



KPMG LLP
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Independent Accountants' Review Report

The Board of Directors and Management
Northern Trust Corporation:

We have reviewed the accompanying Statement of Greenhouse Gas (GHG) Emissions (GHG Statement) of Northern Trust Corporation for the year ended December 31, 2020. Northern Trust's management is responsible for presenting the GHG Statement in accordance with the World Resources Institute/World Business Council for Sustainable Development (WRI/WBCSD) Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition, the WRI/WBCSD Greenhouse Gas Protocol Scope 2 Guidance: An amendment to the GHG Protocol Corporate Standard, and the WRI/WBCSD Greenhouse Gas Protocol: Corporate Value Chain (Scope 3), Accounting and Reporting Standard (collectively, the GHG Protocol). Our responsibility is to express a conclusion on the GHG Statement based on our review.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to the GHG Statement in order for it to be presented in accordance with the criteria. A review is substantially less in scope than an examination, the objective of which is to obtain reasonable assurance about whether the GHG Statement is in accordance with the criteria, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. We believe that our review provides a reasonable basis for our conclusion.

As described in Note 1, environmental and energy use data are subject to measurement uncertainties resulting from limitations inherent in the nature and methods of determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary.

Based on our review, we are not aware of any material modifications that should be made to the Statement of Greenhouse Gas Emissions for the year ended December 31, 2020 of Northern Trust Corporation in order for it to be presented in accordance with the GHG Protocol.

The GHG Statement includes summarized prior-year comparative information for the years ended December 31, 2019, 2018, 2017, 2016 and 2015. Such information does not include all of the information required for it to be reported in accordance with the GHG Protocol. Accordingly, such information should be read in conjunction with the GHG Statements for the years ended December 31, 2019, 2018, 2017, 2016 and 2015 with our Independent Accountants' Review Reports dated August 27, 2020, July 19, 2019, July 6, 2018, June 26, 2017 and July 12, 2016, respectively, thereon, from which such summarized information was derived.

KPMG LLP

New York, New York
July 28, 2021

Statement of Greenhouse Gas Emissions

For the year ended December 31, 2020



CO₂e Emissions Metric Tonnes [MT]

	2015	2016	2017	2018	2019	2020
Scope 1	3,071	2,338	2,127	2,637	1,909	1,610
Scope 2 Indirect (Market-Based)	46,036	44,484	42,098	35,045	35,149	24,151
Scope 3	20,054	18,469	20,764	19,281	20,294	5,960
Gross Scope 1, 2, and 3	69,161	65,291	64,989	56,963	57,352	31,721

See accompanying Independent Accountants' Review Report and notes to Statement of Greenhouse Gas Emissions.

NOTE 1: THE COMPANY

Organization

Northern Trust Corporation (the Corporation or Northern Trust) is a financial holding company that is a leading provider of asset servicing, fund administration, asset management, fiduciary and banking solutions for corporations, institutions, families and individuals worldwide. The Corporation conducts business through various U.S. and non-U.S. subsidiaries, including The Northern Trust Company (Bank). The Corporation was originally formed as a holding company for the Bank in 1971. The Corporation has a network of offices in 22 U.S. states, Washington, D.C., and 22 international locations in Canada, Europe, the Middle East, and the Asia-Pacific region.

Basis of Presentation

The Statement of Greenhouse Gas (GHG) Emissions has been prepared based on a calendar reporting year that is the same as Northern Trust's financial reporting period.

Scope 1 GHG emissions information has been prepared in accordance with the World Resources Institute/World Business Council for Sustainable Development Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition. Scope 1 represents direct GHG emissions that occur from sources that are owned or controlled by the Corporation.

Scope 2 GHG emissions information has been prepared in accordance with the WRI/WBCSD GHG Protocol Scope 2 Guidance: An amendment to the GHG Protocol Corporate Standard. Scope 2 accounts for GHG emissions from the generation of purchased electricity consumed by the Corporation.

Statement of Greenhouse Gas Emissions

For the year ended December 31, 2020



Scope 3 GHG emissions information has been prepared in accordance with the World Resources Institute/World Business Council for Sustainable Development Greenhouse Gas Protocol: Corporate Value Chain (Scope 3), Accounting and Reporting Standard. Scope 3 includes indirect GHG emissions (not included in Scope 2) that occur in the value chain of the Corporation, including both upstream and downstream emissions. Upstream emissions are indirect GHG emissions related to purchased or acquired goods and services while downstream emissions are indirect GHG emissions related to sold goods and services.

Collectively, the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition, the GHG Protocol Scope 2 Guidance: An amendment to the GHG Protocol Corporate Standard and the GHG Protocol: Corporate Value Chain (Scope 3), Accounting and Reporting Standard are referred to as the “GHG Protocol” in this document.

Estimation Uncertainties

Environmental and energy use data included in the Statement of GHG Emissions are subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary.

Consumption is based on raw data when available. When raw data is unavailable, the Corporation estimates consumption based on a square foot extrapolation of the average consumption from the most comparable facilities.

NOTE 2: GHG REPORTING

Organizational Boundaries

The organizational boundary of this report includes leased and owned offices under operational control in all domestic and global regions within which the Corporation operates.

More information can be found in the Corporation’s annual report at www.northerntrust.com.

Base year

The GHG base year applies to Scope 1, Scope 2, and Scope 3 emissions as set out above and has been prepared in accordance with the GHG reporting policies set out here. The Company has established 2015 as its base year.

Per the Climate Registry’s General Reporting Protocol guidance, Northern Trust set a 5% cumulative Scope 1, Scope 2, and Scope 3 significance threshold for determining whether to adjust and/or recalculate its base year based on error, omission, and change in boundary.

Statement of Greenhouse Gas Emissions

For the year ended December 31, 2020



Greenhouse Gases

All GHG emissions figures are in metric tonnes of carbon dioxide equivalents (CO₂e). In accordance with the GHG Protocol, the Corporation has included in its reporting carbon dioxide (CO₂), methane (CH₄), and nitrous oxide (N₂O). Hydrofluorocarbons (HFCs), Perfluorocarbons (PFCs), Sulphur Hexafluoride (SF₆), and Nitrogen trifluoride (NF₃) emissions have been omitted as they are not material sources of greenhouse gases for the Corporation.

GHG Emissions Factors

Emissions Scope	Emissions Source	Emissions Factor Employed
Scope 1	Natural gas Diesel fuel	Intergovernmental Panel on Climate Change – IPCC: Guidelines for National Greenhouse Gas Inventories (2006)
Scope 2	Purchased electricity	United States – EPA eGRID 2019 State File released 23/02/2021 International – IEA 2017 released 2019 United Kingdom – DEFRA Greenhouse Gas Reporting: Conversion Factors 2020 Residual Mix - AIB European Residual Mixes 2019 - Version 1.1, 2020-09-08
Scope 3	Business travel Employee commuting fuel-and-energy- related activities not included in Scope 1 or 2 (T&D losses)	Hotels The Climate Registry's General Reporting Protocol, v1.1, May 2008, Table 12.1 Source: EPA CHP Partnership. "CHP in the Hotel and Casino Market Sectors." December 2005. Prepared by Energy and Environmental Analysis, Inc. Table 16. The Climate Registry's General Reporting Protocol, v1.1, May 2008, Table 12.3 Source: EPA CHP Partnership. "CHP in the Hotel and Casino Market Sectors." December 2005. Prepared by Energy and Environmental Analysis, Inc. Table ES-2. (note that kBtu of natural gas have been converted to therms by dividing by 100) Assumed 10 therms = 1 MMBtu and 1 MMBTU = 293 kWh Source: GHG Protocol Emissions Factors from Cross-Sector Tools (March 2017) Table 9. US average converted to lb CO ₂ /kWh.
		Flights GHG Protocol Emissions Factors from Cross-Sector Tools (March 2017) IPCC 2006 Guidelines for National Greenhouse Gas Inventories, http://www.ipcc-nggip.iges.or.jp/public/2006gl/vol2.html (Tables 1-3 of the WRI GHG inventories) DEFRA conversion factors 2016
		Rental Cars Table 14 from GHG Protocol Emissions Factors from Cross-Sector Tools (March 2017) US vehicles: US EPA Climate Leaders (updated May 2008).
		Shuttle vehicles GHG Protocol Emissions Factors from Cross-Sector Tools (March 2017)
		T&D losses IEA 2017 released 2019, T&D losses adjustment file

Statement of Greenhouse Gas Emissions

For the year ended December 31, 2020



Market-Based Approach

Adjusted emissions factors due to residual mix for facilities in North America and Asia Pacific are not available, which may result in double counting between electricity consumers. Location-based factors were applied to these facilities.

As available, utility specific factors or residual mix factors were applied to facilities in Europe Middle East.

Global Warming Potentials

GHG emissions were calculated using the Global Warming Potentials (GWP) from the International Panel on Climate Change (IPCC) Fifth Assessment Report for CO₂, the IPCC Fourth Assessment Report for CH₄ and IPCC Third Assessment report for N₂O.

NOTE 3 – GHG EMISSIONS BY REGION (MT CO₂E)

	North America	Europe Middle East	Asia Pacific	Total
Scope 1	1,202	280	128	1,610
Scope 2: Location-Based Approach	18,316	2,522	5,536	26,374
Scope 2: Market-Based Approach Total	18,316	299	5,536	24,151
Scope 3	3,046	820	2,094	5,960

Statement of Greenhouse Gas Emissions

For the year ended December 31, 2020



NOTE 4 – CO2E INTENSITY

The Corporation has selected global full-time employees (FTE) as the basis for its intensity calculation. One FTE represents an employee working a forty-hour work week.

In 2017, the Corporation reset a goal to reduce total Scope 1, Scope 2 (using the Market-Based Approach), and Scope 3 carbon emissions by 25% by 2020 compared to the 2015 baseline. In 2020, the Corporation has exceeded that goal, reducing emissions by -65%. The Corporation will set a new goal in 2021.

Market-Based: MT Co₂e PER FTE

	2015	2016	2017	2018	2019	2020
Scope 1 - per FTE	0.190	0.139	0.119	0.141	0.096	0.077
Scope 2 - per FTE	2.850	2.636	2.361	1.873	1.775	1.158
Scope 3 - per FTE	1.242	1.095	1.165	1.030	1.025	0.286
Total - per FTE	4.282	3.869	3.645	3.044	2.897	1.521
Total Full Time Employees	16,152	16,874	17,830	18,716	19,800	20,864

NOTE 5 - GHG EMISSIONS BY TYPE

	Carbon Dioxide (CO ₂)	Methane (CH ₄)	Nitrous Oxide (N ₂ O)	Total
Scope 1	1,605	4	1	1,610
Scope 2: Location-Based Approach	26,225	51	98	26,374
Scope 2: Market-Based Approach	24,002	51	98	24,151
Scope 3	5,940	12	8	5,960

Statement of Greenhouse Gas Emissions

For the year ended December 31, 2020



NOTE 6 – SCOPE 3 REPORTING

Scope 3 Category		2015	2016	2017	2018	2019	2020	Notes
Upstream Scope 3 Emissions	1 Purchased Goods & Services	Relevant, not yet calculated	Relevant, not yet calculated	Relevant, not yet calculated	Relevant, not yet calculated	Relevant, not yet calculated	Relevant, not yet calculated	Northern Trust is working with a number of suppliers to calculate this data, but have not made significant enough progress to report figures.
	2 Capital Goods	Relevant, not yet calculated	Relevant, not yet calculated	Relevant, not yet calculated	Relevant, not yet calculated	Relevant, not yet calculated	Relevant, not yet calculated	Northern Trust is working with a number of suppliers to calculate this data, but have not made significant enough progress to report figures.
	3 Fuel- and Energy-Related Activities (not included in Scope 1 or 2)	4,390	4,759	4,666	3,211	3,397	2,419	The fuel-and-energy-related activities that are tracked for Scope 3 are the transmission and distribution line losses. T&D losses are calculated using the T&D emissions factors from IEA.
	4 Transportation & Distribution	Not Relevant	Not Relevant	Not Relevant	Not Relevant	Not Relevant	Not Relevant	Similar to other companies in the financial services industry, Northern Trust does not produce physical products.
	5 Waste Generated in Operations	Not Relevant	Not Relevant	Not Relevant	Not Relevant	Not Relevant	Not Relevant	Similar to other companies in the financial services industry, Northern Trust does not have manufacturing facilities. The waste generated in operations consists mainly of municipal solid waste generated in its offices.
	6 Business Travel - Total	11,097	9,460	11,690	11,904	12,798	2,595	Business Travel emissions are based on vendor reported travel type and distance.
	Business travel - Air	9,292	8,007	10,189	10,206	11,056	2,198	
	Business travel - Car Rental	968	515	550	545	472	168	
6 Business travel – Hotel Stays	837	938	951	1,153	1,270	229		
6 Rail	Relevant, not yet calculated	Relevant, not yet calculated	Relevant, not yet calculated	Relevant, not yet calculated	Relevant, not yet calculated	Relevant, not yet calculated	Relevant, not yet calculated	Data for rail travel is not available at this time. Northern Trust continues to work with the vendor to address the availability of this information.
7 Employee Commuting	4,567	4,250	4,408	4,166	4,099	946	Shuttle bus services are provided in Chicago and Bangalore offices. Fuel and mileage provided by third party vendor.	
8 Leased Assets	Not report, explanation provided	Not report, explanation provided	Not report, explanation provided	Not report, explanation provided	Not report, explanation provided	Not report, explanation provided	Not report, explanation provided	Scope 3 emissions from the operation of leased assets are already accounted for in scope 2 emissions as they are under Northern Trust's operational control.

Statement of Greenhouse Gas Emissions

For the year ended December 31, 2020



NOTE 6 – SCOPE 3 REPORTING (CONTINUED)

Scope 3 Category		2015	2016	2017	2018	2019	2020	Notes
Downstream Scope 3 Emissions	9 Transportation & Distribution	Not relevant	Not relevant	Not relevant	Not relevant	Not relevant	Not relevant	Similar to other companies in the Financial Services industry, Northern Trust does not produce physical products.
	10 Processing of Sold Products	Not relevant	Not relevant	Not relevant	Not relevant	Not relevant	Not relevant	Similar to other companies in the Financial Services industry, Northern Trust does not produce physical products.
	11 Use of Sold Products	Not relevant	Not relevant	Not relevant	Not relevant	Not relevant	Not relevant	Similar to other companies in the Financial Services industry, Northern Trust does not produce physical products.
	12 End-of-Life Treatment of Sold Products	Not relevant	Not relevant	Not relevant	Not relevant	Not relevant	Not relevant	Similar to other companies in the Financial Services industry, Northern Trust does not produce physical products.
	13 Leased Assets	Not relevant	Not relevant	Not relevant	Not relevant	Not relevant	Not relevant	Similar to other companies in the Financial Services industry, Northern Trust does not lease physical assets to third parties.
	14 Franchises	Not relevant	Not relevant	Not relevant	Not relevant	Not relevant	Not relevant	Northern Trust does not have franchises.
	15 Investments	Relevant, not yet calculated	Relevant, not yet calculated	Relevant, not yet calculated	Relevant, not yet calculated	Relevant, not yet calculated	Relevant, not yet calculated	Northern Trust does not yet have the capability to calculate emissions resulting from investment activities.
Total Scope 3 emissions		20,054	18,469	20,764	19,281	20,294	5,960	