

NORTHERN FUNDS MULTI-MANAGER GLOBAL REAL ESTATE FUND (NMMGX)

As of 03/31/19

FUND COMMENTARY

The global real estate market, as measured by the FTSE® EPRA®/NAREIT® Developed Index, posted strong returns in the first quarter. Real estate returned 14.59% with all regions experiencing positive returns. North America and Hong Kong outperformed the broader real estate market during the quarter, while Japan and continental Europe lagged on a relative basis. Cyclical areas of the market such as the industrial, office and hotel sectors performed strongly, while self-storage and health care underperformed. Retail continues to trail the broader market due to concerns over store bankruptcies and the impact of e-commerce.

The Fund returned 14.54% during the quarter, performing in line with the FTSE EPRA/NAREIT Developed Index, which returned 14.59%. Stock selection contributed positively to relative performance, while the portfolio's positioning detracted. The sectors that added to performance were the diversified, office, retail and healthcare sectors. The residential sector negatively impacted performance this quarter. Regionally, the Fund benefitted from positive stock selections in most regions with the exception of the Asia Pacific region. Specifically, positions within the U.S., Germany and the U.K. contributed to relative performance, while Japan slightly offset that impact. Sub-adviser Brookfield outperformed due to strong stock selection across regions, in particular Europe. The office, diversified and retail sectors were strong contributors, while negative selection in self-storage and an underweight in industrial partially offset relative performance. Sub-adviser MFS performed in line with the benchmark. Stock selection was positive in the quarter, but offset by the portfolio's positioning. Selection in Japan also detracted from relative performance.

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

©2019 Northern Funds | Northern Funds are distributed by Northern Funds Distributors, LLC, not affiliated with Northern Trust.



NORTHERN FUNDS

MULTI-MANAGER GLOBAL REAL ESTATE FUND (NMMGX)

| Performance as of 03/31/19 | | | | Annualized Returns | | | | | |
|---------------------------------------|--------|--------|--------|--------------------|--------|---------|------------------|---------------------|-------------------|
| FUND | QTR | YTD | 1 Year | 3 Year | 5 Year | 10 Year | Since Inception* | Gross Expense Ratio | Net Expense Ratio |
| Multi-Manager Global Real Estate Fund | 14.54% | 14.54% | 13.28% | 6.54% | 6.09% | 13.18% | 12.64% | 1.10% | 0.93% |
| FTSE EPRA/NAREIT Developed Index | 14.59% | 14.59% | 13.27% | 5.68% | 6.42% | 14.00% | 13.16% | | |

*Inception Date- 11/19/08

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.

The Gross and Net Expense Ratios are as of the most recent prospectus. The Net Expense Ratio includes contractual expense reimbursements that, if not extended, will end on July 31, 2019.

Not FDIC insured | May lose value | No bank guarantee

Please remember that all investments carry some level of risk, including the potential loss of principal invested. They do not typically grow at an even rate of return and may experience negative growth. As with any type of portfolio structuring, attempting to reduce risk and increase return could, at certain times, unintentionally reduce returns.

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

©2019 Northern Funds | Northern Funds are distributed by Northern Funds Distributors, LLC, not affiliated with Northern Trust.

