

THE NT EMERGING MARKETS CUSTOM LOW CARBON OPTIMISED EQUITY INDEX FUND

31 October 2017

EQUITIES

Key Facts

Domicile	Ireland
Inception	29th November 2013
Legal Structure	ICVC
Regulatory Structure	UCITS
Fund Size	\$1.12bn
Benchmark	Custom Index on MSCI EM (Emerging Markets) Low Carbon Leaders
Dealing Frequency	Daily
Cut Off	12:00pm Irish Time on the business day prior to the Dealing Day
Minimum Initial Investment	\$100,000
Minimum Subsequent Investment	\$1,000
ISIN	IE00BBMT2J49
SEDOL	BBMT2J4
Bloomberg Ticker	NECLCUB
Base Currency	USD
Currencies Offered	USD/GBP/EUR
Portfolio Manager	Nick Dymond

Inception date is indicative of funding date on initial share class

Portfolio Information

	Fund	Index
Forecast EPS growth	16.3	16.2
Trailing PE	15.2	15.2
Average Capitalisation	14,767.6	14,882.1
P/B Ratio	1.8	1.8
Dividend Yield***	2.2	2.2
Return on Equity	15.1	15.1
Number of Equity Holdings	742	737
5-year beta	-	-

Top Ten Holdings

Tencent Holdings Ltd.	5.05%
Samsung Electronics Co., Ltd.	4.77%
Alibaba Group Holding Ltd. Sponsored	4.16%
Naspers Limited Class N	2.12%
China Construction Bank Corporation	1.47%
Baidu, Inc. Sponsored ADR Class A	1.35%
Hon Hai Precision Industry Co., Ltd.	1.26%
China Mobile Limited	1.21%
Industrial and Commercial Bank of	1.15%
Ping An Insurance (Group) Company of	0.91%

INVESTMENT MANAGER

Northern Trust Global Investments Limited has been appointed Investment Manager for the NT Emerging Markets Custom Low Carbon Optimised Equity Index Fund (The Fund).

INVESTMENT OBJECTIVE

The investment objective of the Fund is to track the risk and return characteristics of MSCI custom Emerging Markets Low Carbon Leaders 10/50 (the Index). The Index is a custom optimised index that aims to reduce exposure to companies with high carbon footprint and high fossil fuel reserves while exhibiting risk and return characteristics similar to those of the MSCI Emerging Markets Index (the Parent Index). Following the carbon efficient and international conventions criteria, the Index excludes: i) companies that have higher carbon footprint than the set criteria, ii) companies identified by the Ethical Council* to be associated with violations of international conventions on the environment and human rights and iii) non-U.S. real estate investment trusts.

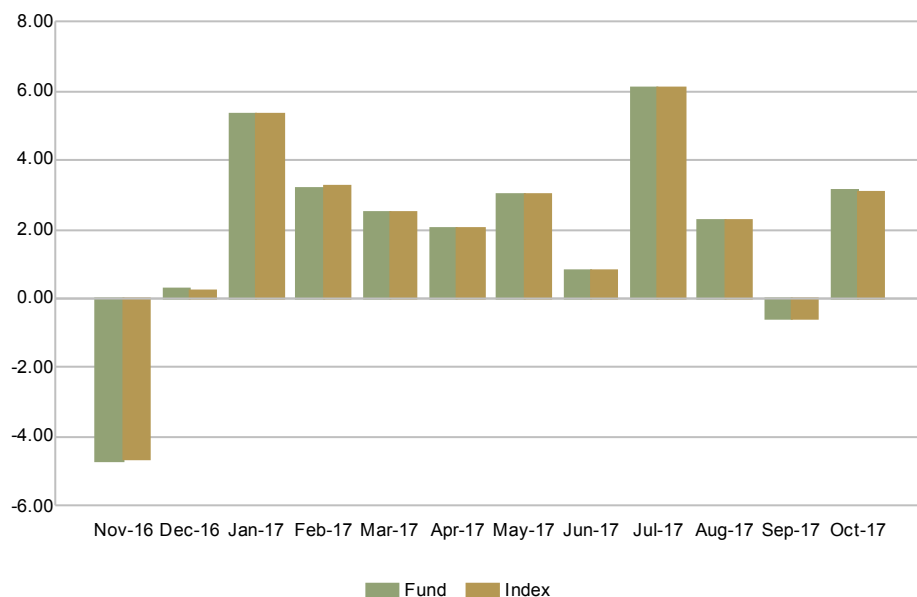
The carbon exposure of a security is measured in terms of absolute greenhouse gas emissions and potential carbon emissions from fossil fuel reserves. Securities with the highest carbon footprint are excluded from the Index based on the following rules: issuers with largest carbon reserves are excluded until 50% of the total carbon reserves of the Parent Index have been excluded. In addition, issuers with largest emissions are excluded until 25% of the total emissions of the Parent Index have been excluded.

In order to reduce the tracking error of the Index with respect to the Parent Index while reducing the carbon footprint of the Index a number of optimisation constraints are employed, these include: constraining the ex-ante tracking error of the Index to 0.90%, limiting the one way semi-annual turnover of the Index to a maximum of 10%, restricting the deviation of country weights of the Index from the country weights of the Parent Index to no more than +/-2% and restricting the deviation of sector weights of the Index from the sector weights of the Parent Index to no more than +/-2%.

INVESTOR PROFILE

Thoughtful investors seeking diversified exposure to emerging market equities whilst meeting their environmental, social and governance commitments. Designed for institutional investors including: multinationals, pension funds, insurance companies, sovereign wealth funds, charities and sub-advisory.

Fund Performance in USD



	1 Month (%)	3 Month (%)	YTD (%)	1 Year (%)	3 Year* (%)	Since Inception (%)*
Fund	3.12	4.88	31.47	25.63	5.89	4.77
Index	3.11	4.85	31.34	25.51	5.85	4.77

All performance is shown on a gross basis please refer to the Fund prospectus for pricing information.

**Performance shown annualised for periods greater than 1 year.*

Prior to 1st Dec 15 benchmark was MSCI Emerging Markets Custom Low Carbon Optimised Index

*** The Dividend yield is calculated by Factset as a weighted average of the gross dividend yield of the stocks within the portfolio and index

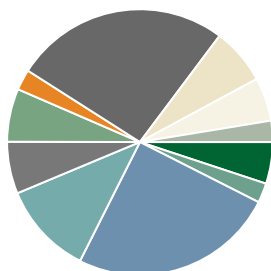


Country Breakdown

Brazil	7.13%
Chile	1.39%
China	30.26%
Colombia	0.43%
Czech Republic	0.17%
Egypt	0.11%
Greece	0.35%
Hungary	0.40%
India	8.63%
Indonesia	2.32%
Korea	15.49%
Malaysia	2.15%
Mexico	2.93%
Pakistan	0.11%
Peru	0.43%
Philippines	1.10%
Poland	1.47%
Qatar	0.52%
Russia	3.35%
South Africa	5.90%
Taiwan	11.12%
Thailand	2.36%
Turkey	1.16%
United Arab Emirates	0.72%

Sector Breakdown

- Consumer Discretionary
11.25 %
- Consumer Staples
6.35 %
- Energy
6.44 %
- Financials
25.03 %
- Health Care
2.52 %
- Industrials
5.05 %
- IT
26.22 %
- Materials
6.88 %
- Real Estate
2.61 %
- Telecomms
5.28 %
- Utilities
2.38 %



*Country and Sector breakdowns may not sum to 100% as the fund has a small allocation to futures.

PORTFOLIO MANAGER

Northern Trust has a team approach to portfolio management to ensure consistency of coverage and performance. The NT Emerging Markets Custom Low-Carbon Optimised Equity Index Fund is managed in London by the Equities Management team which is led by Nick Dymond.

PORTFOLIO MANAGER COMMENTARY

October witnessed two major central banks in emerging market economies adjusting rates. Brazil lowered borrowing costs by 75bps signaling that it will slow the pace of monetary easing further. The bank's board, led by President Ilan Goldfajn, cut the benchmark Selic rate to 7.5% following four straight full-percentage point reductions. Manufacturing activity in the economy expanded for a sixth straight month in September as strong demand, domestic and abroad, drove firms to ramp up output at its fastest pace since May. Boosted by the upturn in new work, Brazil's service sector also resumed growth in September, having contracted for four months in a row. The Russian central bank delivered a 25bp rate cut stating that it would consider lowering rates further. A monetary easing cycle became possible this year as annual inflation, tumbled to post-Soviet lows. Even though actual inflation has slipped below the bank's 4% target to 2.7% in annual terms, the bank highlighted that inflation expectations remained elevated.

The Reserve Bank of India decided to hold the key policy rate unchanged at 6% as it sees risks to inflation. However, it maintained a neutral policy stance while reiterating that the MPC remains committed to keep headline inflation close to 4% on durable basis. Nearby, China's central bank governor said the economy could grow 7 per cent in the second half of this year, accelerating from the first six months and defying widespread expectations for a slowdown. However, China's central bank continued net cash injections into the money market to ease liquidity strain. The bank has increasingly relied on open market operations for liquidity management, rather than cuts in interest rates or reserve requirement ratios. With this, the Bank has set the tone of its 2017 monetary policy as prudent and neutral, keeping appropriate liquidity levels but avoiding excessive liquidity injections.

For More Information

Please visit www.northerntrust.com/pooledfunds or please contact your local Northern Trust representative using the information below.

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