As of 06/30/18

FUND COMMENTARY

In the second quarter of 2018, the MSCI World ESG Leaders returned 1.05%. ESG Equities underperformed developed markets, represented by MSCI World Index, which returned 1.73% in the second quarter.

The top-performing sectors over this time period were energy and utilities, returning 13.75% and 4.87% respectively. Financials and industrials were the bottom-performing sectors for this quarter, with returns of -3.13% and -2.50% respectively.

The top-performing countries over this time period were New Zealand and Canada, returning 5.69% and 5.26% respectively. Italy and Singapore were the bottom-performing countries for this quarter, with returns of -9.35% and -7.48% respectively.

The Global Sustainability Index Fund returned 1.01% during the quarter. Its benchmark, the MSCI World ESG Leaders Index, returned 1.05%. Global equity returns were relatively flat through the second quarter of 2018. Despite the volatile geopolitical climate, the U.S. as represented by the S&P500® Index rebounded in the second quarter. Headlines were dominated by talks of tariffs and trade wars between the U.S. and several trade partners, most prominently China and Europe. Investor sentiment was bolstered by continued corporate earnings strength, with favorable impacts from corporate tax reform adding to growth. Steady Federal Reserve policy of gradual interest rate hikes, pushed yields slightly higher and contributed to move a higher in the U.S. dollar. Rising oil prices led to strong returns in energy sector, while consumer discretionary and technology sectors continued to outpace the market. Developed international equity markets pulled back in the second quarter with Europe and Japan equity markets leading the underperformance. Global growth was strong to start the year, however recently there have been concerns the economic strength of Europe has declined as the wave of populism sweeps across Europe. The election of Salvini as the Italian president has investors concerned about more disruption in the eurozone and the future of the euro. Global trade policies are also weighing on investors as the U.S. has threatened to increase tariffs on many of its trading partners as the White House questions the U.S. trade policies. An escalation of a trade war with Europe or China would put pressure on the global growth story. Global interest rates remained low and supportive of future economic growth.

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.

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Performance as of 06/30/18

<table>
<thead>
<tr>
<th>FUND</th>
<th>QTR</th>
<th>YTD</th>
<th>1 Year</th>
<th>3 Year</th>
<th>5 Year</th>
<th>10 Year</th>
<th>Since Inception Gross Expense Ratio</th>
<th>Net Expense Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global Sustainability Index Fund</td>
<td>1.01%</td>
<td>0.14%</td>
<td>10.15%</td>
<td>8.13%</td>
<td>9.41%</td>
<td>6.11%</td>
<td>5.63%</td>
<td>0.35%</td>
</tr>
<tr>
<td>MSCI World ESG Leaders Index</td>
<td>1.05%</td>
<td>-0.05%</td>
<td>10.08%</td>
<td>7.98%</td>
<td>9.26%</td>
<td>6.20%</td>
<td>5.73%</td>
<td></td>
</tr>
</tbody>
</table>

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, 2018.

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.

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