No Minimum
Dealing Frequency	Daily
Dealing Deadline	2:00pm Dutch Time on the Dealing Day
Settlement	T+2
Portfolio Manager	Team Managed
OCF SHARE CLASS G EUR**	0.08%
Securities Lending	No
Swing Pricing	Yes
Use of Income	Distributing

\*\*The Ongoing Charges Figures are estimated and may vary from time to time.

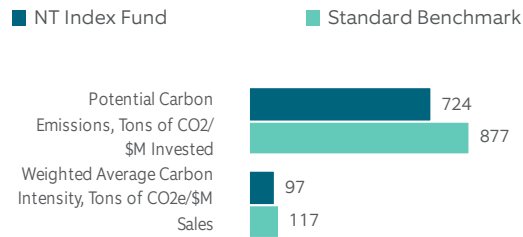
FUND CHARACTERISTICS	Fund	Benchmark
Forward EPS Growth (%)	12.9	12.9
Trailing 12-Month Price-to-Earnings Ratio	22.4	22.4
Weighted Average Market Cap (\$M)	64,501.0	64,503.9
Price-to-Book Ratio	4.3	4.3
Dividend Yield*** (%)	1.5	1.4
Return on Equity (%)	23.8	23.7
Number of Holdings	658	655

\*\*\* The Dividend yield is calculated at the fund level by Factset as a weighted average of the gross dividend yield of the stocks within the portfolio and index.

## NORTHERN TRUST NORTH AMERICA CUSTOM ESG INDEX FGR FUND

## CARBON DATA METRICS

Carbon footprint of the index constituents versus parent



Potential carbon emissions are emissions of fossil fuel companies that can be potentially released should all the fossil fuel reserves they own be extracted. This field represents the potential carbon emissions of the fossil fuel reserves owned by a company using a formula from the Potsdam Institute for Climate Impact research. Carbon intensity represents the company's most recently reported or estimated Direct (fuel combustion, company vehicles) and Indirect (purchased electricity heat and steam) greenhouse gas emissions.

## ADVOCACY DATA

Advocacy data is updated on a quarterly basis capturing the previous 3 months engagement activity. For more information on our engagement, please read our quarterly engagement reporting at [northerntrust.com/engagement](https://northerntrust.com/engagement). Engagement undertaken by Hermes EOS on behalf of Northern Trust.

## ESG EXCLUSIONS ON BASE INDEX

Number of securities excluded in the fund index when compared to the standard benchmark.

ESG Screen	# of Securities	% of Market Capitalization
Business Related Exclusions*	6	0.7
Combined Governance	0	0.0
Combined Weapons	14	2.0
Fossil Fuels**	20	1.1
High Carbon Intensity	0	0.0
Not Rated	2	0.2
Nuclear Power	0	0.0
UNGC & Other Severe Controversies	2	0.1
Combined Basket***	44	4.1

\* Business Related Exclusions includes tobacco and not for profit prisons.

\*\* Fossil Fuels includes Thermal Coal, Shale, Oil Sands and Arctic Oil & Gas.

\*\*\* Stocks may appear in multiple ESG Screens but are only considered once in the Combined Basket.

# NORTHERN TRUST NORTH AMERICA CUSTOM ESG INDEX FGR FUND

## Glossary

**Business Related Exclusions :** Business related exclusions cover tobacco manufacturing, retail and trade and for-profit prisons.

**Duration:** is a measure of the sensitivity of the price of a bond or other debt instrument to a change in interest rates.

**Forward EPS Growth:** is an estimated growth of the next period's earnings of a company, usually till the completion of the current fiscal year and sometimes to the following fiscal year.

**ISIN:** International Securities Identification Number. It is a 12-digit alphanumeric code that uniquely identifies a specific security.

**LT / ST:** Long Term / Short Term.

**Modified Duration:** measures the change in the value of the a bond in response to a change in 100-basis-point (1%) change in interest rates.

**Ongoing Charge:** is a figure representing all annual charges and other payments taken from the fund.

**Price-to-Book Ratio:** is used to compare a firm's market capitalization to its book value. It's calculated by dividing the company's stock price per share by its book value per share. Book value is calculated as follows: (total asset - total liabilities) / number of shares outstanding.

**Quant Active:** securities are chosen based on numerical data compiled through quantitative analysis. It is aiming for high alpha from exposure to multiple factors: proven stock ranking model focused on selecting stocks that exhibit good value, quality, momentum and analyst revisions characteristics etc.

**Spread Duration:** is an estimate of how much the price of a specific bond will move when the spread of that specific bond changes.

**SRRI:** is a value based on the volatility of the fund, which gives an indication of the overall risk and reward profile of the fund.

**Swing Pricing:** protects existing shareholders against fund dilution by passing transaction costs to purchasing or redeeming shareholders. It allows funds to adjust the net asset value up or down once purchase or redemption limits are exceeded.

**Trailing 12-month price-to-earnings ratio:** is a relative valuation multiple based on the last 12 months of actual earnings, calculated by dividing the current stock price by the trailing EPS for the previous year.

**WAL (Nominal Weighted Average Life):** A bond's maturity is the length of time until the principal amount of the bond is to be repaid. WAL of the fund is calculated as the average of the underlying bonds' maturities, adjusted to take account of their relative weight (size) within the fund.

**WAM (Weighted Average Maturity):** A bond's maturity is the length of time until the principal amount of the bond is to be repaid. WAM of the ETF is calculated as the average of the underlying bonds' maturities, adjusted to take account of their relative weight (size) within the fund.

**Weighted Average Market Cap:** refers to a type of stock market index construction that is based on the market capitalization of the index's constituent stocks.

**Yield to Maturity (%):** is the total return anticipated on a bond if the bond is held until it matures.

## For More Information

[www.northerntrust.com/fgrfunds](http://www.northerntrust.com/fgrfunds) or alternatively please consult with your distributor.

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## DISCLOSURE

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This is a marketing communication. Please refer to the prospectus and to the KIID before making any final investment decisions. The prospectus is available in English and the key investor information document is available in [English, Danish, Dutch, Italian, German, Spanish and Swedish] at [www.northerntrust.com/pooledfunds](http://www.northerntrust.com/pooledfunds).

For Asia-Pacific markets, this material is directed to expert, institutional, professional and wholesale investors only and should not be relied upon by retail clients or investors. For legal and regulatory information about our offices and legal entities visit [northerntrust.com/disclosures](http://northerntrust.com/disclosures).

The Fund is managed by Northern Trust Fund Managers (Ireland) Limited. This Fund, a sub-fund of Northern Trust UCITSFGR Fund (NTFGR), is a regulated collective investment scheme in the Netherlands under AFM UCITS (ICBE) regulations. The Fund makes use of the Temporary Permissions Regime in the United Kingdom allowing EEA-domiciled funds to be distributed in the UK for a limited period until full authorisation is obtained.

Past performance does not guarantee future results. Information contained herein has been obtained from sources believed to be reliable, but its accuracy and completeness are not guaranteed. Information is only current as of the date stated and is subject to change without notice. Fund performance data provided herein should not be relied upon as a basis for investment decisions; performance data may be revised. This information does not constitute a recommendation for any investment strategy or product described herein. This information is not intended as investment advice and does not take into account an investor's individual circumstances. The information contained in this document is neither an offer for sale nor a solicitation of an offer to buy securities or related financial instruments.

Our UCITS Funds have been categorized in accordance with the SFDR categorization. For more information please visit:

[northerntrust.com/europe/what-we-do/investment-management/sustainable-finance-regulation](http://northerntrust.com/europe/what-we-do/investment-management/sustainable-finance-regulation).

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