



Corporate Social Responsibility

2015 REPORT

At Northern Trust, we have aligned our Corporate Social Responsibility efforts with our guiding principles of service, expertise and integrity. Through innovative and ethical business practices, we are dedicated to meeting the evolving needs of our clients and shareholders. Serving as a socially responsible corporate citizen, while supporting the diverse communities and environments in which we live and work, directly contributes to our financial success and creates value for our global stakeholders.





We align our Corporate Social Responsibility (CSR) efforts with our guiding principles of service, expertise and integrity. We have made great progress and continue to work toward creating long-term sustainable value for our clients, our communities, our colleagues and other key stakeholders.

As the global landscape continues to change and grow in complexity, our strategic approach has evolved to further support our key CSR priorities of ethical business practices, sustainable products and services, increased employee engagement, commitment to diversity and inclusion and supporting the communities in which we live and work.

For the second year in a row, the Ethisphere Institute named Northern Trust one of the world's most ethical companies, recognition that is indicative of our 126-year culture of best-in-class business practices. We know the success of these priorities is linked to the growth of our business for years to come and we will continue to challenge ourselves to achieve greater on behalf of all of our stakeholders. Thank you for your interest in the Northern Trust CSR journey.

Connie L. Lindsey

*Executive Vice President
Head of Corporate Social
Responsibility and Global
Diversity & Inclusion*

Frederick H. Waddell

Chairman and Chief Executive Officer

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

INDEPENDENT ACCOUNTANTS' REPORT



KPMG LLP
Aon Center, Suite 5500
200 E. Randolph Street
Chicago, IL 60601-6436

The Board of Directors
Northern Trust Corporation:

We have reviewed management's assertion that the accompanying 2015 Corporate Social Responsibility Annual Report of Northern Trust Corporation (the Company) for the year ended December 31, 2015 (the Corporate Social Responsibility Report) includes the required elements of the Global Reporting Initiative G4 Sustainability Reporting Framework under its 'in accordance' Core option.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. A review consists principally of applying analytical procedures and making inquiries of persons responsible for the corporate social responsibility information. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on the Corporate Social Responsibility Report. Accordingly, we do not express such an opinion.

The preparation of the Corporate Social Responsibility Report requires management to interpret the criteria, make determinations as to the relevancy of information to be included, and make estimates and assumptions that affect reported information. The selection of different but acceptable measurement techniques can result in materially different but acceptable measurements. Different entities may make different but acceptable interpretations and determinations. The Corporate Social Responsibility Report includes information regarding the Company's corporate sustainability initiatives and targets, the estimated future impact of events that have occurred or are expected to occur, commitments, and uncertainties. Actual results in the future may differ materially from management's present assessment of this information because events and circumstances frequently do not occur as expected.

Based on our review, nothing came to our attention that caused us to believe that management's assertion referred to above is not fairly stated, in all material respects, based on the Global Reporting Initiative G4 Sustainability Reporting Framework.

KPMG LLP

Chicago, Illinois
January 31, 2017

KPMG LLP is a Delaware limited liability partnership and the U.S. member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.

BASIS FOR REPORT

REPORT CONTENT

This report was created in response to interactions with key stakeholder groups. Each stakeholder group is expected to use this report to gauge our progress in responding to the socio-economic issues raised over the past year.

PERIOD, SCOPE AND BOUNDARY

This report is based on information obtained, created and compiled for fiscal year January 1, 2015 to December 31, 2015. It is our eighth annual CSR publication. The boundary of this report includes 100% of our leased and owned offices and 100% of our workforce in all domestic and global regions in which we operate. We are only reporting on aggregated data from wholly owned subsidiaries. No joint ventures or other entities are included unless otherwise noted. There are no restatements from prior years and no significant changes in size, structure, supply chain or ownership from previous reporting periods.

REPORTING FRAMEWORK

This is our fifth year using the Global Reporting Initiative's (GRI) framework. This is our second report using G4, the GRI's fourth generation of guidelines for sustainability reporting. Under these guidelines, we have chosen to report "in accordance" with the core guidelines. Our G4 Index can be found at www.northerntrust.com/csr.

MATERIAL ASPECTS

Our 2014 Corporate Social Responsibility Annual Report outlined the non-financial aspects of most significance that our key stakeholders identified. This report and its index provide details related to the following material aspects:

Partners – global talent management, partner diversity and inclusion

Governance and Ethics – ethical conduct, transparency and reporting, data privacy and protection

Products and Services – shifting client demographics, Environmental Social and Governance (ESG) Investing

Community – corporate philanthropy and sponsorships and the Community Reinvestment Act

EXTERNAL ASSURANCE

Questions related to this report can be sent to CSRatNT@ntrs.com.

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Northern Trust's guiding principles of service, expertise and integrity have always been at the heart of our business. Together they guide our Corporate Social Responsibility strategy, through which we develop and execute innovative, sustainable and ethical business practices, build on our role as a socially responsible corporate citizen and support our diverse communities. Committing to our corporate and social responsibilities creates value for our global stakeholders.

NORTHERN TRUST HIGHLIGHTS (as of December 31, 2015)

Assets under
custody

\$6
trillion

Assets under
management

\$875
billion

Consecutive years
of annual profits

28
years

Consecutive years
of dividends paid
to shareholders

119
years



65

65 cities
**NORTH
AMERICA**

10

10 cities
**EUROPE
MIDDLE EAST
AFRICA**

9

9 cities
**ASIA
PACIFIC**

SELECTED HONORS AND MEMBERSHIPS

HONORS

- **World's Most Admired Companies**
Fortune Magazine, 2015 – Ninth Consecutive Year
- **A World's Most Ethical Company**
Ethisphere Institute, 2015 – Second Consecutive Year
- **World's Best Private Bank – The United States**
Global Finance, 2015
- **Best Banks in America**
Forbes, 2015

MEMBERSHIPS

1. **United Nations Environmental Programme – Finance Initiative (UNEPFI)**
UNEPFI is a global partnership between UNEP and the financial sector. Over 200 institutions, including banks, insurers and fund managers, work with UNEP to understand the impacts of environmental and social considerations on financial performance.
2. **Boston College Center for Corporate Citizenship (BCCCC)**
Based in the Carroll School of Management, the Boston College Center for Corporate Citizenship was founded in 1985, inspired by an early recognition that community expectations of companies were changing. The BCCCC combines the most valuable aspects of a professional community and the resources of a leading academic institution for members.
3. **United Nations Principles for Responsible Investing (PRI)**
The United Nations-supported Principles for Responsible Investment (PRI) initiative is an international network of investors working together to put the six Principles for Responsible Investment into practice. Its goal is to understand the implications of sustainability for investors and support signatories to incorporate these issues into their investment decision-making and ownership practices.
4. **Banking Environment Initiative – Cambridge University Institute for Sustainability Leadership**
The chief executives of some of the world's largest banks created the Banking Environment Initiative (BEI) in 2010. Its mission is to lead the banking industry in collectively directing capital towards environmentally and socially sustainable economic development.
5. **FTSE4GOOD Global Index**
(for 2015; Ninth Consecutive Year) The FTSE4Good Index Series is designed to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. Transparent management and clearly defined ESG criteria make FTSE4Good indexes suitable tools to be used by market participants when creating or assessing sustainable investment products.
6. **Dow Jones Sustainability North American Index**
(Fifth Consecutive Year) The Dow Jones Sustainability North American Index and respective subsets track the performance of the top 20% of the 600 largest Canadian and United States companies in the S&P Global Broad Market Index that lead the field in terms of sustainability.

SERVICE

Community involvement is deeply rooted in the Northern Trust culture and affects the way we do business globally. Since our founding in 1889, Northern Trust has actively advanced a culture of caring and a commitment to invest responsibly in the communities we serve worldwide. This philosophy continues today through progressive community investments; contributions to service and community organizations; partner volunteerism; gifts in-kind, such as donations of meeting space, catering, supplies and knowledge services; and directorship guidance to charitable and civic boards.

COMMUNITY IMPACT STRATEGY

Our approach to supporting the community takes into account our overall impact on our clients, shareholders and partners, as well as the communities we serve. We execute each activity with these priorities in mind. Our scope of community involvement provides sustainable company benefits:

Corporate alignment – In October 2012, the Board of Governors of the Federal Reserve System, the federal regulator responsible for monitoring the Community Reinvestment Act (CRA), approved the designation of The Northern Trust Company as a "wholesale bank." The wholesale designation also allows us to concentrate efforts and resources on direct investments that have a sustainable community impact.

Brand awareness – Our brand strength relies on community sponsorships and alignment with highly respected nonprofit institutions. Our charitable grants, event sponsorships, charitable and civic board representation and partner volunteerism are integral to our marketing strategy and serve to help raise brand awareness and brand equity in our target markets around the world.

Business development – We work directly with each of our business units to identify community investment opportunities related to key marketing and client relationship efforts. Given the philanthropic interests of our client base, community involvement has proven to be an effective business development tool through which we can access key clients, prospects and influencers.

Talent acquisition and development – Community engagement opportunities, paid time off for volunteerism and matching gift programs provide a competitive advantage in partner recruiting and satisfaction. Partner volunteerism is consistently a priority for college graduates considering future employers. Nonprofit and civic board involvement is integral to talent management as it provides partners with leadership, skills development and networking opportunities beyond the scope of their responsibilities.

CORPORATE PHILANTHROPY

Our global corporate philanthropy program awarded more than \$18 million to local and international civic and charitable organizations in 2015.

PARTNER CONTRIBUTIONS

Northern Trust Community Partners is a global program that helps partners identify, engage and develop relationships with local charities. These relationships include both financial and volunteer support. We offer two full days of paid time off for partners to spend volunteering with an approved nonprofit, and as was reported in our 2015 Volunteer Survey, partners also generously gave nearly 150,000 hours of their personal time to charity.

COMMUNITY INVESTMENTS

Northern Trust carries an “Outstanding” CRA rating. New CRA investments totaling \$200.6 million were originated in 2015. Our board of directors receives an annual CRA and fair lending report and has approved our policy related to community reinvestment. As of December 31, 2015, the community investments portfolio totaled \$669.2 million, consisting of the following:

\$53.5
million

\$548.2
million

\$47.4
million

\$20.1
million

Education and Social Services – \$53.5 million outstanding.

Objective: Provide long-term capital and equity for the development of community and education facilities such as charter schools, health clinics and day care centers by nonprofit partners.

Affordable Housing – \$548.2 million outstanding.

Objective: Support the creation and retention of affordable rental housing and affordable homeownership in partnership with nonprofit lenders and developers.

Job Creation – \$47.4 million in asset value.

Objective: Support nonprofit micro loan origination programs and the expansion of businesses and job creation through private equity funds.

Wealth Accumulation – \$20.1 million in asset value.

Objective: Equity investments and certificates of deposits in community development banks provide capital to develop products and services to meet the needs of the unbanked, underbanked and underserved members of our communities.

Since our founding in 1889, Northern Trust has advanced a culture of caring and a commitment to invest responsibly in the communities we serve worldwide. This philosophy continues today through progressive community investments; contributions to service and community organizations; partner volunteerism; gifts in-kind, such as donations of meeting space, catering, supplies and knowledge services; and directorship guidance to charitable and civic boards.

EXPERTISE

ESG PRACTICE

Northern Trust Asset Management has continued to develop its commitment to investing focused on ESG criteria. We have managed responsible and socially screened portfolios for more than 25 years and continue to offer our clients a diverse array of strategies for responsible investing.

At the end of 2015, Northern Trust Asset Management managed \$60 billion of assets globally that incorporate ESG criteria. Over the course of the year, we increased the number of client mandates by 13%, making our ESG capabilities one of the highest-growth product areas in the organization. Given the expansive global growth of ESG-focused investing, we continue to support and dedicate resources to this important space.

In May 2015, Northern Trust's global head of ESG investing was selected to join the Listed Equity Steering Committee and chair the United Nations-supported PRI sub-committee. Additionally, one of our senior portfolio managers was asked to join the United Nations PRI Fixed Income Outreach Committee. In the autumn, we hosted our inaugural internal Global ESG Summit to discuss ESG opportunities and identify new ideas and approaches. We also established an internal ESG Council comprised of high-profile partners from across Northern Trust. This group of leaders will push forth our multi-asset-class capabilities and deliver strategies and solutions to meet our clients' unique investment and ESG objectives.

Additionally, we participated in the Sustainable Innovation Forum in Paris that took place alongside the seminal COP21 climate change discussions.

We continue to promote shareholder advocacy as a means to add long-term value to our clients by enhancing our proxy voting policy and adding engagement on three of our European equity index funds. We appointed Hermes Equity Ownership Services to act as agent for each of these funds to carry out public policy, best practice and corporate governance actions. Our Northern Trust Responsible Ownership Policy highlights Northern Trust's commitment to being an active owner on behalf of the shareholders of the Northern Trust Emerging Markets Custom ESG Equity Index Fund, the Northern Trust World Custom ESG Equity Index Fund and the Northern Trust Europe Custom ESG Equity Index Fund. Our approach to active investing aims to help portfolio companies produce sustainable value and reflect our belief that companies' long-term financial returns are connected to their strategic, ESG performance. We also revised our proxy guidelines to add animal cruelty to our other areas of focus, including workplace discrimination, energy efficiency and environmental impact; and produced our GRI-compliant CSR Report, which is a voluntary self-assessment of Responsible Investing activity.

We are excited to grow our global team further and build on the great momentum we saw in 2015. We pride ourselves on client dedication, and our commitment to the ESG business is an extension of this dedication.

INTEGRITY

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Northern Trust's Corporate Social Responsibility Committee was established on November 17, 2015. The purpose of the Corporate Social Responsibility Committee is to assist the board of directors in discharging its oversight duties with respect to corporate citizenship and social responsibility matters of significance to the Corporation and its subsidiaries.

CORPORATE SOCIAL RESPONSIBILITY GOVERNANCE

Connie L. Lindsey, executive vice president and head of our Corporate Social Responsibility and Global Diversity & Inclusion departments, is responsible for the design and execution of a comprehensive CSR strategy. She reports directly to Frederick H. Waddell, our chairman and chief executive officer, and provides periodic updates to the Corporate Social Responsibility Committee.

Our board of directors' Business Risk Committee oversees business risk strategy, including financial and operational risks associated with climate change and other environmental risk factors. The Operational Risk Committee, a group of senior officers, manages operational risks pertaining to severe weather events, disasters and the potential impacts of these events on our physical infrastructure.

EXECUTIVE CORPORATE SOCIAL RESPONSIBILITY COUNCIL

The Executive Corporate Social Responsibility Council enables the implementation of Northern Trust's CSR strategy. Members are responsible for the setting and tracking of goals related to CSR material aspects including sustainability initiatives.

ETHICS

All our global partners are expected to adhere to and uphold our core values, exercise the highest ethical judgment and comply with laws that apply to their duties. Partners also must follow all laws and regulations and avoid any situation that may trigger a conflict of interest. We expect partners to respect any confidential information; breaches of that confidentiality may bring disciplinary action. Here is what we require of our partners:

- All partners are required to certify their compliance with the Code of Business Conduct and Ethics. Our 2015 certification process resulted in 100% completion by all partners.
- Annual anti-corruption training is required for client-facing personnel as well as global marketing, finance, audit, legal and compliance professionals.
- All partners are required to take training courses that include "Global Anti-Money Laundering and Sanctions," "Information Security at Northern Trust" and "Northern Trust's Standards of Conduct Policy."

STAKEHOLDER ENGAGEMENT

Throughout the year, we actively engage in dialogue with our stakeholders – clients, partners, shareholders, communities, regulators, suppliers and peers. These stakeholder groups are determined based on our business strategy of serving corporations, institutions and affluent individuals worldwide. Each stakeholder group affects our reputation, policies and best practices.

We believe it is imperative to regularly consult with these groups through periodic in-person meetings, electronic communication, conferences and other platforms. Through these collaborations, we hear suggestions and concerns related to our business practices.

GLOBAL PROCUREMENT

Northern Trust expects vendors to employ high standards of recycling and waste management governance and conduct business in an ethical, legal and socially responsible manner. We specify these terms and conditions in our procurement policy and review it during vendor evaluations. Northern Trust's global procurement department is led by a senior-level manager, the global head of procurement, who drives the strategy and sets policies worldwide.

Northern Trust is committed to integrating ethical, social and environmental factors into our global procurement policy. Each vendor signs a vendor code of conduct and provides a clear view into its CSR policies. We check our vendors against the U.S. Office of Foreign Asset Control to ensure we comply with any economic and trade sanctions.

Other aspects of our global procurement program include:

- As part of Northern Trust's due diligence process, each vendor providing goods and/or services outside of the United States to Northern Trust completes an anti-bribery vendor questionnaire. Risk assessment accuracy and truthfulness are reviewed by our global procurement and global compliance departments to determine whether business may continue with the company.
- At minimum, vendors are expected to obey the laws of the country of manufacture, sale or distribution. Our top 100 vendors comprise more than 74% of our total U.S. spending.

The goals of Northern Trust's vendor management program are to:

- Provide and implement the framework to monitor and manage vendors
- Determine the activities necessary to manage the vendor relationship
- Ensure consistency and compliance with regulatory guidance
- Establish a continuous improvement philosophy for the vendor relationship
- Ensure compliance with contractual terms and conditions

The vendor management process includes:

- Using vendor segmentation
- Applying a governance model appropriate for the vendor's designated segment
- Administering jointly developed key performance indicators
- Developing and implementing a vendor management plan
- Assigning vendor managers with the responsibility for specific activities the segmentation requires
- Monitoring and reporting on the status of open vendor issues
- Establishing performance improvement goals for ongoing vendor relationships as needed
- Conducting regular vendor business review meetings

Our procurement policy promotes a fair and objective bidding process by neither requiring the use of local suppliers nor measuring our spending with local or regional suppliers.

SUPPLIER DIVERSITY

Supplier diversity is an essential component of developing a world-class global procurement organization and is led by a senior-level manager, the director of supplier diversity. Northern Trust considers supplier diversity a corporate strategy supported by senior management and executed via our procurement professionals. How and with whom we do business daily reflects our commitment to developing and supporting diverse business owners. Diverse suppliers who work with us as partners contribute to our bottom line and foster increased competition and innovation as well as enhance our ability to provide clients with excellence in service.

We spent approximately 6% of our annual expenditure with minority- and women-owned companies and firms owned by individuals with disabilities. Northern Trust continues to bring diverse suppliers into our supply chain.

We collaborate with various organizations to focus on economic development, growth and learning, including the Chicago Minority Supplier Development Council, Women's Business Development Center, Chicago United, and Chicago Area Gay and Lesbian Chamber of Commerce, among others. Northern Trust is an active member of the Financial Services Roundtable of Supplier Diversity for the National Minority Supplier Development Council, a networking group of financial services companies.

ENVIRONMENTAL SUSTAINABILITY

As a major global institution, Northern Trust recognizes the responsibility we have to contribute to the future health and well being of our planet. We commit to protecting and preserving the environment through the services we provide and to eliminating or mitigating any negative environmental impacts from our operations. We align our business with the fundamental principle of sustainability, which is to meet the needs of the present generation without compromising the ability of future generations to meet their own needs. To accomplish this, we integrate environmental considerations into our business-wide decision-making processes, continually improve our business practices and deliver tangible, positive results that impact the environment.

Northern Trust's ability to deliver best-in-class services for generations of clients to come depends on the health of our environment. We integrate awareness of our environmental footprint into all aspects of our business and make efforts to alleviate any negative impacts and risks.

ESG REGULATIONS AND GOVERNANCE

In each jurisdiction in which we operate, Northern Trust strives to comply with all environmentally focused regulations at the municipal, state and national levels. We have specific programs and procedures in place to assure close and consistent compliance with the laws. In addition, we adhere to the requirements of all voluntary

initiatives into which we enter and conduct our third-party relationships in a way that best aligns our long-term strategic goals with internationally accepted standards.

INTERNAL DIVISIONS

Besides proper governing guidelines and structures, the participation of all Northern Trust divisions plays a key role in eliminating unsustainable practices from our day-to-day operations. Persistent partner engagement at different levels of the organization allows for self-accountability and drives our culture forward in adopting the most viable and effective practices with regard to climate change and environmental risk reduction.

CORPORATE SERVICES GROUP AND ENVIRONMENTAL POLICIES

Northern Trust's Corporate Services Group is charged with the management of our real estate portfolio, procurement and facilities services. It also enacts Northern Trust's objective to effectively reduce or eliminate negative environmental impacts from our supply chain. We communicate our environmental expectations of vendors by providing them with our Supplier Code of Conduct. Vendors' sustainable practices are factored into the selection process, and we regularly review suppliers' adherence to the Supplier Code of Conduct and pursue corrective measures when necessary as noted in our Global Procurement Policy.

Working closely with our building managers, Northern Trust follows the best environment-friendly building strategies and practices outlined by The U.S. Green Building Council's (USGBC) Leadership in Energy and Environmental Design (LEED) program. Among our offices in the U.S., India and China, we have received two LEED platinum certifications, seven gold certifications, one silver certification and one general certification. In addition, we use reliable and sophisticated tracking programs to assist with monitoring and managing our environmental performance and to calculate our annual carbon footprint, which we disclose among stakeholder groups.

ENTERPRISE ENABLEMENT

Our Enterprise Enablement department strives to ensure our infrastructure is used efficiently and contributes to our ongoing efforts in conservation and sustainability. Because powering data centers accounts for a considerable amount of our carbon footprint, we attempt to consolidate servers or downsize them through virtualization. We also optimize power and resource utilization by life-cycling older equipment into more energy-efficient devices, increasing signage encouraging recycling, using teleconferencing to reduce business travel and defaulting to smart printing features in our corporation-wide system.

PARTNERS THINK GREEN

Partners Think Green (PTG) is Northern Trust's global partner environmental engagement program aimed at increasing awareness of sustainability issues, promoting best subject matter practices and unifying environmentally focused business operations under the same umbrella. The PTG program enables tight collaboration between our building managers and PTG champions—partner volunteers—in delivering consistent environment-related messages, gauging partner feedback throughout policy implementation and advocating for increased commitment to conservation and protection of environmental resources.

In particular, PTG organizes Earth Day celebrations as well as other environment-related volunteer opportunities. PTG has been an indispensable activator of behavior change in Northern Trust's culture surrounding climate change and other environmental issues.

NGOS AND ADVOCACY GROUPS

We believe partnering with non-governmental organizations (NGOs) and advocacy groups allows us to maintain transparency and hold ourselves accountable to our environmental sustainability practices. Northern Trust and our surrounding communities benefit when we publicly report our environmental footprint—such as our greenhouse gas emissions, energy use and risks and opportunities associated with climate change—under the supervision and guidelines of reputable third-party organizations.

Further, by joining communities of investors who hold the health of our planet in high regard alongside the success of their business establishments, Northern Trust strives to affect positive change in the conception of corporate responsibility as it is directed toward our environment.

A few of the NGOs we collaborate with include the United States Green Building Council (USGBC), the Carbon Disclosure Project and Institutional Investors Group on Climate Change (IIGCC).

LOCAL COMMUNITIES

Northern Trust functions as a global citizen whose contribution to building a healthy, sustainable environment involves deep regard for the surrounding communities. Our footprint affects the larger ecology and can make tangible differences in the lives of community members, which is why we are meticulous in forecasting and reducing any environmental risks or harms induced by our business operations.

We also believe in the power of community-based actions in affecting positive change for the good of our planet and future generations. Northern Trust commits its resources in ways not limited to capital support and partner volunteerism to assist with local initiatives and organizations focused on environmental awareness and protection. We are a longstanding sponsor of the Chicago Botanic Garden as well as other land trust organizations and local youth programs aiming to increase appreciation of biodiversity and to motivate sustainable actions in everyday life.

CULTURE

HUMAN RIGHTS AND WORKFORCE PRINCIPLES

Northern Trust's human rights and workforce principles apply to all our global operations and clearly state our support for the protection of minority groups' rights, women's rights and workers' rights. Our principles expressly reference our conformance with the International Labour Organization's standards, the Organisation for Economic Co-operation and Development Guidelines for Multinational Enterprises and other public policies. Partners worldwide also may exercise freedom of association with regard to collective bargaining and trade agreements as permitted by applicable regional laws.

We apply these standards to our suppliers and vendors as well as our partners, who receive training on anti-discrimination, diversity and inclusion and preventing sexual harassment. We also provide training specifically on cultural change, which is especially helpful for expatriates and partners on short-term assignments abroad and global relocation.

A number of senior-level company officers are responsible for overseeing the execution of our human rights and workforce standards. These standards commit us to providing fair and equal wages to partners regardless of gender, as well as competitive compensation and benefits to our workforce.

TALENT RECRUITMENT AND RETENTION

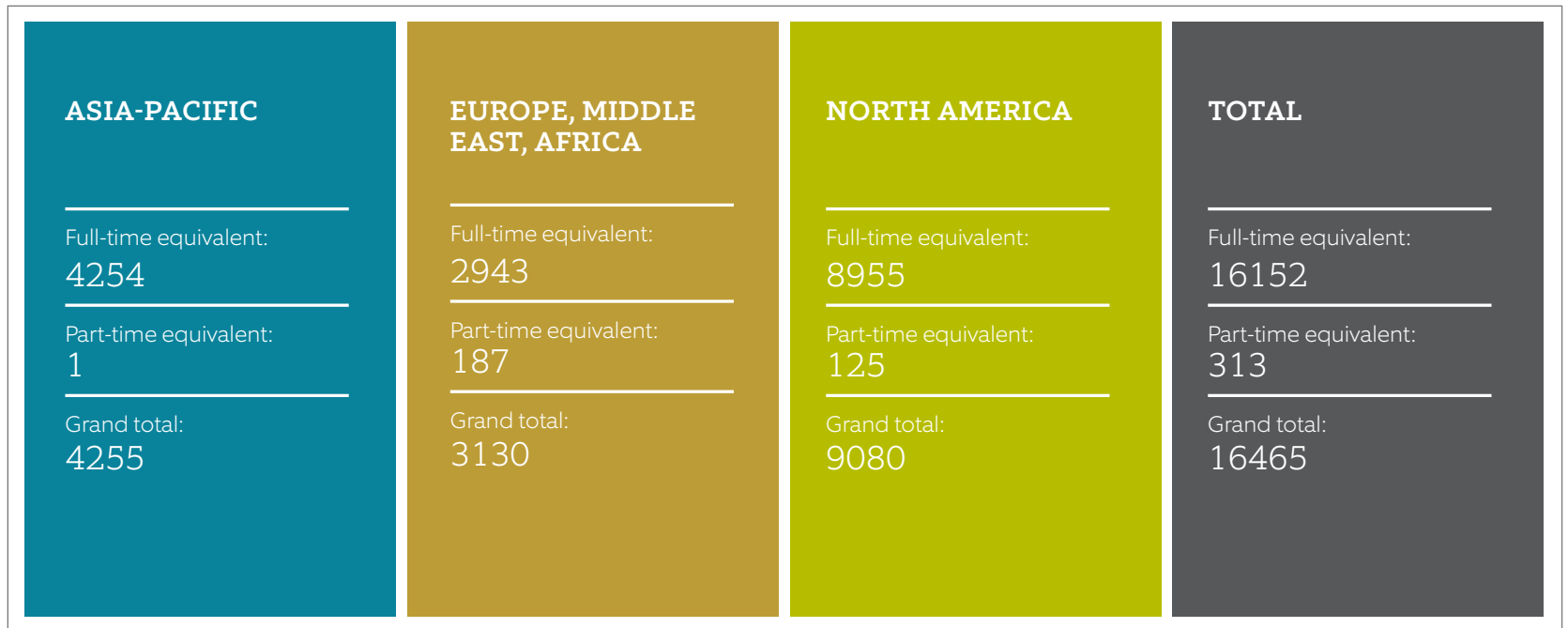
Northern Trust's partners are critical to our success, and we take our search for and retention of top talent very seriously. Our talent identification, sourcing and recruiting strategies are targeted to specific locations using a variety of channels including job boards, colleges, networks, associations and online social networks. Hiring decisions are based on a variety of factors, including educational background, relevant experience, past accomplishments, professional licensing and strong evidence of integrity and ethical behavior.

Recruiting plays a vital role in creating and maintaining a diverse workforce. We continually aim to foster diversity at all levels of our organization, and this diversity ultimately contributes to our ability to deliver unrivaled client satisfaction and quality. If operational changes lead to job elimination, we meet or exceed the notification requirements of applicable laws and make every effort to help partners find alternative positions within the company.

Composition of Global Workforce

Northern Trust Global Workforce by Region

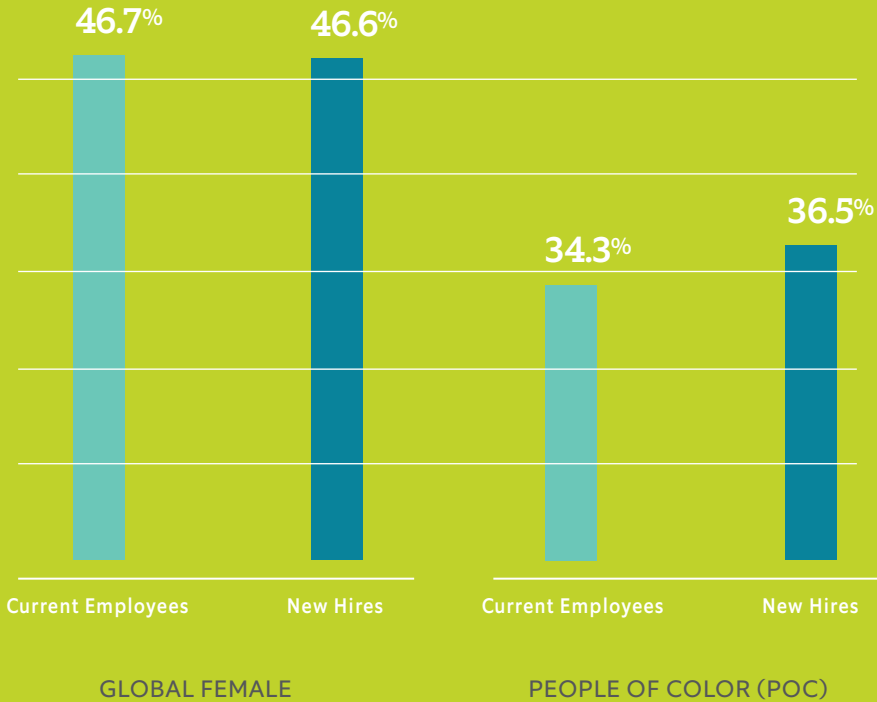
(as of December 31, 2015)



WORKFORCE BY GENDER AND ETHNICITY

Global Workforce by Gender and Ethnicity

(as of December 31, 2015)



Northern Trust's guiding principles embrace inclusion and diversity of culture, thought, experience and other attributes of individuals' backgrounds, and we hold the highest regard for 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. To apply these principles, we enforce 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. All new hires must complete diversity and inclusion training. In 2015, 100% of partners completed this training.

DIVERSITY STRATEGY AND GOVERNANCE



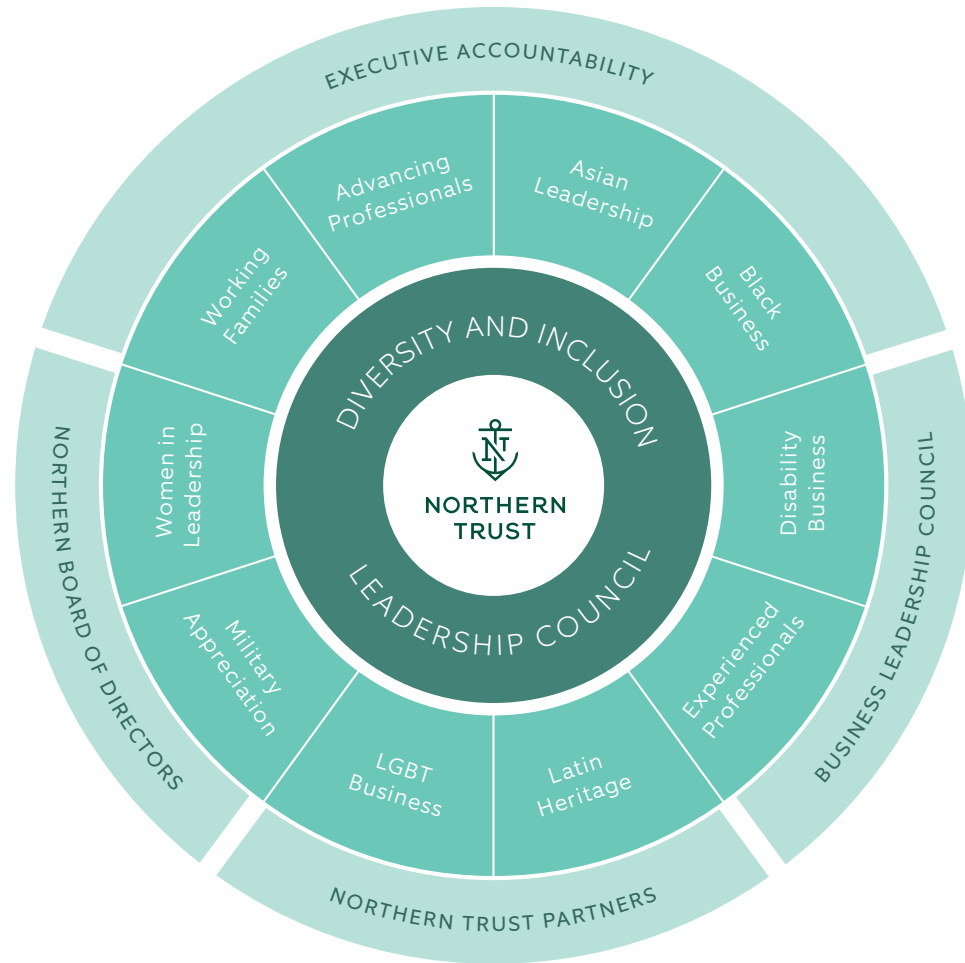
The diversity and inclusion function is led by the executive vice president and head of Corporate Social Responsibility and Global Diversity and Inclusion, who directly reports to Northern Trust's chairman and chief executive officer. Two chief diversity and inclusion officers, one in the Americas and one in Europe Middle-East Africa (EMEA)/ Asia Pacific (APAC), are appointed to lead our global diversity and inclusion strategy and programs. Our management group's engaged leadership drives our diversity and inclusion strategy, creating an environment of awareness, action and accountability.

An annual diversity and inclusion update is presented to the Corporate Social Responsibility Committee of the board of directors.

BUSINESS RESOURCE COUNCILS

We believe in fostering an inclusive environment where our partners' unique mix of attributes and diversity of perspectives can serve as catalysts for innovation. To help ensure our commitments to diversity, inclusion and innovation are embedded in the fabric of our company, Northern Trust sponsors 10 business resource councils. These councils are partner-initiated, governed and led and are open to all Northern Trust partners around the globe who share an affinity for the strategic mission of the group.

Northern Trust's business resource councils help foster a culture of inclusion by helping partners support one another in their personal and professional growth, providing networking and mentoring opportunities, supplying assistance on branding strategy and business development across communities and demographic groups and serving as liaisons to prospective and existing clients. Additionally, the business resource councils play a vital role in the recruitment, retention and development of a globally diverse workforce and advocate on behalf of their constituencies, further enabling Northern Trust to be an employer of choice.





NORTHERN
TRUST

