

# NORTHERN TRUST ASSET MANAGEMENT

## NORTHERN TRUST WORLD SMALL CAP ESG LOW CARBON INDEX FUND

Marketing Communication  
**PASSIVE EQUITY**

SHARE CLASS F GBP AS OF OCTOBER 2023



### Investment Objective

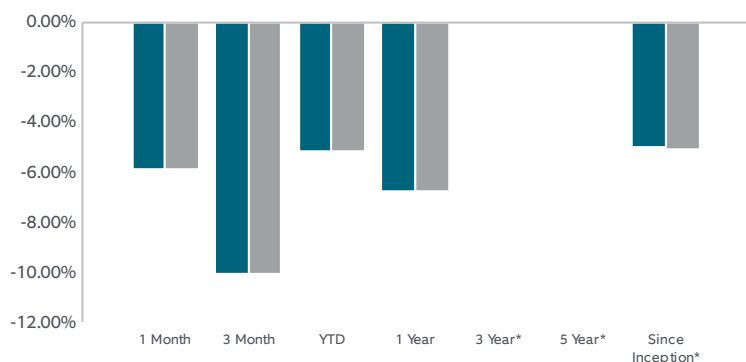
The investment objective of the Fund is to closely match the risk and return characteristics of the MSCI World Small Cap Custom ESG Low Carbon Index (the "Index") with net dividends reinvested. The Fund invests in equities (that is, shares and other similar kinds of assets) issued by or relating to companies 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 World Small Cap 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.

### SHARE CLASS PERFORMANCE % — IN GBP AS OF 31/10/23

■ Northern Trust World Small Cap ESG Low Carbon Index Fund  
■ World Sml Cap Cust ESG Low Car



### Past performance does not predict future returns

	1 Month	3 Month	YTD	1 Year	3 Year*	5 Year*	Since Inception*
Share Class	-5.86	-10.01	-5.12	-6.78	—	—	-5.02
Index	-5.88	-10.03	-5.14	-6.78	—	—	-5.05

Performance is calculated from the inception of the share class. All data shown is net of fees. Please refer to the Fund prospectus for pricing information.

\* Performance shown annualized for periods greater than 1 year.

Where your own currency is different to the currency of the fund's investments, the fund's returns can also be affected by fluctuations in currency exchange.

### All performance in GBP as of 31/10/23

#### 12 MONTH PERFORMANCE PERIODS — TO LAST MONTH END

	31/10/22-31/10/23	31/10/21-31/10/22	31/10/20-31/10/21	31/10/19-31/10/20	31/10/18-31/10/19	31/10/17-31/10/18	31/10/16-31/10/17	31/10/15-31/10/16	31/10/14-31/10/15	31/10/13-31/10/14	Calendar Year 2022
Share Class	-6.78	-8.62	—	—	—	—	—	—	—	—	-10.53
Index	-6.78	-8.73	—	—	—	—	—	—	—	—	-10.61

Index performance returns do not reflect any advisory fees, transaction costs or expenses. It is not possible to invest directly in any index.

### 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 WORLD SMALL CAP ESG LOW CARBON INDEX FUND

TOP HOLDINGS %	Fund
Vertiv Holdings Co. Class A	0.2
Flex Ltd.	0.2
RenaissanceRe Holdings Ltd.	0.2
Lincoln Electric Holdings, Inc.	0.2
Reinsurance Group of America, Incorporated	0.2
Pure Storage, Inc. Class A	0.2
EMCOR Group, Inc.	0.2
Unum Group	0.2
Williams-Sonoma, Inc.	0.2
Five Below, Inc.	0.2

SECTOR ALLOCATION %	Fund	Benchmark
Industrials	20.2	20.2
Financials	16.7	16.7
Consumer Discretionary	13.5	13.5
Information Technology	11.0	11.0
Health Care	10.9	10.9
Real Estate	9.5	9.5
Materials	6.8	6.8
Consumer Staples	4.9	4.9
Communication Services	2.7	2.7
Energy	2.4	2.4
Utilities	1.4	1.4

TOP REGIONS/ COUNTRIES %	Fund	Benchmark
United States	60.6	60.6
Japan	12.9	12.9
United Kingdom	5.8	5.8
Australia	3.6	3.6
Canada	3.2	3.2
Sweden	1.9	1.9
Switzerland	1.7	1.7
Germany	1.6	1.6
France	1.5	1.5
Italy	0.8	0.8

TOP CURRENCIES %	Fund	Benchmark
U S Dollar	60.7	60.7
Japanese Yen	12.9	12.9
Euro	6.7	6.7
British Pounds	5.8	5.8
Australian Dollar	3.6	3.6

FUND OVERVIEW	
Domicile	Ireland
Legal Structure	Common Contractual Fund
Regulatory Structure	UCITS
Proxy Voting	Yes
Currencies Offered	EUR
Distributions	December
Total Fund Assets	€1.2 Billion
Benchmark	World Sml Cap Cust ESG Low Car
Fund Launch Date	06/06/19
Share Class Launch Date	23/06/21
Fund Base Currency	EUR
Share Class Currency	GBP
Bloomberg Ticker	NOCICNF
ISIN	IE00BLKHOK79
Minimum Initial Investment	€30 Million
Minimum Subsequent Investment	€100,000
Dealing Frequency	Daily
Dealing Deadline	3:30pm Irish Time on the business day prior to the Dealing Day
Settlement	T+2
Portfolio Manager	Team Managed
OCF SHARE CLASS F GBP**	0.03%
Securities Lending	No
Use of Income	Distributing

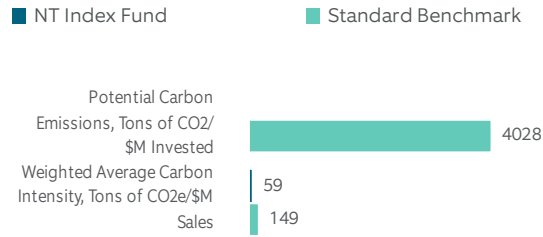
FUND CHARACTERISTICS	Fund	Benchmark
Forward EPS Growth (%)	11.4	11.4
Trailing 12-Month Price-to-Earnings Ratio	13.2	13.2
Weighted Average Market Cap (€M)	1,408.4	1,406.9
Price-to-Book Ratio	1.5	1.5
Dividend Yield*** (%)	2.2	2.2
Return on Equity (%)	11.0	11.0
Number of Holdings	3,270	3,261

\*\*\* 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 WORLD SMALL CAP ESG LOW CARBON INDEX 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

Engagement by Theme



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](http://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*	20	0.6
Combined Governance	581	8.5
Combined Weapons	46	1.8
Fossil Fuels**	129	3.5
High Carbon Intensity	149	4.1
Not Rated	96	0.7
Nuclear Power	0	0.0
UNGC & Other Severe Controversies	2	0.0
Combined Basket***	982	18.1

\* 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 WORLD SMALL CAP ESG LOW CARBON INDEX 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

Please visit [www.northerntrust.com/pooledfunds](http://www.northerntrust.com/pooledfunds) or please contact your local Northern Trust representative using the information below.

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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).

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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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