

NORTHERN FUNDS

# Multi-Manager Global Real Estate Fund (NMMGX)

## 3Q 2024 Performance Review

---

September 30, 2024

*Please carefully read the prospectus and summary prospectus and consider the investment objectives, risks, charges and expenses of Northern Funds carefully before investing. Call **800-595-9111** to obtain a prospectus and summary prospectus, which contains this and other information about the funds.*

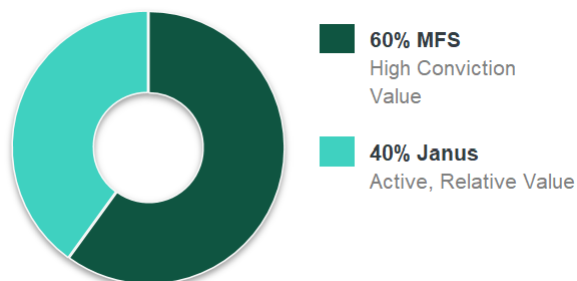


# MULTI-MANAGER GLOBAL REAL ESTATE FUND (NMMGX)

## FUND OVERVIEW

	<b>FUND</b>
Benchmark/Index	FTSE EPRA/NAREIT Developed Index (ND)
Morningstar Category	Global Real Estate
Inception Date	11/19/08
Total Net Assets	\$ 139.62 Million
Symbol/CUSIP	NMMGX
Dividend Schedule	Quarterly
Redemption Fee	2% on shares sold or exchanged within 30 days of purchase
Expense Ratio - Gross (%)	1.09
Expense Ratio - Net (%)	0.93

## SUB-ADVISER TARGET ALLOCATIONS\*



## STRATEGY OBJECTIVES

- Add value through the combination of sub-advisers who are specialists in their respective styles. This approach should isolate the stock selection skills of the sub-advisers as the primary source of value added for the Fund over time.
- Leverage a disciplined and consistent research process to identify sub-advisers who show high probability of success.
- Maintain the target allocations of the sub-advisers while continuously monitoring the style and characteristics of the Fund and sub-advisers to ensure that the Fund equally balances growth and value objectives while maintaining size (capitalization) characteristics similar to the Fund's market benchmark.

*By properly combining sub-advisers, we attempt to reduce low conviction bets such as style and size and focus the risk of the portfolio on higher conviction bets – the stock picking skills of the sub-advisers.*

## PORTFOLIO CHARACTERISTICS

- Well diversified portfolio, benchmarked to the FTSE EPRA/NAREIT Developed Index.
- The Fund currently uses multiple sub-advisers with various investment approaches.
- Style characteristics are designed to be neutral to the Index

\*Actual allocations may vary  
 On September 4, 2020, Janus Capital Management, LLC replaced Brookfield Investment Management, Inc. as a sub-adviser to the Northern Multi-Manager Global Real Estate Fund.  
 See pages 8-9 for important risk and disclosure information



# MULTI-MANAGER GLOBAL REAL ESTATE FUND (NMMGX)

Fund Quarterly Commentary & Performance

3Q | 2024

## QUARTERLY COMMENTARY

- The global listed real estate sector was a positive performer in the third quarter of 2024, as the FTSE EPRA/NAREIT Developed Index returned 16.07%. All of the property sectors were positive. The office, self-storage, and healthcare sectors were the top performers in the period while hotels, industrials, and multifamily sectors lagged. From a country perspective, many Western European countries and Australia outperformed during the third quarter. Japan and the United Kingdom (U.K.) lagged.
- The Multi-Manager Global Real Estate Fund returned 14.17% during the third quarter, underperforming its benchmark. Stock selection in the U.S. and Australia was the main source of underperformance. From a sector perspective, stock selection in real estate operating companies and industrial REITs detracted from performance while multi-family stock selection and an underweight to lodging provided positive relative contribution. During the period, sub-adviser performance was mixed. Janus Henderson Investors outperformed for the third straight quarter, primarily due to stock selection in the U.S. Janus Henderson also benefitted from stock selection in real estate operating companies, data centers, and self-storage. MFS Investment Management underperformed the benchmark due to poor stock selection in the U.S., Australia, and the U.K. From a sector perspective, MFS demonstrated poor stock selection in the retail, healthcare, and industrial sectors during the quarter.

as of September 30, 2024	Annualized							Calendar Year				
	Quarter	YTD	1 Year	3 Years	5 Years	10 Years	Inception to Date	2023	2022	2021	2020	2019
<b>FUND</b>	<b>14.17</b>	<b>10.14</b>	<b>26.27</b>	<b>-0.38</b>	<b>2.36</b>	<b>4.70</b>	<b>9.28</b>	<b>9.87</b>	<b>-26.24</b>	<b>28.78</b>	<b>-4.15</b>	<b>23.70</b>
Benchmark	16.07	11.77	28.86	0.39	1.39	4.06	9.19	9.67	-25.09	26.09	-9.04	21.91
Morningstar Category Avg. Global Real Estate	15.57	11.55	28.32	0.08	2.13	4.32	--	10.24	-25.15	22.90	-5.43	23.45

Fund inception: November 19, 2008

Annual Expense Ratio: Gross 1.09%, Net 0.93%<sup>1</sup>

Benchmark: FTSE® EPRA®/NAREIT® Developed (ND) Index. The Index performance is represented net of foreign withholding taxes on dividends.

**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.** Returns for periods greater than one year are annualized. Net expense ratio reflects voluntary expense reimbursements by the Fund's investment advisors that may be changed or terminated at any time. See the Appendix for additional disclosure about performance.

<sup>1</sup>The Gross and Net Expense Ratios are of the most recent prospectus. The Net Expense Ratio includes contractual expense reimbursements that, if not extended, will end on July 31, 2025.



NORTHERN FUNDS

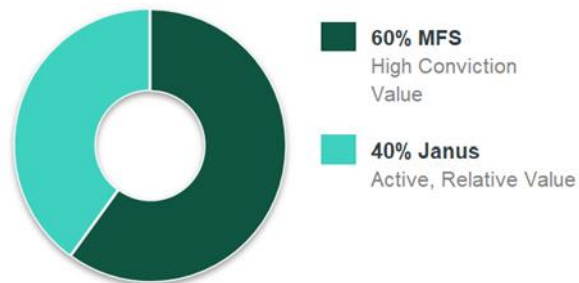
# Fund and Sub-Advisers 3Q 2024 Review

---

# MULTI-MANAGER GLOBAL REAL ESTATE FUND (NMMGX)

Sub-Adviser Target Allocations & Portfolio Characteristics

3Q | 2024



## SUB-ADVISER ALLOCATION

Sub-Adviser	Target Allocation*	Role in Portfolio
Massachusetts Financial Services Company	60%	High conviction, value-oriented portfolio with a quality bias. Bottom-up, fundamental driven portfolio focused on cash flow and NAV per share growth. Seeks companies where these characteristics are underappreciated, or developing, with the expectation they should outperform over the long run.
Janus Capital Management LLC	40%	High active share manager focused on taking meaningful active positions in their highest conviction ideas. Expected high up-market capture ratio. Seeks relative value in companies with quality properties, management acumen and financial strength.

## PORTFOLIO CHARACTERISTICS

	MFS	Janus	FUND	Benchmark
Wtd Avg Market Cap	\$32.1 Billion	\$31.7 Billion	\$32 Billion	\$31 Billion
% EPS Growth 5 Yr	7.98	3.12	5.97	1.66
Positive Trailing P/E	31.3x	30.4x	30.9x	30.4x
Price to Book	1.88	1.63	1.77	1.52
Number of Holdings**	50	59	95	364

\*Actual allocations may vary.

\*\*Currency positions are excluded.

Portfolio composition may change at any time.

Source: FactSet



# MULTI-MANAGER GLOBAL REAL ESTATE FUND (NMMGX)

Sector Allocations

3Q | 2024

SECTOR ALLOCATIONS %	MFS	Janus	FUND	Benchmark
Industrial REITs	17.93	19.09	<b>18.40</b>	15.92
Retail REITs	9.70	14.69	<b>11.73</b>	16.54
Real Estate Operating Companies	6.06	8.64	<b>7.12</b>	7.31
Multi-Family Residential REITs	8.28	10.28	<b>9.09</b>	8.78
Other	4.94	3.07	<b>4.18</b>	0.59
Self-Storage REITs	8.30	8.19	<b>8.26</b>	6.33
Single-Family Residential REITs	8.53	4.99	<b>7.08</b>	3.48
Data Center REITs	8.41	6.70	<b>7.71</b>	7.30
Health Care REITs	6.24	6.92	<b>6.52</b>	10.02
Diversified Real Estate Activities	3.51	4.89	<b>4.07</b>	4.59
Office REITs	5.61	3.24	<b>4.65</b>	5.36
Timber REITs	3.86	0.00	<b>2.28</b>	0.00
Other Specialized REITs	2.13	0.00	<b>1.26</b>	4.76
Diversified REITs	0.48	5.10	<b>2.37</b>	6.44
Telecom Tower REITs	3.60	1.77	<b>2.85</b>	0.00
Real Estate Development	1.14	0.00	<b>0.68</b>	0.24
Real Estate Services	0.00	1.18	<b>0.48</b>	0.00
Hotel & Resort REITs	1.27	1.26	<b>1.27</b>	2.36

Totals may not sum to 100% exactly due to rounding.

Portfolio composition may change at any time.

Source: FactSet. The Sector and Regional/Country Allocations weights (%) may differ versus other reports based on the classification methodology used.

See pages 8-9 for important risk and disclosure information



# MULTI-MANAGER GLOBAL REAL ESTATE FUND (NMMGX)

Regional/Country Allocations

3Q | 2024

REGIONAL/ COUNTRY WEIGHTS %	MFS	Janus	FUND	Benchmark
United States	68.51	60.62	<b>65.29</b>	63.19
Canada	1.87	2.63	<b>2.18</b>	2.29
United Kingdom	8.27	5.52	<b>7.15</b>	4.10
Europe ex. U.K.	5.72	7.89	<b>6.60</b>	8.98
Japan	5.22	8.09	<b>6.39</b>	8.53
Pacific ex. Japan	10.41	12.10	<b>11.10</b>	12.42
Emerging Markets	0.00	1.13	<b>0.46</b>	0.10
Other	0.00	2.01	<b>0.82</b>	0.39

Totals may not sum to 100% exactly due to rounding.

Portfolio composition may change at any time.

Source: FactSet. The Sector and Regional/Country Allocations weights (%) may differ versus other reports based on the classification methodology used.

See pages 8-9 for important risk and disclosure information



# Appendix

## Disclosure of additional information

---



# DISCLOSURE AND RISKS

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

**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.

**REIT/Real Estate Risk:** Investments in the Fund are subject to the risks related to direct investment in real estate, such as real estate risk, regulatory risks, concentration risk and diversification risk. Investments in REITs involve certain additional unique risks. By itself the Fund does not constitute a complete investment plan and should be considered a long-term investment for investors who can afford to weather changes in the value of their investments.

**Market Turbulence Resulting from COVID-19:** The outbreak of COVID-19 has negatively affected the worldwide economy, individual countries, individual companies and the market in general. The future impact of COVID-19 is currently unknown, and it may exacerbate other risks that apply to the Fund.

---

## DEFINITIONS

**FTSE®EPRA®NAREIT® Developed Index** is designed to track the performance of listed real estate companies and REITs worldwide. By making the index constituents free-float adjusted, liquidity, size and revenue screened, the series is suitable for use as the basis for investment products, such as derivatives and Exchange Traded Funds (ETFs). It is not possible to invest directly in an index.

---

**Weighted Average Market Capitalization:** a firm's closing stock price multiplied by the number of shares.

**% EPS Growth – past 5 years:** a 5 year annualized earnings growth rate. Earnings per share is a part of a company's profit which is allocated to an individual outstanding share of common stock. As viewed by the investor, it is the rate of earnings which are returned on the original investment made. Also known as EPS for short, the earnings per share can be used to indicate a corporation's financial profitability.

**Positive Trailing P/E:** the sum of a company's price-to-earnings. Calculated by taking the current stock price and dividing it by the current earnings per share for the past 12 months, excluding those companies with negative earnings.

**Price to Book:** a ratio used to compare a stock's market value to its book value. It is calculated by dividing the current price of the stock by the latest quarter's book value per share.

Please refer to the Fund's prospectus for further information relating to principal risks.

See pages 8-9 for important risk and disclosure information



# IMPORTANT INFORMATION

This document may not be edited, altered, revised, paraphrased, or otherwise modified without the prior written permission of Northern Trust Asset Management (NTAM). The information contained herein is intended for use with current or prospective clients of Northern Trust Investments, Inc (NTI) or its affiliates. The information is not intended for distribution or use by any person in any jurisdiction where such distribution would be contrary to local law or regulation. NTAM and its affiliates may have positions in and may affect transactions in the markets, contracts and related investments different than described in this information. This information is obtained from sources believed to be reliable, its accuracy and completeness are not guaranteed, and is subject to change. Information does not constitute a recommendation of any investment strategy, is not intended as investment advice and does not take into account all the circumstances of each investor.

This report is provided for informational purposes only and is not intended to be, and should not be construed as, an offer, solicitation, or recommendation with respect to any transaction and should not be treated as legal advice, investment advice or tax advice. Recipients should not rely upon this information as a substitute for obtaining specific legal or tax advice from their own professional legal or tax advisors. References to specific securities and their issuers are for illustrative purposes only and are not intended and should not be interpreted as recommendations to purchase or sell such securities. Indices and trademarks are the property of their respective owners. Information is subject to change based on market or other conditions.

All securities investing and trading activities risk the loss of capital. Each portfolio is subject to substantial risks including market risks, strategy risks, advisor risk, and risks with respect to its investment in other structures. There can be no assurance that any portfolio investment objectives will be achieved, or that any investment will achieve profits or avoid incurring substantial losses. No investment strategy or risk management technique can guarantee returns or eliminate risk in any market environment. Risk controls and models do not promise any level of performance or guarantee against loss of principal. Any discussion of risk management is intended to describe NTAM's efforts to monitor and manage risk but does not imply low risk. Northern Funds are distributed by Northern Funds Distributors, LLC, not affiliated with Northern Trust.

**Past performance is not a guarantee of future results.** Performance returns and the principal value of an investment will fluctuate. Performance returns contained herein are subject to revision by NTAM. Comparative indices shown are provided as an indication of the performance of a particular segment of the capital markets and/or alternative strategies in general. Index performance returns do not reflect any management fees, transaction costs or expenses. It is not possible to invest directly in any index. Net performance returns are reduced by investment management fees and other expenses relating to the management of the account. Gross performance returns contained herein include reinvestment of dividends and other earnings, transaction costs, and all fees and expenses other than investment management fees, unless indicated otherwise. For additional information on fees, please refer to Part 2A of the Form ADV or consult an NTI representative.

Forward-looking statements and assumptions are NTAM's current estimates or expectations of future events or future results based upon proprietary research and should not be construed as an estimate or promise of results that a portfolio may achieve. Actual results could differ materially from the results indicated by this information.

This information is intended for purposes of NTI and/or its affiliates marketing as providers of the products and services described herein and not to provide any fiduciary investment advice within the meaning of Section 3(21) of the Employee Retirement Income Security Act of 1974, as amended (ERISA). NTI and/or its affiliates are not undertaking to provide impartial investment advice or give advice in a fiduciary capacity to the recipient of these materials, which are for marketing purposes and are not intended to serve as a primary basis for investment decisions. NTI and its affiliates receive fees and other compensation in connection with the products and services described herein as well as for custody, fund administration, transfer agent, investment operations outsourcing, and other services rendered to various proprietary and third-party investment products and firms that may be the subject of or become associated with the services described herein.

Northern Trust Asset Management is composed of Northern Trust Investments, Inc. Northern Trust Global Investments Limited, Northern Trust Fund Managers (Ireland) Limited, Northern Trust Global Investments Japan, K.K, NT Global Advisors, Inc., 50 South Capital Advisors, LLC, Northern Trust Asset Management Australia Pty Ltd, and investment personnel of The Northern Trust Company of Hong Kong Limited and The Northern Trust Company.

**NOT FDIC INSURED | MAY LOSE VALUE | NO BANK GUARANTEE**

© 2024 Northern Trust Corporation. Head Office: 50 South La Salle Street, Chicago, Illinois 60603 U.S.A.



MANAGED BY