

NORTHERN FUNDS

SMALL CAP VALUE FUND

EQUITY

MUTUAL FUND

AS OF 3Q20



Overall Morningstar Rating™ among 387 Small Value funds derived from a weighted average of the fund's 3- 5- AND 10-year risk-adjusted returns as of 9/30/20.¹

Investment Objective

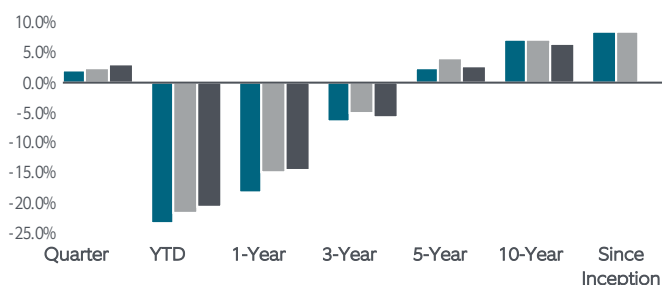
The Fund seeks to provide long-term capital appreciation. Any income received is incidental to this objective.

Investment Approach

The Fund seeks to efficiently capture the small cap premium and deliver excess return by investing in a diverse portfolio of quality, undervalued, U.S. small capitalization companies consistent with small-cap value benchmarks. The Fund applies a multi-factor investment process seeking to identify positive momentum.

INVESTMENT PERFORMANCE % — AS OF 9/30/20

- Northern Funds Small Cap Value Fund
- Russell 2000 Value Index²
- Morningstar Category Avg Small Value



Average Annual Returns

	Fund	Benchmark ²	Morningstar
Quarter	1.94	2.56	2.98
YTD	-23.31	-21.54	-20.54
1-Year	-18.17	-14.88	-14.26
3-Year	-6.40	-5.13	-5.51
5-Year	2.46	4.11	2.67
10-Year	7.18	7.09	6.44
Since Inception	8.32	8.54	—

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	Russell 2000 Value Index ²
Morningstar Category	Small Value
Inception Date	4/1/94
Total Net Assets	\$2.2 Billion
Symbol/CUSIP	NOSGX
Dividend Schedule	Annually
Expense Ratio - Gross (%)	1.11
Expense Ratio - Net (%)	1.00

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	578	1,458
Weighted Average Market Cap (\$M)	2,057.6	1,861.8
Return on Equity (%)	9.4	5.7
Trailing 12-month Price-to-Earnings Ratio	14.1	14.4
Price-to-Book Ratio	1.1	1.2
Annual Portfolio Turnover as of 3/31/20 (%)	14.2	

PERFORMANCE AND RISK CHARACTERISTICS (3 YR)

	Fund
Beta	0.95
Information Ratio	-0.50
Upside Capture Ratio	89.87
Downside Capture Ratio	98.93

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

NOT FDIC INSURED

MAY LOSE VALUE

NO BANK GUARANTEE

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CALENDAR YEAR RETURNS %

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Northern Funds Small Cap Value Fund	22.27	-13.68	6.43	27.87	-4.62	7.07	36.44	13.78	-0.60	24.61
Benchmark ²	22.39	-12.86	7.84	31.74	-7.47	4.22	34.52	18.05	-5.50	24.50
Morningstar Small Value	21.43	-15.46	8.54	25.99	-6.71	3.34	36.22	16.00	-4.45	26.17

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

TOP HOLDINGS %

	Fund
Darling Ingredients Inc.	1.3
Group 1 Automotive, Inc.	1.1
Meritage Homes Corporation	1.0
Southwest Gas Holdings, Inc.	0.9
PNM Resources, Inc.	0.8
ABM Industries Incorporated	0.8
Sonic Automotive, Inc. Class A	0.8
STAG Industrial, Inc.	0.8
Magellan Health, Inc.	0.7
Radian Group Inc.	0.7

SECTOR

ALLOCATION %	Fund	Benchmark ²
Financials	25.6	26.6
Industrials	16.6	16.8
Consumer Discretionary	13.8	13.3
Real Estate	10.4	9.9
Information Technology	7.9	6.0
Materials	5.5	5.6
Health Care	5.1	6.9
Utilities	5.0	5.0
Energy	4.2	3.9
Consumer Staples	3.5	3.7
Communication Services	2.5	2.4

ASSET ALLOCATION %

	Fund
Stocks	98.3
Cash	1.7

PORTFOLIO MANAGEMENT

ROBERT H. BERGSON, CFA[®]

Began career in 1995 | With Northern Trust since 1997

MICHAEL HUNSTAD*, PH.D.

Began career in 2000 | With Northern Trust since 2012

*Portfolio manager added effective July 31, 2020

DISCLOSURE AND RISKS

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

¹ Past 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 products 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 Small Cap Value Fund received 3 stars for the 3-year rating among 387 Small Value funds, 3 stars for the 5-year rating among 356 funds and 4 stars for the 10-year rating among 254 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.

Small-Cap Risk: Small-capitalization funds typically carry additional risks since smaller companies generally have a higher risk of failure. Their stocks are subject to a greater degree of volatility, trade in lower volume and may be less liquid.

Value Risk: Value-based investments are subject to the risk that the broad market may not recognize their intrinsic value.

DEFINITIONS

² Russell 2000® Value Index measures the performance of those Russell 2000® Index companies with lower price-to-book ratios and lower forecasted growth values. 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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