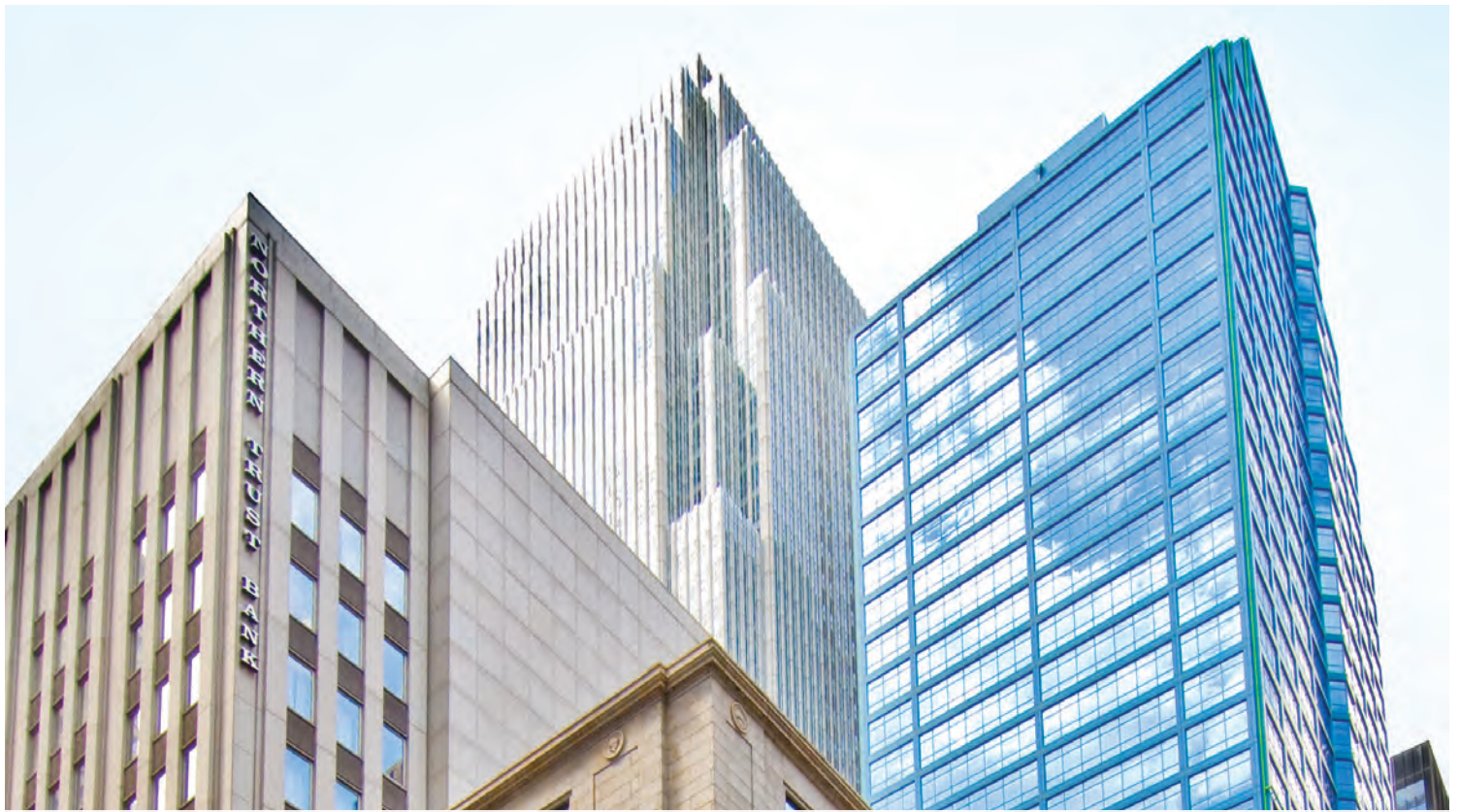




2010 CORPORATE SOCIAL RESPONSIBILITY REPORT

Highlights Summary



Northern Trust

2010 BY THE NUMBERS

23 YEARS
OF CONSECUTIVE PROFITS

13,100

Northern Trust employees worldwide

\$45M
spent with Minority and
Women-owned firms

\$14 MILLION
cash contributions to
charities and civic organizations

180,000 VOLUNTEER HOURS
donated to organizations by partners globally

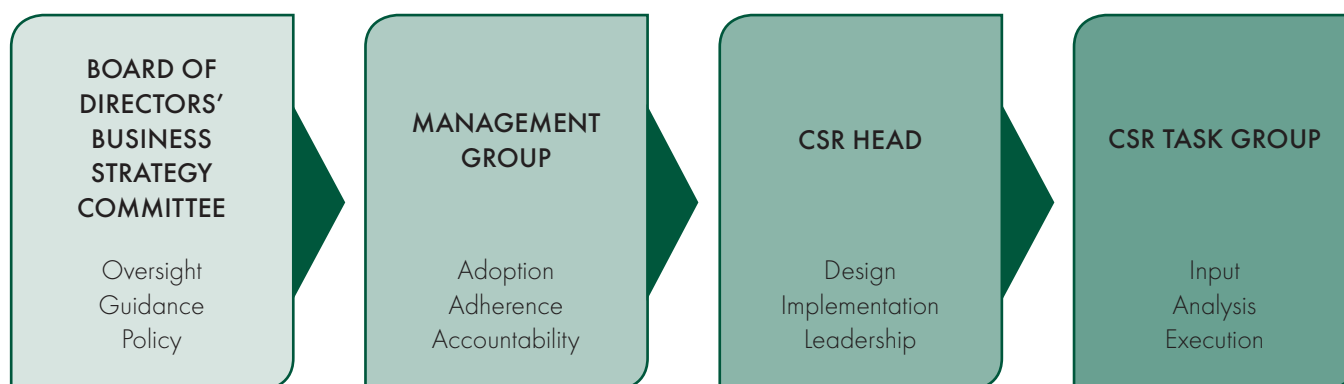
CSR AT NORTHERN TRUST



CORPORATE SOCIAL RESPONSIBILITY STATEMENT

Since our inception, Northern Trust has aligned our efforts with our guiding principles of service, expertise and integrity. We are dedicated not only to meeting the needs of our clients and shareholders, but also giving back to the communities we serve. Volunteerism. Philanthropy. Sound business practices and ethics. And a conservation-minded approach to protecting the environment. All of these comprise our corporate social responsibility. All are integral to our culture of caring, now and in the future. A commitment to a culture of caring means we view our clients as partners. And it means that by turning money into good works, we extend a helping hand to those who can't care for themselves. We proudly advocate corporate citizenship, philanthropy, and support for the diverse communities and environments in which we operate.

CORPORATE SOCIAL RESPONSIBILITY GOVERNANCE STRUCTURE



120

CSR initiatives in progress

INTRODUCTION



Since 1889, when Northern Trust was founded in Chicago, we have aligned our efforts with our three guiding Principles That Endure: *Service, Expertise and Integrity*. Together, they reflect the three cornerstones of business conduct which we strive to instill in our employees, whom we call partners, and to provide to our clients and the communities we serve worldwide.

This brochure is a condensed version of our complete CSR report. In our CSR report, we strive to demonstrate the critical importance that Northern Trust has long placed in being a trusted and responsible corporation. We have utilized an integrated and comprehensive global framework for reporting on our CSR program, the Global Reporting Initiative (GRI). GRI is a network-based organization that pioneered the most widely used sustainability reporting framework. That framework comprises more than four dozen core Environmental, Social and Governance (ESG) indicators.

Throughout 2010, we engaged our stakeholders to gain their feedback and input for developing our global CSR strategy. Our goal is to measure our ESG performance and provide continuous public disclosures on our progress.

LETTER FROM THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER



At Northern Trust, our commitment to corporate social responsibility rests with our long-term business objectives: financial stability and strength, revenue and per-share earnings growth and measured appetite for risk. This philosophy of responsibly managing our business and resources has helped us steer a steady course through tumultuous economic and financial times worldwide and to deliver solid financial results. Consider that Northern Trust:

- Is one of just two large U.S. banking institutions that did not cut shareholders' dividends in 2009, thus maintaining our dividend for the 114th consecutive year.
- Is included in *FORTUNE* magazine's list of the "World's Most Admired Companies."
- Posted our 23rd year of consecutive annual profits in 2010.
- Ranked as the 14th largest asset manager and the 9th largest custodian of assets in the world.*

CSR is not new to us. We have a responsible and caring culture embodied in our commitment to our clients, our shareholders, our partners, the environment and the communities we serve. Business has entered a new age of transparency. Our CSR report is a reflection of our continued commitment to transparency and disclosure. We conducted a review of our CSR initiatives throughout our global operations and identified more than 120. They range from reducing our carbon footprint and improving client and partner satisfaction to developing socially responsible products and services and strengthening our CSR governance. A formal CSR program ensures that we set priorities for these initiatives and actively promote them. Our goal is to maintain strategic alignment of ESG-related indicators with our core businesses.

We involve every level of management in developing our global CSR strategy, which is led by Connie Lindsey, Executive Vice President and head of Corporate Social Responsibility, and includes our entire Management Group, our 24 member global cross-functional CSR Task Group, and me. Our Management Group provides oversight and strategic guidance to Connie, whose professional experience and extensive background in civic, social and arts community service make her uniquely qualified to lead us in our corporate response to the environmental and social issues that touch our marketplace, workplace and community. The Management Group also ensures adoption of, adherence to and accountability for global CSR initiatives. We believe that CEO and executive-level leadership and engagement are critical to integrating CSR across the business. The CSR Task Group provides detailed input,

analysis and recommendations for developing, monitoring and executing our CSR strategy. Our head of CSR regularly updates our Board of Directors' Business Strategy Committee about CSR-related matters and is responsible for the design and execution of the overarching CSR strategy.

In 2010, this structure helped us make substantial progress in establishing and rolling out our global CSR strategy. It also helped us incorporate CSR imperatives into our five-year strategic business plans for each business unit. In addition, it helped us to engage external organizations to better understand their CSR assessments and criteria. As we move forward, our goal is to increase the level of public disclosure and communication with regard to our non-financial performance.

We make every effort to align our long-term strategic CSR goals with internationally accepted standards. Northern Trust is a signatory to the United Nations Principles for Responsible Investment (UNPRI) and a member of the Institutional Investors Group on Climate Change (IIGCC). We are also in the process of joining the United Nations Environmental Programme Finance Initiative (UNEP FI), and we look forward to strengthening this relationship and becoming an active member in the upcoming year. We are also mindful of labor, financial, and other laws and regulations that apply to us.

We face challenges and we must understand how new financial regulations will affect our business, our clients and the industry. We also must seek to maintain client satisfaction under difficult economic conditions as well as partner engagement and open dialogue with all stakeholders.

Northern Trust is committed to our CSR strategy – whether it involves reducing our energy use and developing our talent or increasing our compliance and ethics training. CSR is the way we do business.

A handwritten signature in dark ink that reads "Rick Waddell". The signature is fluid and cursive, with the first name "Rick" and last name "Waddell" clearly distinguishable.

Frederick H. Waddell
Chairman and CEO

* Asset Manager ranking based on *Pensions & Investments'* June 2010 periodical.
Custodian ranking based on the *Institutional Investor* magazine's June 2010 issue.

LETTER FROM THE HEAD OF CORPORATE SOCIAL RESPONSIBILITY



At Northern Trust, we believe that corporate social responsibility combined with strategic stakeholder engagement is smart business. Our commitment to measuring and managing our environmental impact along with our guiding principles of service, expertise and integrity drive our social and governance practices globally. We believe CSR creates measurable growth and value as a fully integrated part of our business strategy.

Through executing our CSR strategy, our socially responsible investing products and services are triggering new and expanded client relationships. We are improving our understanding of how sustainable consumption helps us reduce our use of paper, energy, fuel, and water. We are setting emission-reduction targets for our global operations. We are enhancing our talent-development efforts related to diversity and inclusion, and our long-term career planning programs are assisting us in attracting and retaining an outstanding global workforce.

One of our first imperatives was to focus on data collection and metrics reporting, which we will continue to develop and enhance throughout 2011. Our CSR Task Group meets monthly to review our progress on these activities and to reallocate resources when needed. The Management Group discusses CSR periodically throughout the year to ensure accountability and that the activities align with our corporate strategy.

We made significant progress in 2010 in developing our governance structure and senior-level oversight of ESG items. As a result:

- Our Global Sustainability Index Fund won Standard & Poor's Gold Award in the rating agency's first U.S. Mutual Fund Excellence Awards program.
- Northern Trust was listed for the 19th time in *Working Mother* magazine's 100 Best Companies for Working Mothers.
- We were included in *Black Enterprise* magazine's 40 Best Companies for Diversity.
- We ranked again among the top 50 companies for Latinas to work for in the United States by *Latina Style* magazine.
- International Data Group's *Computerworld* 2010 listed us among the best places to work in IT for the eighth consecutive year.
- The Dave Thomas Foundation named us among the 100 Best Companies for adoption benefits.
- We were chosen among the top 50 companies for executive women by the National Association for Female Executives for the second year in a row.
- Our Chicago headquarters earned an ENERGY STAR® designation for our environmental efforts, which is notable since our principal building is a century old.

- We won the Henry Betts, M.D. Employment Advocacy Champion Award from the Rehabilitation Institute of Chicago.

To see the full list awards received, visit our website at www.northerntrust.com.

Partners Think Green is our global sustainability program. In 2011, we will launch an environmental awareness campaign to increase our partners' knowledge of sustainability initiatives they can implement to reduce our carbon emissions and energy-related costs.

As for CSR trends, investors are showing increased interest in analyzing their financial portfolios to assess climate-change impact and risk. This gives us an opportunity to provide clients with more advanced capabilities related to ESG analysis. We are reviewing new products and services related to our socially responsible investment offerings.

One aspect of our CSR strategy emphasizes the training and development of our partners regarding risk management, compliance, ethics and anti-bribery laws. As we expand globally, ongoing adherence to local laws and regulations in each jurisdiction in which we operate will be essential to our financial success. Training our partners about client privacy, and anti-money laundering and anti-bribery regulations help to mitigate risk in global markets.

Our CSR governance process is straightforward. With leadership from the Board of Directors' Business Strategy Committee and the Management Group, we set priorities for and provide oversight to the CSR Task Group and other partners. Our long-term goals are aligned with the strategic plans of each business unit. Strategic integration, metrics and accountability are key drivers of CSR at Northern Trust.

A handwritten signature in cursive script that reads "Connie L. Lindsey".

Connie L. Lindsey
Executive Vice President,
Head of Corporate Social Responsibility



122
year heritage of organic growth

INTEGRITY IN GOVERNANCE

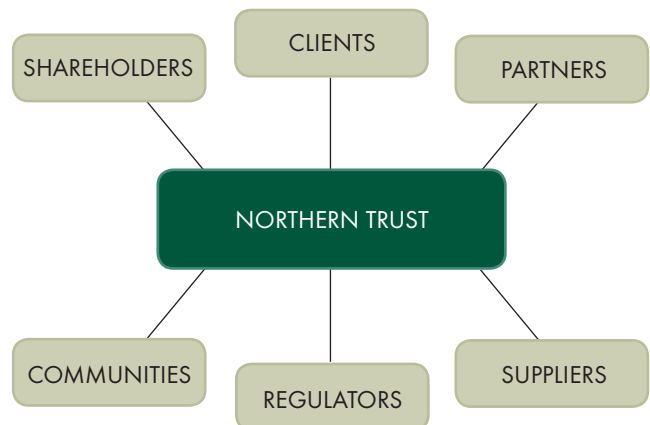
Since our founding in 1889, we have become a leading provider of asset servicing, fund administration, investment management, banking and fiduciary solutions for corporations, institutions and affluent individuals. At the end of 2010, we had client assets under custody of \$4.1 trillion and managed assets of \$644 billion.

We conduct business through various U.S. and non-U.S. subsidiaries including The Northern Trust Company, an Illinois banking corporation headquartered in Chicago's financial district. We have 78 offices in 18 U.S. states and 16 international offices in North America, Europe, the Middle East and the Asia-Pacific region. Details about each global office can be found at www.northerntrust.com.

Northern Trust focuses on servicing and managing client assets in two target market segments: individuals, families, and privately held businesses through our Personal Financial Services (PFS) business unit; and institutional investors worldwide through our Corporate and Institutional Services (C&IS) business unit. An important element of this strategy is to provide an array of asset management and related services to PFS and C&IS clients, which are provided primarily by a third business unit, Northern Trust Global Investments (NTGI). In executing this strategy, we emphasize quality through a high level of service complemented by the effective use of technology, delivered by a fourth business unit, Operations & Technology (O&T). We employ more than 13,000 partners with about 35 percent located outside the United States.

STAKEHOLDER ENGAGEMENT

Throughout the year we actively engage in dialogue with our stakeholders: clients, partners, shareholders, communities, regulators, and suppliers. We believe it is imperative to regularly communicate with these groups through periodic in-person meetings, electronic communication, conferences, and other platforms.



#1

Northern Trust's
ranking, in class, in
FORTUNE 500's 2010
Most Admired Companies

ETHICAL BUSINESS PRACTICES

CODE OF BUSINESS CONDUCT AND ETHICS

To fulfill its commitment to the highest standards of integrity, ethics, and honesty, the Board of Directors of Northern Trust Corporation has adopted the Northern Trust Code of Business Conduct and Ethics ("the Code"). The Code applies to all Northern Trust directors, officers and partners worldwide. The Code establishes a number of basic principles to be followed in all dealings within Northern Trust, and with our clients, suppliers, shareholders and regulatory agencies worldwide. In addition to basic principles, the Code provides guidance on how to deal with difficult ethical issues. The Code also outlines how to raise questions about the Code and how to report suspected Code violations, criminal conduct, and regulatory violations. All Northern Trust directors, officers and partners are expected to be familiar with the Code and to adhere to all of the Code's applicable principles and procedures. More detailed policies and procedures, which are not part of the Code, also apply to some or all of Northern Trust's directors, officers and partners. References to "Northern Trust" include Northern Trust Corporation and all entities directly or indirectly under its control. The full text of the Code can be found at www.northerntrust.com.

We strive to nurture what we consider our first duty: to operate with integrity at all times. We value the principles of accountability, honesty and transparency in every aspect of our business. We conduct business in a manner that ensures we employ ethical business practices throughout our operations. We enforce that policy with a broad program that includes a Code of Business Conduct and Ethics for our partners and a Code of Vendor Conduct for our suppliers.

SUPPLIER DIVERSITY PROGRAM

Supplier Diversity is a key component of our Global Procurement Policy. Northern Trust considers supplier diversity a corporate strategy that senior management supports through our procurement professionals. Developing and expanding our roster of diverse suppliers through our Supplier Diversity Program is a sound business practice that contributes to our bottom line and fosters increased competition, innovation, and improves quality of service.

In 2010, we spent about \$45 million with minority, women-owned, and firms owned by individuals with disabilities, a 35 percent increase from 2009.

In addition, for more than 13 years, our annual *Corporate Bridges Program* has assisted more than 70 minority business



CODE OF VENDOR CONDUCT

Northern Trust expects vendors to employ high standards of recycling and waste-management governance. We specify these terms and conditions in our procurement policy, and we monitor this annually:

- Northern Trust is committed to making progress toward integrating ethical, social and environmental factors into our Global Procurement Policy over the next two years. In addition, we plan to perform a CSR analysis on our top 25-50 suppliers.
- We check our suppliers daily against the U.S. Office of Foreign Asset Control to ensure we comply with any economic and trade sanctions.
- At minimum, suppliers with whom we conduct business are expected to obey the laws of the country of manufacture, sale or distribution.
- Our top 100 suppliers comprise more than 70 percent of our total U.S. spending. We are reviewing our procurement policies, practices and procedures and anticipate an update on them in 2011.

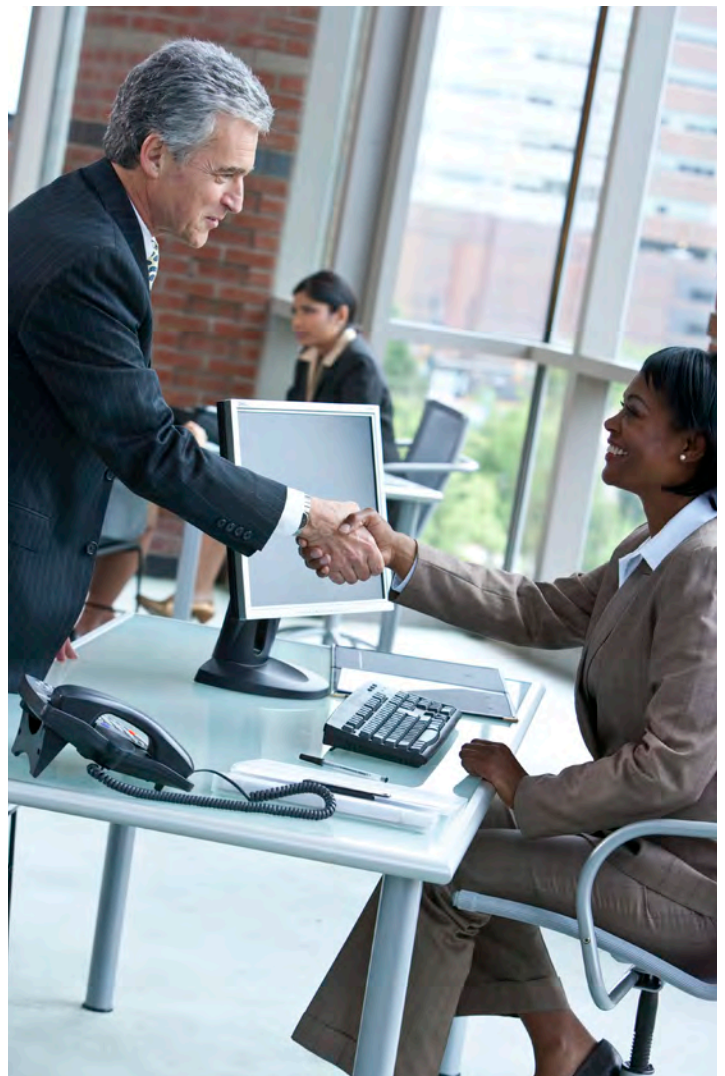
Our procurement policies ensure a fair and objective bidding process. In our policy, we do not stipulate the use of local suppliers, those that are based in the location of the office that is procuring the product or service. Instead we ensure an equitable bidding process and we do not specifically measure our spending with local or regional suppliers.

owners each year with educational sessions to enhance business opportunities. Networking sessions promote interaction between our purchasers and potential minority owned suppliers. Under our *Emerging Managers Program*, offered since 1993, we identified talented minority and women-owned investment and other small emerging firms to create targeted, diversified investment programs for our clients. We maintain an active universe of more than 200 investment managers and have funded about \$5 billion with emerging firms.

With our *Minority-and-Women-Owned Broker-Dealer Programs*, Northern Trust seeks to identify minority and women-owned broker-dealers, expand the volume of securities traded through them and help them improve their firms' capabilities. Our annual *Minority Investment Management Forum* with the Chicago Minority Enterprise Development Agency forges new partnerships for minority-owned firms.

13

years engaging minority business owners
in our *Corporate Bridges Program*



\$18B

ESG Assets Under Management

SOCIALLY RESPONSIBLE INVESTING



Socially responsible investing is an investment strategy that explicitly integrates non-financial factors into the investment strategy. SRI, for short, is also known as socially-conscious, ethical or sustainable investing. Socially responsible investors pursue these strategies for a variety of reasons. Some investors approach these strategies from a moral perspective. Others follow this strategy in an attempt to reduce risk or create financial outperformance. Some topics popular with SRI investors include identifying companies whose corporate practices promote environmental stewardship, social justice, human rights, diversity, consumer protection or corporate governance.

Northern Trust Global Investments (NTGI) has more than 25 years of experience managing socially responsible portfolios and more than \$18 billion globally in diverse socially screened strategies. NTGI is committed to providing clients with sophisticated investment solutions to meet specific needs, values and preferences of social investors.

RESPONSIBLE INVESTING PRINCIPLES

In situations where our clients do not have a specific responsible mandate, Northern Trust Global Investments is guided by our own responsible investment principles. The foundation of those principles, as with our entire decision making process, is that we will act in a manner to protect our client's financial well-being throughout the time period and strategy they have set forth.

Northern Trust is an advocate of the highest Environmental, Social and Governance (ESG) standards. We fully acknowledge

that the long-term financial success of our clients and shareholders is dependent upon a healthy global environment, a stable society and well functioning companies. In our daily operations and strategic planning, we strive to mitigate our environmental impact and improve our social and governance procedures. As a leading investment manager and financial service provider, we recognize our additional influence and responsibility. We are committed to:

- Expanding our understanding of ESG concepts and their impact on economic value.
- Integrating ESG analysis into investment decisions as appropriate.
- Encouraging companies we invest in to pursue and disclose sustainable business practices.
- Voting proxies consistent with these principles as appropriate.

We view the above principles as consistent with our role as a fiduciary and essential to protecting our client's financial interests.



FTSE4Good

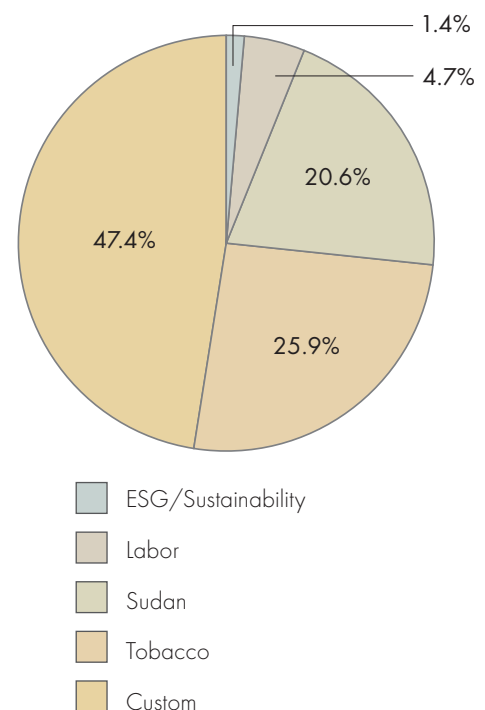


Northern Trust Global Investments is a signatory to the United Nations' Principles for Responsible Investment (UNPRI) due to our shared principles and support of the United Nations's approach to responsible investment. We believe the UNPRI's overarching themes of transparency, accountability and continuous improvement align with our own values. We also believe it is important to be part of a community that is working to establish a common language and best practices around these issues. Internally we use the UNPRI as a framework to formalize our responsible investing principles and set priorities.

SRI PRODUCTS AND SERVICES

One of our flagship SRI products is the Northern Trust Global Sustainability Index (Ticker: NSRIX) Fund, which is the first mutual fund to track a global sustainability index. This index includes companies that rate favorably in ESG management performance based on analysis and research from MSCI's ESG research team. Our efforts are being recognized. Standard & Poor's Equity Research awarded our Global Sustainability Index Fund the Gold award in its first-ever U.S. Mutual Fund Excellence Awards Program. About 19,000 mutual funds were analyzed.

SOCIALLY SCREENED ASSETS BY STRATEGY - 12/31/10



241,000
hours of training
completed by our partners

GLOBAL WORKFORCE

HUMAN RIGHTS STATEMENT

Northern Trust enforces a workforce policy that does not tolerate discrimination based on race, ethnicity, gender, gender identity, sexual orientation, physical or mental disability, religious choice and many other personal characteristics. In addition, we do not tolerate forced labor, child labor or violating the rights of indigenous people. Northern Trust's guiding principles embrace inclusion and diversity of culture, thought, experience and other attributes of individuals' backgrounds and hold in highest regard the dignity of, and respect for, all partners in our workplace. We support the principles set forth by the United Nations' Universal Declaration of Human Rights and strive to treat all individuals equally.



GLOBAL BUSINESS RESOURCE COUNCILS (BRCS)

At Northern Trust, we currently sponsor nine global business resource councils:

- Advancing Professionals Resource Council (APRC)
- Asian Leadership Business Resource Council (ALBRC)
- Black Business Resource Council (BBRC)
- Disability Business Resource Council (DBRC)
- Latin Heritage Leadership Council (LHLC)
- LGBT Business Resource Council (LGBT BRC)
- Sage Partners Business Resource Council (SPBRC)
- Women in Leadership Business Resource Council (WIL)
- Working Families Business Resource Council (WFBRC)

We actively seek to enhance BRC members' business networks through attendance at external events and programs. Global Diversity & Inclusion, for instance, sent Business Resource Council leaders to the Diversity Best Practices National Affinity Leadership Congress in New York City to develop their strategic leadership abilities, deepen their professional network and exchange best practices. It also sent women to the Working Mother Leadership Summit in Chicago.



\$65.6M

community development loans
provided by Northern Trust

CONTRIBUTING TO THE COMMUNITY

Community involvement is a deeply rooted part of our culture. Since 1889, the bank has actively advanced a culture of caring and a commitment to invest in the communities we serve worldwide. This philosophy continues today through progressive community lending efforts; contributions to service and community organizations; partner volunteerism; in-kind gifts such as donations of meeting space, graphic design expertise and other knowledge services; and directorship guidance to charitable and civic boards.

In 2010, our global corporate philanthropy program awarded over \$14 million in cash contributions to local and international civic and charitable organizations. In the last five years, corporate philanthropy has contributed more than \$75 million in support of nonprofit organizations worldwide.

PHILANTHROPIC VEHICLES

Our Northern Trust Charitable Trust and corporate giving program supports organizations with programs in the communities where we do business. The grants primarily assist programs and agencies that focus on advancing the wellbeing of disadvantaged women and children and people with disabilities in one of four core areas:

■ Enriching Neighbors:

It has supported charities such as Access Living, Texas Scottish Rite Hospital, Ronald McDonald House Charities and Mercy Housing.

■ Preserving the Environment:

The Charitable Trust supports programs that incorporate elements of green construction into affordable housing initiatives and that create green job-training programs for disadvantaged women and people with disabilities.

■ Supporting Education:

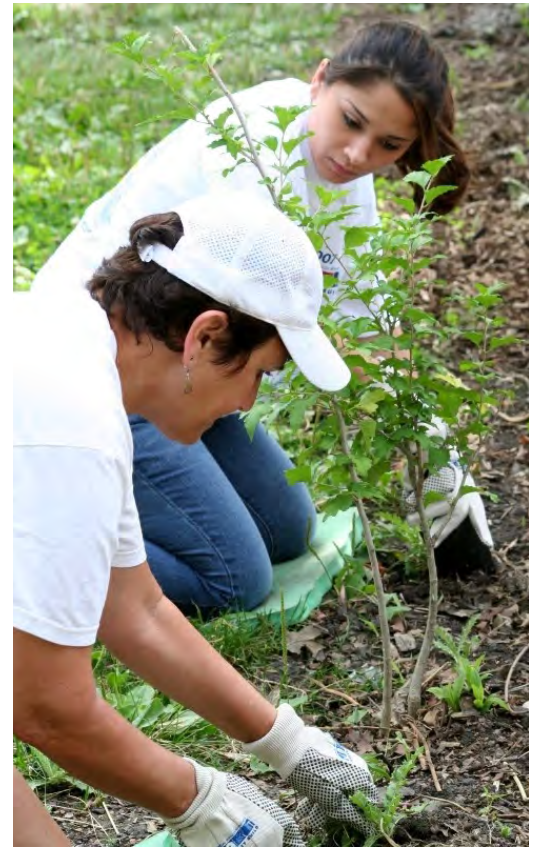
Reflecting our view that education is the cornerstone of future success, the Trust supports organizations that bring innovative, comprehensive and exemplary programs to local public school students. The Charitable Trust gives priority to organizations that improve student achievement through innovative programming, developing the talent of teachers and principals and preparing students to compete globally. Among the organizations it has supported are Teach for America, Kohl Children's Museum and Working in the Schools.

■ Sharing the Arts:

The Charitable Trust supports arts and cultural organizations that open access to the city's cultural life, and integrate the arts into education and other community outreach initiatives. It has supported The Africa Foundation, American Ballet Theatre – Jacqueline Kennedy Onassis School and the Naples Philharmonic Center for the Arts, among others.

PARTNER VOLUNTEERISM

In 2010, Northern Trust partners contributed nearly 200,000 volunteer hours to many worthy charitable organizations around



the globe. In the U.S., partners volunteered in excess of 157,000 hours, providing United States not-for-profit organizations more than \$3.2 million of in-kind labor.

In addition, we held our first Global Week of Caring in 2010. The effort provided partners with a chance to work on projects that serve community needs both during and after regular office hours. Partner groups around the world organized volunteer projects during the week to benefit local charities.

COMMUNITY IMPACT OF INVESTMENTS

Our investments in community programs and initiatives have touched hundreds of thousands of lives. They include:

- **Neighborhood Housing Services of Chicago (NHS):**
Established in 1975, NHS focuses on revitalizing neighborhoods block by block through community-based offices that offer homeownership lending, financial counseling, foreclosure prevention and rehabilitation services. A long-term partner of NHS, we first invested in it in 1997. The \$5 million equity-equivalent investment continues to provide an ongoing source of capital as well as operating dollars for the NHS Auburn Gresham office. In its neighborhoods, NHS serves more than 182,000 families; loans to borrowers to buy, fix, or keep housing units; educates more than 28,000 potential homeowners; builds or rehabilitates affordable homes for potential sale; provides foreclosure counseling and education to homeowners; and intends to save families from foreclosure.

- **Our Investment in Urban Partnership Bank's Purchase of ShoreBank:**

The financial crisis and recession triggered the closure of many small community banks by federal banking regulators because of large loan losses and depleted capital. Chicago's ShoreBank was in a similar position. Founded in 1973, ShoreBank was the first community development bank in the United States. Its mission was to provide financial services and credit to underserved low income and minority communities in Chicago, Detroit and Cleveland. Rather than risk losing ShoreBank's financial services and community impact, we and a group of 20 other investors united to supply funding for a newly chartered bank, Urban Partnership Bank, which purchased ShoreBank's assets from the FDIC on August 20, 2010. Urban Partnership Bank will allow ShoreBank's mission to continue while limiting the cost of its closure to the FDIC.

- **IFF:**
IFF is the largest community development financial institution exclusively serving nonprofit corporations in the Midwest. Northern Trust has been a key capital provider to support its lending. Among other accomplishments, IFF has closed over 800 high-impact loans totaling \$289.2 million. These loans were intended to be used toward the creation of new jobs; new day care slots for low-income children in underserved areas; over 140,300 patient visits to low-income clinics; affordable housing units; and beds for the homeless. We have a 19.5% interest in the investor consortium that funds lending as well as long-term, below-market rate investments

outside the consortium, which IFF continues to use to fund new loans each year. We have been IFF's largest long-term investor, providing a continued source of loan capital.

■ **North Side Community Federal Credit Union:**

We have partnered with this low-income credit union located in the Uptown neighborhood of Chicago for many years. By using our capital as a loan-loss reserve, North Side has been able to offer innovative products and stays within the financial standards established by its regulator. Its members have saved more than \$5 million in fees and charges by avoiding the use of abusive lending products.

■ **United Way:**

Northern Trust enjoys a long and rich history of support with United Way branches across the country. In 2010, our partner fundraising campaign raised \$2.4 million, and partners contributed 2,400 volunteer hours for United Way. A \$1 million corporate donation raised our total contributions to United Way to \$3.4 million in 2010.

■ **Charitable Giving in the U.K.:**

- Northern Trust's CEO for the Channel Islands completed a three-day sponsored cycling challenge to raise funds for 10 physically and/or mentally challenged Guernsey residents to go on holiday. Nearly £15,000 was raised in sponsorship support from our staff, clients and professional advisors.
- Our new Community Partners initiative in London gives partners one day of paid time off to participate in a corporate team-based challenge that gives back to the community. Northern Trust Community Partners, the EMEA region's signature volunteer program, was launched in January 2010. Since then, nearly 250 London-based partners have used the initiative to volunteer with several local organizations.

■ **Charitable Giving in Bangalore, India:**

In 2010, the Northern Trust Operations and Technology center in Bangalore increased its charitable support to organizations in the region:

- At the Sheila Kothavala Institute for the Deaf, we purchased much needed Audio Visual equipment for the school.
- At Christel House Bangalore, we sponsored construction of a pre-university classroom.
- For the Association of People with Disabilities, which provides job training through its horticultural centers, we donated funds to build a water-treatment plant. This funding supports both the continuity of the training program and the health of the plants.
- In 2010 new partnerships were formed with Habitat for Humanity India and SOS Children's Village. We provided Habitat for Humanity India a grant to build two houses for families in Bangalore. SOS Children's Village received a grant from us to provide a year of schooling for a family of 10 children.

■ **Charitable Giving for Education:**

We strongly commit to promoting educational opportunities for disadvantaged members of the communities in which we do business. One way we do this is through the creation of scholarship funds and the sponsorship of educational institutions. The William and Cathy Osborn Scholarship Fund was established in 2010 to honor our former chairman and CEO and Northern Trust's commitment to education. The scholarship supports high school seniors in the Chicago-based Noble Network of Charter Schools who will be first-generation college students.

■ **Charitable Giving for the Arts:**

We have supported the National Foundation for Advancement in the Arts since 2004. Our giving has gone toward the young ARTS program that identifies emerging artists and assists them at critical junctures in their educational and professional development. Since 2007, we have sponsored a talented student at the Jacqueline Kennedy Onassis School at the American Ballet Theatre in New York City. As lead sponsor, we help ensure that talented students, regardless of their circumstances, get world-class training provided by the American Ballet Theatre through this Northern Trust award.

■ **Workplace Mentoring:**

In Chicago, we launched a workplace mentoring program with Big Brothers Big Sisters in 2009. Every other week, high school students travel to Northern Trust to meet with mentors to discuss such topics as college readiness, applications and financial literacy, and to get help with homework. Additionally, the students learn about Northern Trust and hear from senior leaders about their personal journeys, among other things.



5%

emissions reduction
target per person for 2011

ENVIRONMENTAL SUSTAINABILITY

ENVIRONMENTAL STATEMENT

Northern Trust recognizes that our long-term financial prospects, and those of our clients, are tied to the health of the planet. We commit to protecting and preserving the environment through the services we provide and by mitigating our environmental impacts. We conform to the principles of sustainability and try to meet the needs of the present generation without compromising the ability of future generations to meet their own needs. We seek to integrate environmental considerations into our decision-making process, and are committed to the continual improvement of our environmental practices.



We recognize that our commitment to financial success also must consider the broader environmental impact of our operations. As a result, we developed initiatives that pursue sustainable development. We always strive to improve our environmental performance by supporting and encouraging the responsible use, reuse, recycling and disposal of the materials and products we buy. We also monitor our utility consumption and have a team of representatives that further our sustainability projects and processes as part of the Partners Think Green sustainability program.

TARGETS FOR CARBON EMISSIONS REDUCTION

We have set a target of reducing carbon emissions by 5 percent, per full-time employee (FTE), by the end of 2011. This goal reflects our desire to demonstrate our conservation-minded approach to protecting the environment. We have also participated in the Carbon Disclosure Project since 2006, publicly reporting on our progress towards reducing emissions.

PARTNER ENGAGEMENT

Every day, thousands of our partners actively engage in our environmental initiatives as they go about their work. Partners Think Green is our environmental program of promoting best practices, increasing awareness of sustainability issues and

CLIMATE CHANGE STATEMENT

Northern Trust desires to do our part to assess and lessen risk related to climate change. Our goal is to lead by example in our global operations by recycling our waste appropriately, monitoring our direct and indirect carbon emissions, and taking incremental steps to reduce energy and water usage, as well as emissions from transport. With these initiatives, we hope to propel a continual reduction in emissions and preserve natural resources. Northern Trust's responsibility includes communicating our principles to our vendors with the expectation that they also will take proactive measures to decrease their environmental impact.

At Northern Trust, we also provide clients with products and services that help them analyze the environmental impacts and climate-related risks of their portfolios. Furthermore, by expanding our partnerships with key environmental advocacy organizations, we can engage concerned institutions that focus on environmental risks, trends and future opportunities.

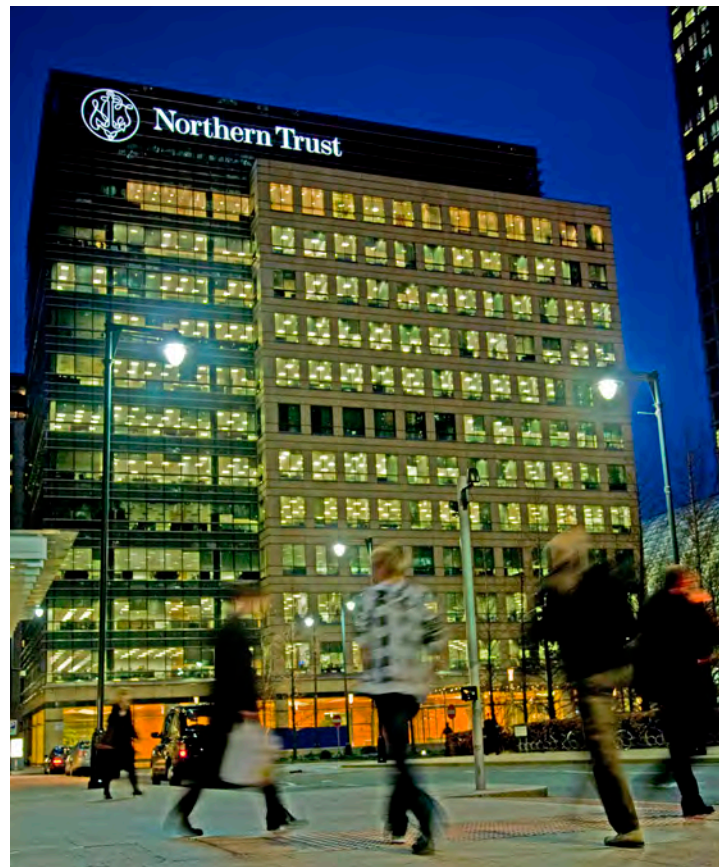
unifying environmentally-focused business operations under a single umbrella. The group promotes global events and programs to reduce our emissions and energy use. Through the global Partners Think Green intranet site, which informs partners about initiatives and provides useful tips, as well as through our building managers and our 100+ global Partners Think Green Champions, we identify issues that need attention. Our collaborative approach helps us strengthen our environmental performance. In addition, we promote the following Partners Think Green Environmental Tips:

- 1) Log off your PC, and switch off your monitor each evening
- 2) Unplug unused desktop items like cellphone chargers, and switch off lights
- 3) Choose duplex/black and white option when printing
- 4) Use video/teleconferencing in place of travel when possible
- 5) Recycle waste appropriately

ENERGY-EFFICIENT BUILDINGS

Underscoring our commitment to making our real estate more energy efficient, our Chicago headquarters at 50 S. La Salle Street received an EPA ENERGY STAR® in 2010 for the 2009 calendar year, a great achievement for a building that is more than a century old. The ENERGY STAR® mark indicates superior energy performance and identifies its recipients as some of the most energy-efficient buildings in the U.S.

We are a member of the U.S. Green Building Council, whose LEED® certification system assesses the energy efficiency of building projects. All of our most recent and significant worldwide building projects gained LEED® Gold certification. For example, our recently renovated floor at 181 West Madison Street in Chicago has received a LEED® Gold standard and our office in Bangalore, India was the first commercial interior in that city to achieve such certification. As we move forward with the development of new buildings, we intend to continue pursuing LEED® certification.



OUR LONDON OFFICE OPERATES ON

100%

RENEWABLE ENERGY

CORPORATE SOCIAL RESPONSIBILITY: HISTORICAL PERSPECTIVE

Northern Trust receives continuous industry recognition for our dedication to diversity, philanthropy and the environment as well as workplace initiatives that attract the service of the most talented, capable employees. Following are some of the many efforts we have undertaken and recognitions we have received.

1912	Offers free group life insurance for employees – one of the first companies in the nation to do so.	1990s	Converts prime financial district real estate at Monroe and Wells streets, adjacent to the headquarters building, from drive-up banking facility into compact urban Chicago park, open to the public.
1913	Introduces one of the nation's first employee pension plans.		
1930	Installs "manufactured weather" – a radical concept in its day – to reinforce Northern Trust as Chicago's preferred workplace, making its headquarters the first air-conditioned office building in the city.	1990	Opens the first employee child care center in downtown Chicago designed to support the needs of working parents. Organizes the first employee diversity councils to support diversity initiatives within business units. Becomes a component security in the Domini 400 Social Index.
1940s	Works with the national Office of Price Administration to develop a procedure, which becomes the national standard, for ration standardization during World War II.		Announces first grant for Science/Math Advocacy and Recruitment for Teaching Program, a collaborative effort with Northwestern University and the Chicago Urban League to assist talented, disadvantaged Chicago high school students.
1948	Opens new facility that includes modern new addressograph and tabulating technology to replace handwritten and typed recordkeeping.		
1949	Creates a pension and profit-sharing division to support the rapid expansion of employee benefit plans following World War II.	1991	Receives Employer of the Year designation by the International Association of Business, Industry, and Rehabilitation and the Midwest Association of Business, Rehabilitation and Industry for our support of the disabled community. Receives Voices for Illinois Children Award for our commitment to early childhood intervention and youth programs. This includes creation of the Centennial Fund for the Education of Children and our contributions to the Center for Successful Child Development in the low-income Robert Taylor Homes in Chicago.
1960	Installs fully integrated electronic accounting and check-processing system, a first for a Chicago bank and laying the foundation for later resource conservation efforts.		
1966	Forms a charitable trust to support not-for-profit organizations in Cook County, Illinois, where Northern Trust is headquartered.	1991-1998, 2000-2010	<i>Working Mother</i> magazine lists Northern Trust as among 100 Best Companies for Working Mothers in its annual survey.
1968	Creates a cooperative education program to give promising high school seniors jobs.		
1974	Develops industry-leading U.S. asset and reporting services to address corporate clients' needs as a result of the Employee Retirement Income Security Act, which mandated that employee benefit fund assets be held in trust.	1993	Introduces Diversity at Work, a program to prepare non-managers to become diversity advocates in the organization. Receives Exemplary Partnership Award from Illinois State Council on Business-Education Partnerships for our adopt-a-school partnership with Wells Community Academy.
1984	Establishes a neighborhood lending program to provide funding for income-qualified borrowers and properties in low- and moderate-income neighborhoods.		
1988	Forms the Black Affinity Group to support leadership development among employees of Black heritage. Forms an Employee Stock Ownership Plan to give employees a stake in the corporation's success. As of year-end 2008, employees, directors and retirees beneficially approximately 13% of Northern Trust stock.	1994	Forms TNT Pride to champion a tolerant environment for all lesbian, gay, bisexual and transgendered employees. Northern Trust Bank of Texas receives Habitat for Humanity's Long-Term Corporate Partner Award for pioneering development of 0% and low-interest financial programs in Dallas.
1989	Introduces Managing a Changing Workforce, a diversity training program for all managers and supervisors. Introduces Global Opportunities in Leadership Development, a recruitment and management training program.		

1995	Institutes the Chairman's Diversity Award to recognize employees who champion and make noteworthy contributions to our diversity efforts. Receives the first Erie Neighborhood House Good Neighbor Award recognizing our commitment to that social service agency and to Chicago's West Town community.
1996	Receives the Department of Labor's Exemplary Volunteer Effort Award for our commitment to affirmative action efforts. Receives our first Bank Enterprise Award from the U.S. Treasury Department recognizing our community development programs in Chicago.
1996, 2005, 2009	Receives Outstanding Buyer Award from the Chicago Minority Business Development Council for our outstanding record of purchasing from minority- and women-owned vendors.
1997	Launches Private Passport®, offering online account access and bill payment to personal clients, with full integration to their trust, brokerage and mutual fund accounts and helping reduce client paper consumption.
1998	Becomes only the second bank in the United States to offer domestic partner benefits to both same-sex and opposite-sex employees. Receives award from the Illinois Governor's Commission on the Status of Women for excellence in work/life issues.
2000	<i>FORTUNE</i> magazine names Northern Trust among the 100 Best Companies to Work for in America. Becomes component security in the KLD Broad Market Social Index and the KLD Large Cap Social Index. Receives the Catalyst Organization's award for significant progress in the advancement of women. Forms the Asian Leadership Council to address the needs and concerns of Asian employees.
2001	Receives Hannah G. Solomon Award from the Council of Jewish Women for "daring to make a difference."
2001-2003; 2005-2006	<i>Business Ethics</i> magazine names Northern Trust to its list of 100 Best Corporate Citizens.
2001-2005; 2007-2009	Becomes a component of the FTSE4Good Index.
2003	Receives Equip for Equality's Corporate Award for employment of people with disabilities. Receives Corporate Diversity Award from the Chicago Council on Urban Affairs. Launches the Women in Leadership Forum to provide career development and organizational insight to female partners. Receives recognition by <i>Global Finance</i> magazine as one of the World's Most Socially Responsible Companies.
2003-2006	Receives Excellence through People Award from Enterprise Ireland.
2003-2009	<i>Computerworld</i> magazine names Northern Trust to its Best Places to Work in IT annual list.
2004	Receives Investor in People Leadership and Management Award from the United Kingdom Department for Education and Skills.
2005	Creates the Latin Heritage Leadership Council to help employees of Hispanic descent with leadership development, networking and mentoring opportunities. Receives highest honor, The Success Award, from the Chicago Minority Enterprise Development Council. Receives Minority Enterprise Development Week Recognition Award for our Minority and Emerging Investment Manager Program and our Supplier Diversity initiatives.
2006	Forms Disability Affinity Group for employees with disabilities and parents of special-needs children.
2007-2009	<i>FORTUNE</i> magazine names Northern Trust as one of America's Most Admired Companies. ECPI E. Capital Partners adds Northern Trust to its Ethical Index GLOBAL, an SRI equity index tracking performance of 300 companies in 24 countries worldwide. Creates the Black Business Resource Council to broaden the scope and capabilities established by the Black Affinity Group. Introduces the emergency backup dependent care program to help employees address sudden family care needs on a daily basis. Receives Exemplary Best Practices Corporation Award from Chicagoland Chamber of Commerce.
2008	<i>Barron's</i> magazine names Northern Trust to its list of America's 500 Best Companies. Named one of Guernsey's Top Three Best Large Businesses. Named to <i>Latina Style</i> magazine's list of Top 50 Companies for Latinas to Work in the United States. Gains rating of 100 from Corporate Equality Index on the Human Right Campaign Foundation's Best Places to Work. Northern Trust launches the Partners Think Green sustainability brand. Receives the Anderson C. Rasumssen Jr., Award from the Minority Business Enterprise Input Committee of the Chicago Minority Business Development Council for extraordinary commitment to expanding purchasing from minority companies.
2009	CRO magazine names Northern Trust as one of its 100 Best Corporate Citizens. <i>Business Week</i> magazine names Northern Trust to its list of 50 Best-Performing American Companies. National Association for Female Executives names Northern Trust as among the Top 50 Companies for Executive Women. <i>Real Estate & Construction Review</i> selects new Northern Trust building in Fort Myers, Florida, as a Green Building of America Award-winning project for the Southeast region.

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Our full 2010 CSR report is located at www.northerntrust.com/csr.



Northern Trust