



# NTAM DIRECT INDEXING

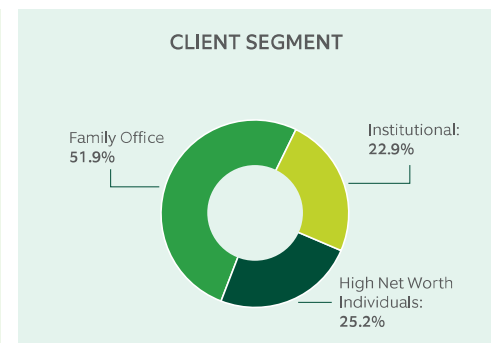
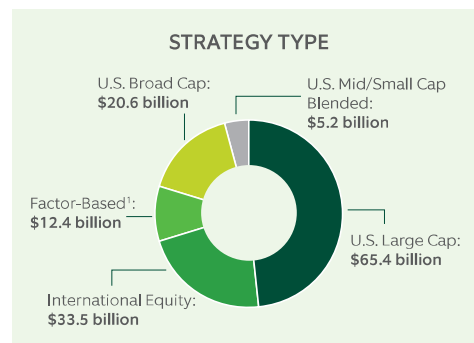
## BUILDING BUSINESS THROUGH THE POWER OF PERSONALIZATION

Financial Advisors are demanding more holistic services and compelling, cost-effective investment options. Northern Trust Asset Management (NTAM) Direct Indexing allows you to seamlessly design custom portfolios aligned with your clients' distinct needs — helping you enhance their experience and deepen your relationship with them.

NTAM Direct Indexing is available from an industry leader with more than 35 years of expertise in designing, managing and delivering competitive results in custom Tax-Advantaged Equity strategies.

### A LEADER IN CUSTOMIZED SOLUTIONS

Total Tax-Advantaged  
Equity assets under  
management  
**\$137 billion<sup>1</sup>**



YOU CAN OFFER CLIENTS DIRECT INDEXING SOLUTIONS AT MINIMUMS AS LOW AS \$250,000 PER STRATEGY.

INDEX STRATEGIES		QUANTITATIVE STRATEGIES
<b>TRADITIONAL INDEX</b> <ul style="list-style-type: none"> <li>S&amp;P 500</li> <li>S&amp;P Mid Cap 400</li> <li>S&amp;P Small Cap 600</li> <li>S&amp;P 1500</li> <li>Russell 1000 Value/Growth</li> <li>MSCI EAFE ADR</li> <li>MSCI KLD 400</li> </ul>	<b>BLENDED GLOBAL COMBINATIONS<sup>2</sup></b> <ul style="list-style-type: none"> <li>S&amp;P 1500 – MSCI EAFE ADR</li> <li>S&amp;P 500/400/600 – MSCI EAFE ADR</li> <li>MSCI KLD 400 – MSCI EAFE ADR</li> <li>Russell 1000 Value/Growth – MSCI EAFE ADR</li> </ul>	<b>NTAM PROPRIETARY QUALITY SUITE</b> <ul style="list-style-type: none"> <li>NT Quality Dividend</li> <li>NT Quality Low Volatility</li> <li>NT Quality Multifactor</li> <li>NT US Quality ESG</li> <li>NT Developed Markets (“DM”) Quality ESG ADR</li> </ul>
<b>EXCLUSIONS</b> <ul style="list-style-type: none"> <li>Individual Securities</li> <li>Sector</li> <li>Industry</li> <li>Business Involvement</li> </ul>		<b>EXCLUSIONS</b> <ul style="list-style-type: none"> <li>Individual Securities Only</li> </ul>
<b>FACTOR TILTING</b> <ul style="list-style-type: none"> <li>Industry</li> <li>Yield</li> <li>Sector</li> <li>Size</li> </ul>		

Indexes are the property of their respective owners, all rights reserved. It is not possible to invest directly in any index.






<sup>1</sup>As of June 30, 2025, updated quarterly. Source is Northern Trust Asset Management. Factor-Based Assets included in Quantitative Strategies totals as well, managed in tax-efficient accounts by the Tax-Advantaged Equity portfolio management team. Please see additional information at the end of this document.

<sup>2</sup>\$500,000 minimum for each blended combination.

DEEP EXPERTISE

NTAM Direct Indexing team comprises of over 70 professionals with an average of 17 years industry experience and 11 years of firm tenure. This proven institutional-quality active management team identifies tax-alpha and risk-management opportunities for clients.

EXPERIENCE AND DEPTH OF TEAM<sup>3</sup>

	<b>PORTFOLIO MANAGEMENT AND RESEARCH</b> 14 PROFESSIONALS	✓ 32 CFAs
	<b>QUANTITATIVE ANALYTICS</b> 34 PROFESSIONALS	✓ 17 MBAs
	<b>EQUITY TRADING</b> 13 PROFESSIONALS	✓ 18 MSs
	<b>INDEX AND MODEL SERVICES</b> 8 PROFESSIONALS	✓ 3 CFPs
	<b>CLIENT PORTFOLIO MANAGEMENT</b> 4 PROFESSIONALS	✓ 5 PhDs

PROVEN PROCESS AND RESULTS

NTAM has delivered after-tax alpha, net of fees, across a wide range of market environments. Our process actively manages holdings to provide desired diversification and exposure in personalized portfolios, while managing risk — all supported by a leading-edge technology platform.

NTAM Direct Indexing can help you grow your business through the power of personalization.

Contact your NTAM sales professional today for pricing information and other details or email us.  
[ntam\\_direct\\_indexing\\_sales@ntrs.com](mailto:ntam_direct_indexing_sales@ntrs.com)

<sup>3</sup> Direct Indexing Team statistics as of 6/30/2025, by Northern Trust Asset Management.

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## INDEX DEFINITIONS

**S&P 500** – The S&P 500® is widely regarded as the best single gauge of large-cap U.S. equities. The index includes 500 leading companies and covers approximately 80% of available market capitalization.

**S&P Mid Cap 400** – The S&P MidCap 400® provides investors with a benchmark for mid-sized companies. The index, which is distinct from the large-cap S&P 500®, is designed to measure the performance of 400 mid-sized companies, reflecting the distinctive risk and return characteristics of this market segment.

**S&P Small Cap 600** – The S&P SmallCap 600® seeks to measure the small-cap segment of the U.S. equity market. The index is designed to track companies that meet specific inclusion criteria to ensure that they are liquid and financially viable.

**S&P 1500** – The S&P Composite 1500® combines three leading indices, the S&P 500®, the S&P MidCap 400® and the S&P SmallCap 600®, to cover approximately 90% of U.S. market capitalization. It is designed for investors seeking to replicate the performance of the U.S. equity market or benchmark against a representative universe of tradable stocks.

**R1000 Value** – The Russell 1000® Value Index measures the performance of the large cap value segment of the US equity universe. It includes those Russell 1000 companies with relatively lower price-to-book ratios, lower I/B/E/S forecast medium term (2 year) growth and lower sales per share historical growth (5 years). The Russell 1000® Value Index is constructed to provide a comprehensive and unbiased barometer for the large-cap value segment.

**R1000 Growth** – The Russell 1000® Growth Index measures the performance of the large cap growth segment of the US equity universe. It includes those Russell 1000 companies with relatively higher price-to-book ratios, higher I/B/E/S forecast medium term (2 year) growth and higher sales per share historical growth (5 years). The Russell 1000® Growth Index is constructed to provide a comprehensive and unbiased barometer for the large-cap growth segment.

**MSCI EAFE ADR** – The MSCI EAFE Expanded ADR Index aims to target the performance of large- and mid-cap companies in the MSCI EAFE Index, i.e., its parent index, represented by their corresponding American Depositary Receipts (ADRs). The eligible universe comprises Level I, II and III ADRs traded on the New York Stock Exchange or the NASDAQ.

**MSCI KLD 400** – The MSCI KLD 400 Social Index is a capitalization weighted index of 400 US securities that provides exposure to companies with outstanding Environmental, Social and Governance (ESG) ratings and excludes companies whose products have negative social or environmental impacts. The parent index is MSCI USA IMI, an equity index of large-, mid- and small-cap companies. The Index is designed for investors seeking a diversified benchmark comprised of companies with strong sustainability profiles while avoiding companies incompatible with values screens.

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## QUANTITATIVE STRATEGIES DEFINITIONS

**NT Quality Dividend** – The Quality Dividend Focus strategy seeks to invest in a diversified portfolio of high quality companies and targets a dividend yield enhancement versus the benchmark. The resulting portfolio will demonstrate higher quality and yield characteristics relative to the benchmark while controlling for a variety of risks such as sectors.

**NT Quality Low Volatility** – The Quality Low Volatility strategy seeks to invest in a diversified portfolio of high quality, low volatility stocks. The resulting portfolio will demonstrate a higher quality and lower volatility characteristics relative to the benchmark while controlling for a variety of risks such as sectors.

**NT Quality Multifactor** – The Quality Large Cap Core strategy seeks to invest in a diversified portfolio of high quality, undervalued companies that exhibit positive sentiment. The resulting portfolio will demonstrate a favorable balance of targeted factor characteristics relative to the benchmark while controlling for a variety of risks such as sectors.

**NT US Quality ESG<sup>2</sup>** – The Quality ESG strategy seeks to invest in a diversified portfolio of high-quality and highly-rated ESG companies. The resulting portfolio will demonstrate higher quality and ESG characteristics relative to the benchmark while controlling for a variety of risks such as sectors.

**NT Developed Markets Quality ESG ADR<sup>2</sup>** – The Quality ESG strategy seeks to invest in a diversified portfolio of high-quality and highly-rated ESG non-U.S. companies that have liquid American Depositary Receipts (ADRs). The resulting portfolio will demonstrate higher quality and ESG characteristics relative to the benchmark while controlling for a variety of risks such as sectors, regions, and countries.

## **INFORMATION ABOUT NTAM ASSETS UNDER MANAGEMENT**

Assets shown on page one are as of June 30, 2025, and are updated quarterly by NTAM.

Figures presented also include factor-based assets in Quantitative Strategies managed in tax-efficient accounts by the Tax-Advantaged Equity portfolio management team. 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 to offer investment products and services to personal and institutional markets. As of 6/30/2025 Northern Trust Asset Management had assets under management totaling \$1.3 trillion of which \$1.3 trillion is part of the GIPS firm.

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

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