

NORTHERN FUNDS

INCOME EQUITY FUND

EQUITY

MUTUAL FUND

AS OF 1Q21



Overall Morningstar Rating™

among 1,138 Large Value funds derived from a weighted average of the fund's 3- 5- and 10-year risk-adjusted returns as of 3/31/21.¹

Investment Objective

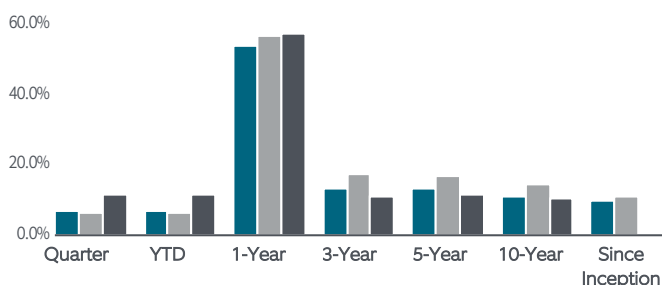
The Fund seeks to provide a high level of current income and long-term capital appreciation.

Investment Approach

The Fund seeks to achieve its investment objective by investing income-producing U.S. equity securities. The Fund employs a multi-factor investment process using quality characteristics and dividend yield in an effort to identify equity securities and create a diverse portfolio of high quality, high dividend paying U.S. companies.

INVESTMENT PERFORMANCE % — AS OF 3/31/21

- Northern Funds Income Equity Fund
- S&P 500 Index²
- Morningstar Category Avg Large Value



Average Annual Returns

	6.91	6.91	53.42	13.12	12.88	10.52	9.27
■ Fund	6.91	6.91	53.42	13.12	12.88	10.52	9.27
■ Benchmark ²	6.17	6.17	56.35	16.78	16.29	13.91	10.57
■ Morningstar	11.44	11.44	56.98	10.46	11.43	10.32	—

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.

Northern Trust Investments, Inc. has contractually agreed to reimburse a portion of the operating expenses of the Fund (other than certain excepted expenses, i.e., acquired fund fees and expenses; the compensation paid to each Independent Trustee of the Trust, expenses of third party consultants engaged by the Board of Trustees, membership dues paid to the Investment Company Institute and Mutual Fund Directors Forum, expenses in connection with the negotiation and renewal of the revolving credit facility, and extraordinary expense and interest) to the extent the "Total Annual Fund Operating Expenses" exceed 1.00%. This contractual limitation may not be terminated before July 31, 2021 without the approval of the Board of Trustees. The "Total Annual Fund Operating Expenses After Expense Reimbursement" may be higher than the contractual limitation as a result of the excepted expenses that are not reimbursed. In the absence of contractual expense reimbursements, yield, total return, growth since inception and dividends would have been reduced. Total return is based on net change in NAV assuming reinvestment of distributions.

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

FUND OVERVIEW

	Fund
Benchmark/Index	S&P 500 Index ²
Morningstar Category	Large Value
Inception Date	4/1/94
Total Net Assets	\$149.9 Million
Symbol/CUSIP	NOIEX
Dividend Schedule	Monthly
Expense Ratio - Gross (%)	1.13
Expense Ratio - Net (%)	1.02

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, 2021.

FUND CHARACTERISTICS

	Fund	Benchmark ²
Number of Holdings	132	505
Return on Equity (%)	28.4	22.6
Trailing 12-month Price-to-Earnings Ratio	25.6	29.0
Price-to-Book Ratio	4.5	4.3
Annual Portfolio Turnover as of 3/31/20 (%)	76.3	
30-Day SEC Yield w/ Waivers (%)	1.19	
30-Day SEC Yield w/o Waivers (%)	1.09	

PERFORMANCE AND RISK CHARACTERISTICS (3 YR)

	Fund
Beta	1.01
Information Ratio	-1.44
Upside Capture Ratio	93.45
Downside Capture Ratio	107.18

Above risk characteristics are based on 3-year time period.

NOT FDIC INSURED

MAY LOSE VALUE

NO BANK GUARANTEE

INCOME EQUITY FUND

CALENDAR YEAR RETURNS %

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Income Equity Fund	10.97	27.01	-6.41	20.21	11.37	0.45	9.28	24.85	10.61	2.18
Benchmark ²	18.40	31.49	-4.38	21.83	11.96	1.38	13.69	32.39	16.00	2.11
Morningstar Large Value	2.91	25.04	-8.53	15.94	14.81	-4.05	10.21	31.21	14.57	-0.75

Performance quoted represents past performance and does not guarantee future results.

TOP HOLDINGS %

	Fund
Apple Inc.	7.3
Microsoft Corporation	4.9
Amazon.com, Inc.	2.9
Alphabet Inc. Class A	2.3
JPMorgan Chase & Co.	2.1
Home Depot, Inc.	1.9
Comcast Corporation Class A	1.8
Johnson & Johnson	1.8
Cisco Systems, Inc.	1.7
Mastercard Incorporated Class A	1.7

SECTOR

ALLOCATION %	Fund	Benchmark ²
Information Technology	30.1	26.7
Health Care	12.5	13.0
Financials	10.5	11.3
Consumer Discretionary	9.0	12.4
Communication Services	9.0	10.9
Consumer Staples	8.0	6.1
Industrials	7.0	8.9
Real Estate	4.3	2.5
Materials	3.9	2.7
Utilities	3.1	2.7
Energy	2.6	2.8

ASSET ALLOCATION %

	Fund
Stocks	99.1
Cash	0.9

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.

¹Past performance is no guarantee of future results. Ratings reflect fee waivers in effect; in their absence, ratings may have been lower.

The Morningstar Rating™ for funds, or "star rating," is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating /30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. The Income Equity Fund received 4 stars for the 3-year rating among 1138 Large Value funds, 4 stars for the 5-year rating among 1007 funds and 4 stars for the 10-year rating among 729 funds.

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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.



DEFINITIONS

² S&P 500® Index is an unmanaged index consisting of 500 stocks and is a widely recognized common measure of the performance of the overall U.S. stock market. It is not possible to invest directly in an index.

Beta: Beta represents the systematic risk of a portfolio and measures its sensitivity to a benchmark.

Down Market Capture: A measure of a managers performance in down markets relative to the market.

Information Ratio: A measure of risk-adjusted relative return.

Price-to-Book Ratio: A ratio used to compare a stocks market value to its book value. It is calculated by dividing the current price of the stock by the latest quarters book value per share.

Return on Equity: Amount of net income returned as a percentage of shareholders equity.

Trailing 12-month Price-to-Earnings Ratio: The sum of a companys price-to-earnings. Calculated by taking the current stock price and dividing it by the current earnings per share for the past 12 months.

Up Market Capture: A measure of a managers performance in up markets relative to the market.



Please carefully read the prospectus and summary prospectus and consider the investment objectives, risks, charges and expenses of Northern Funds 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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