

NORTHERN FUNDS

Northern Engage360™ Fund: Diversity in Action

*An innovative program focusing on asset managers with
demonstrated leadership, diversity and investment performance*



NORTHERN TRUST

DIVERSITY AND ENGAGEMENT

We evaluate managers based on their leadership in diversity and engagement across areas such as Employee Diversity, Community Engagement, Ownership Diversity and Supplier Diversity

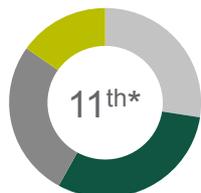
KEY DRIVERS

Each sub-adviser has unique strengths in demonstrating their commitment to advancing and promoting diversity.

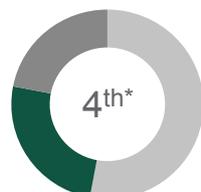
U.S. Equity



Aristotle

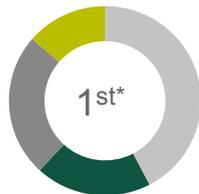


Mar Vista

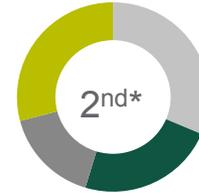


EARNEST

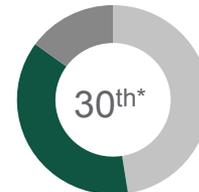
International/Global Equity



Ariel



SGA



ARK



HIGHLIGHTS

To qualify as a sub-adviser in the Northern Engage360 Fund, managers are required to rank in the top quartile of the Multi-Managers' **ANNUAL DIVERSITY AND ENGAGEMENT ASSESSMENT** at time of inclusion.

Based on our more expansive view of Diversity, Inclusion and Engagement, each sub-adviser demonstrates unique strengths:

- Women owned: Ariel, SGA and ARK
- Minority owned: Ariel, Mar Vista and EARNEST
- The average minority representation for the Engage360 Fund is higher than the industry¹ across the investment team (27% vs. 19%), leadership team (19% vs. 9%), and employee base (29% vs. 16%).
- Across the current 6 sub-advisers, Employee Diversity is the largest driver of their overall score, with the exception of Mar Vista.

We view engagement in the community as an important factor. The sub-advisers have programs that include company organized volunteering, paid volunteer hours, employee donation matching, and have senior leadership that are involved in charitable boards.

¹The sample of 116 asset managers that were surveyed in 2019 **ANNUAL DIVERSITY AND ENGAGEMENT ASSESSMENT** is used as a proxy for the industry.

*Percentile ranking based on the Northern Trust Investments, Inc. 2019 **ANNUAL DIVERSITY AND ENGAGEMENT ASSESSMENT** results across 116 asset managers as of 12/31/2019. For example, Ariel's 1st percentile ranking is defined as the top 1% of the 116 managers that were surveyed and ranked according to the annual Diversity & Engagement assessment.

Mar Vista Investment Partners, LLC (Mar Vista)

U.S. Large Cap

Organization: Mar Vista was founded in 2007, by Silas Myers and Brian Massey. Today, Mar Vista is 100% employee owned and majority minority owned. The firm is headquartered in Los Angeles, CA. As of June 30, 2020, Mar Vista had approximately \$3.79 billion in assets under management.

Role in Portfolio: At a target allocation of 18%^ of the Fund's assets, Mar Vista runs a U.S. large cap strategy that seeks to invest in companies that possess sustainable competitive advantages and attractive returns on capital. The portfolio is expected to have a lower volatility, low beta profile.

DIVERSITY, INCLUSION & ENGAGEMENT DRIVERS

Supplier Diversity

24% of brokerage activity is through minority owned brokerage firms

Community Engagement

The firm coordinates volunteer efforts and has an employee donation match policy

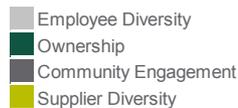


Employee Diversity

25% of the Investment team is represented by an ethnic minority*
50% of the Employee base** is female; 17% of the employee base is represented by an ethnic minority*

Ownership

Minority owned firm



Highlights:

- One of Mar Vista's pillars is to contribute resources to community-related initiatives that enable the advancement of citizens with fewer opportunities.
- In 2019, the Mar Vista Investment Partners Charitable Foundation contributed to the In-N-Out Foundation, Boys Hope of California, Orthopaedic Institute for Children, Good Seed Community Development, Free Wheelchair Mission, Big Brothers Big Sisters of Greater Los Angeles, The Council of Urban Professionals (CUP), Nature Bridge, the Children's Bureau of Southern California, and The Southwest Native-American Foundation, Health in the Hood, KCRW, among other organizations.
- In conjunction with an annual contribution to the Down Syndrome Association of Minnesota, members of the Minneapolis office participate annually in the DSA of Minnesota Step Up for Down Syndrome Walk.

*Percentages may reflect some overlap between female and ethnic minorities.

**Employee base excludes Leadership and Investment Teams

The Diversity, Inclusion & Engagement Drivers are based on the Northern Trust Investments, Inc. 2019 **ANNUAL DIVERSITY AND ENGAGEMENT ASSESSMENT** results as of 12/31/2019.

^Actual allocations may vary.

ARK Investment Management LLC (ARK)

Global Equity

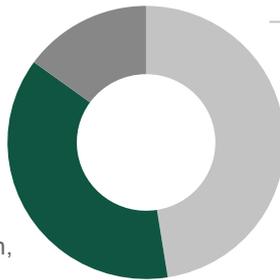
Organization: ARK was founded by Catherine Wood in January 2014, where she has led the development of the firm's philosophy and investment approach. The firm is headquartered in New York, NY. As of June 30, 2020, ARK had approximately \$17.9 billion in assets under management.

Role in Portfolio: At a target allocation of 5%^ of the Fund's assets, ARK manages a concentrated, global equity growth strategy focused on disruptive innovation, with significant exposures to information technology and health care sectors. It is benchmark agnostic with a higher risk profile.

DIVERSITY, INCLUSION & ENGAGEMENT DRIVERS

Community Engagement

ARK gives back to organizations that they believe are promoting good health and well-being, quality education, and gender equality.



Employee Diversity

23% of the Investment team is female; 8% is represented by an ethnic minority*
67% of the Employee base** is female; 17% is represented by an ethnic minority*

Ownership

Woman owned firm



*Percentages may reflect some overlap between female and ethnic minorities.

**Employee base excludes Leadership and Investment Teams

Highlights:

- ARK implements responsible corporate governance, fosters a diverse and inclusive workforce, and gives back to organizations that they believe are promoting good health and well-being, quality education, and gender equality.
- In 2018, Ms. Wood launched the Duddy Innovation Center of Excellence at Notre Dame Academy, an all girls preparatory high school in Los Angeles. The institute offers a challenging educational experience for young women eager to stretch their learning beyond the boundaries of traditional acquisition of knowledge, while influencing a new way of thinking and learning throughout campus.
- ARK has adopted the United Nation's Sustainable Development Goals. In February, the company participated in the 2020 Memorial Sloan Kettering Cycle for Survival fundraiser and cycle activity.

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^Actual allocations may vary.

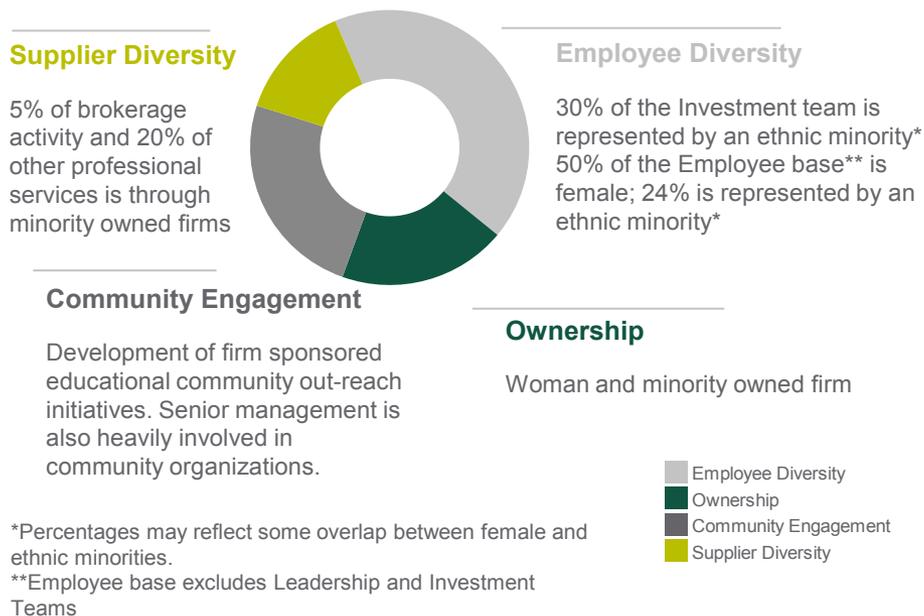
Ariel Investments, LLC (Ariel)

International Equity

Organization: Ariel was formed in 1983 by John W. Rogers, Jr. John Rogers is the co-chief executive and chairman of Ariel. Mellody Hobson, who serves as president of Ariel since 2000, was named co-chief executive officer in 2019. The firm is headquartered in Chicago, IL. As of June 30, 2020, Ariel had approximately \$11.4 billion in assets under management.

Role in Portfolio: At a target allocation of 22%^ of the Fund's assets, Ariel manages an international strategy seeking high quality companies with strong growth prospects that are undervalued and out of favor across both developed and emerging markets. The international equity portfolio is managed by Ms. Rupal J. Bhansali.

DIVERSITY. INCLUSION & ENGAGEMENT DRIVERS



Highlights:

- In 1996, the firm founded the Ariel Community Academy (ACA), a K-8 public school located on the south side of Chicago, with an innovative financial literacy curriculum. In June 2020, 58 8th grade students graduated from ACA, and 13 graduates received cash distributions for their share of proceeds from the Ariel Investment Program, which provides students real-world investing experience. Twenty-seven graduates opened 529 college savings plans with matched contributions from Ariel.
- In January 2019, Ariel published FUTURES: Financially Literate Kids for a Financially Literate Society, a free educational resource available for download at www.arieducationinitiative.org. The FUTURES program guides students from a basic to an advanced understanding of personal finance, economics, entrepreneurship, and investing.

The Diversity, Inclusion & Engagement Drivers are based on the Northern Trust Investments, Inc. 2019 **ANNUAL DIVERSITY AND ENGAGEMENT ASSESSMENT** results as of 12/31/2019.

^Actual allocations may vary.

Aristotle Capital Management, LLC (Aristotle)

U.S. Large Cap Value

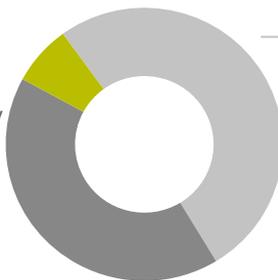
Organization: Aristotle is a privately owned, registered investment advisor with offices in Los Angeles and Newport Beach, California. The firm, which was formed in November 2010, manages U.S., International and Global equity strategies for institutional and high net worth clients. As of June 30, 2020, Aristotle had approximately \$31.2 billion in assets under management.

Role in Portfolio: At a target allocation of 25.5%^ of the Fund's assets, Aristotle manages a U.S. large cap, relative value approach that is benchmark agnostic with a high quality bias. They analyze companies with a global perspective and may have ADR exposure up to 20%.

DIVERSITY, INCLUSION & ENGAGEMENT DRIVERS

Supplier Diversity

4% of brokerage activity is through minority-owned brokerage firms.



Employee Diversity

30% of the Investment team is represented by an ethnic minority*
47% of the Employee base** is female; 16% is represented by an ethnic minority*

Community Engagement

Have corporate community outreach, paid volunteer days for employees, company organized volunteering, and an employee donation match program.



*Percentages may reflect some overlap between female and ethnic minorities.

**Employee base excludes Leadership and Investment Teams

Highlights:

- Aristotle partners with a number of outstanding organizations and nonprofits that advance health, education, the arts and human services not only to support their valuable missions but also to enrich their own lives through teamwork and continuous learning. From walking to support St. Jude to mentoring youth to volunteering in neighborhoods in great economic need, Aristotle strives to make a meaningful difference in their communities.
- They are one of the founding Los Angeles firms that are partnering with the Money Management Institute to bring their Gateway to Leadership program to Los Angeles to recruit an internship class for summer 2021. The program was created to “foster career awareness and workforce readiness for students of color from historically underrepresented communities, particularly African Americans and Hispanics, seeking internships and entry-level employment opportunities in the financial services industry.”

The Diversity, Inclusion & Engagement Drivers are based on the Northern Trust Investments, Inc. 2019 **ANNUAL DIVERSITY AND ENGAGEMENT ASSESSMENT** results as of 12/31/2019.

^Actual allocations may vary..

EARNEST Partners, LLC (EARNEST)

U.S. Mid Cap Core

Organization: EARNEST was founded in 1989 by Paul E. Viera, CEO, and is 100% employee owned. Paul Viera is the majority shareholder with eight other principals owning the remaining interests. The firm is headquartered in Atlanta, GA. As of June 30, 2020, EARNEST had approximately \$22.4 billion in assets under management.

Role in Portfolio: At a target allocation of 7.5%^ of the Fund's assets, EARNEST manages a diversified U.S. mid cap core strategy focusing on companies with improving profitability and lower earnings variability that trade at reasonable valuations.

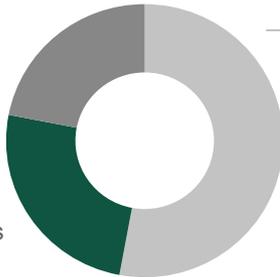
DIVERSITY, INCLUSION & ENGAGEMENT DRIVERS

Community Engagement

The firm coordinates volunteer efforts and has mentorship programs for students

Ownership

Minority owned firm



Employee Diversity

25% of the Investment team is female; 31% is represented by an ethnic minority*; 13% are veterans 48% of the Employee base** is female; 48% is represented by an ethnic minority*



*Percentages may reflect some overlap between female and ethnic minorities.

**Employee base excludes Leadership and Investment Teams

Highlights:

- EARNEST is a long-standing supporter of Cristo Rey Atlanta Jesuit High School. The school serves only low-income students, where financial need is a first criterion for admission.
- EARNEST has sponsored numerous Cristo Rey students over the years. The opportunity not only provides an educational scholarship but also provides a mentorship program and an internship at EARNEST's headquarters in Atlanta.
- EARNEST has participated in Trees for Atlanta.
- Their headquarters in Atlanta is in a Platinum LEED building.

The Diversity, Inclusion & Engagement Drivers are based on the Northern Trust Investments, Inc. 2019 **ANNUAL DIVERSITY AND ENGAGEMENT ASSESSMENT** results as of 12/31/2019.

^Actual allocations may vary.

Strategic Global Advisors, LLC (SGA)

International Equity

Organization: SGA is a majority woman and employee owned investment firm headquartered in Newport Beach, California. SGA was founded in November 2005, by Cynthia Tusan, CFA. As of June 30, 2020, SGA had approximately \$4.45 billion in assets under management.

Role in Portfolio: At a target allocation of 22%^ of the Fund's assets, SGA runs a diversified all country world ex U.S. strategy that seeks to generate long term value by integrating proprietary quantitative models with a traditional fundamental research overlay.

DIVERSITY, INCLUSION & ENGAGEMENT DRIVERS



*Percentages may reflect some overlap between female and ethnic minorities.

**Employee base excludes Leadership and Investment Teams

Highlights:

- SGA seeks to encourage employee engagement with the community through our SGA Cares Initiative, which supports programs such as the Hidden Genius Project and the Neighborhood Youth Association via Investors in Education. As part of the SGA Cares Initiative, firm employees participate in SGA's Day of Service by giving back to local communities through organizations such as The Boys and Girls Club, Second Harvest Food Bank, Girl Scouts of America, the YMCA, Youth Employment Services as well as organizations and charities chosen by individual employees.
- SGA has participated and sponsored diversity programs within the industry including the Toigo Foundation and CalPERS & CalSTRS Diversity Forum, both of which "seek to assist underrepresented talent by creating mechanisms for greater inclusion from the classroom to the boardroom."

The Diversity, Inclusion & Engagement Drivers are based on the Northern Trust Investments, Inc. 2019 **ANNUAL DIVERSITY AND ENGAGEMENT ASSESSMENT** results as of 12/31/2019.

^Actual allocations may vary.

IMPORTANT INFORMATION

DISCLOSURE AND RISKS

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

Emerging and Frontier Markets Risk: Emerging and frontier market investing may be subject to additional economic, political, liquidity and currency risks not associated with more developed countries. Additionally, frontier countries generally have smaller economies or less developed capital markets than traditional emerging markets and, as a result, the risks of investing in emerging market countries are magnified in frontier 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.

Foreign (Non-U.S.) Securities Risk: Investing in foreign (non-U.S.) securities may result in the Fund experiencing more rapid and extreme changes in value than a fund that invests exclusively in securities of U.S. companies, due to less liquid markets, foreign government intervention and adverse economic, political, diplomatic, financial and regulatory factors.

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.

Effective May 15, 2020, Segall Bryant & Hamill, LLC was terminated as a sub-adviser to the Northern Engage360™ Fund, and assets will be re-allocated among remaining sub-advisers of the Fund on or about May 28, 2020.

About Northern Funds

An investment in Northern Funds is not insured by the FDIC, and is not a deposit or obligation of, or guaranteed by The Northern Trust Company or any affiliate. An investment in Northern Funds involves risks, including possible loss of principal.

Please carefully read the prospectus and summary prospectus and consider the investment objectives, risks, charges and expenses of Northern Funds before investing. Call 877-867-1259 to obtain a prospectus and summary prospectus, which contains this and other information about the funds.

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