

HIGH YIELD FIXED INCOME FUND

MUTUAL FUND

AS OF 1Q19

Investment Objective

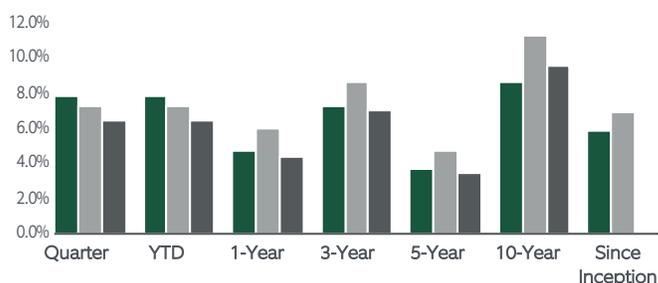
The Fund seeks a high level of current income. In doing so, the Fund also may consider the potential for capital appreciation.

Investment Approach

The Fund seeks to primarily invest in high-yielding, lower-rated corporate debt, commonly referred to as "junk bonds" while relying on our extensive credit research capabilities in an effort to manage risk and minimize defaults.

INVESTMENT PERFORMANCE % — AS OF 3/31/19

- Northern Funds High Yield Fixed Income Fund
- Bloomberg Barclays US Corp HY 2% Issuer Cap Index¹
- Morningstar Category Avg High Yield Bond



Average Annual Returns

	7.84	7.84	4.64	7.26	3.58	8.59	5.80
■ Fund	7.84	7.84	4.64	7.26	3.58	8.59	5.80
■ Benchmark ¹	7.26	7.26	5.93	8.56	4.69	11.21	6.91
■ Morningstar	6.35	6.35	4.33	6.97	3.45	9.49	—

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.

Northern Trust Investments, Inc. has contractually agreed to reimburse a portion of the operating expenses of the Fund (other than certain excepted expenses, i.e., acquired fund fees and expenses; the compensation paid to each Independent Trustee of the Trust; expenses of third party consultants engaged by the Board of Trustees; membership dues paid to the Investment Company Institute and Mutual Fund Directors Forum; expenses in connection with the negotiation and renewal of the revolving credit facility; and extraordinary expense and interest) to the extent the "Total Annual Fund Operating Expenses" exceed 0.78%. The "Total Annual Fund Operating Expenses After Expense Reimbursement" may be higher than the contractual limitation as a result of the excepted expenses, including but not limited to Acquired Fund Fees and Expenses, that are not reimbursed. This contractual limitation may not be terminated before July 31, 2019 without the approval of the Board of Trustees. In the absence of contractual expense reimbursements, yield, total return, growth since inception and dividends would have been reduced. Total return is based on net change in NAV assuming reinvestment of distributions.

Please see back page for calendar year returns, index definitions and investment terms.

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

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FUND OVERVIEW

	Fund
Benchmark/Index	Bloomberg Barclays US Corp HY 2% Issuer Cap Index ¹
Morningstar Category	High Yield Bond
Inception Date	12/31/98
Total Net Assets	\$3.8 Billion
Symbol/CUSIP	NHFIX
Dividend Schedule	Monthly
Redemption Fee	2% on shares sold or exchanged within 30 days of purchase
Expense Ratio - Gross (%)	0.82
Expense Ratio - Net (%)	0.79

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.

FUND CHARACTERISTICS

	Fund
Number of Holdings	197
30-Day SEC Yield w/ Waivers (%)	6.99
30-Day SEC Yield w/o Waivers (%)	6.96
Modified Duration	3.91 years
Average Maturity	6.26 years

NOT FDIC INSURED

MAY LOSE VALUE

NO BANK GUARANTEE

HIGH YIELD FIXED INCOME FUND

CALENDAR YEAR RETURNS %

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
High Yield Fixed Income Fund	-3.79	7.58	11.23	-3.02	2.11	7.68	15.08	3.75	13.60	33.48
Benchmark ¹	-2.08	7.50	17.13	-4.43	2.46	7.44	15.78	4.96	14.94	58.76
Morningstar High Yield Bond	-2.59	6.47	13.30	-4.01	1.11	6.90	14.67	2.83	14.24	46.70

Performance quoted represents past performance and does not guarantee future results.

MATURITY DISTRIBUTION %

Maturity Range	Fund	Fund
0 – 1 Year	1.5	61.0
1 – 3 Years	6.1	10.5
3 – 5 Years	20.9	

QUALITY DISTRIBUTION %

Quality Rating	Fund	Benchmark ¹
BBB & Above	2.8	0.0
BB	25.5	45.7
B	47.3	40.0
CCC	22.7	13.2
CC to D	0.1	0.8
Not rated	0.1	0.3
Cash Equivalents	1.5	0.0

SECTOR WEIGHTINGS %

Economic Sector	Fund	Benchmark ¹
Energy	15.9	14.0
Communications	15.6	19.8
Financial Institutions	15.4	10.0
Consumer Non-Cyclical	13.1	13.3
Consumer Cyclical	12.5	14.9
Capital Goods	7.5	9.2
Basic Industry	7.3	6.2
Technology	6.2	7.6
Utilities	2.7	2.3
Transportation	1.7	1.4
Cash Equivalents	1.5	0.0
Industrial Other	0.6	1.3

PORTFOLIO MANAGEMENT

ERIC WILLIAMS

Began career in 2008 | With Northern Trust since 2008

Mr. Williams received a B.A. in economics from the University of Colorado and an MBA in finance and economics from the University of Chicago Booth School of Business.

BRADLEY CAMDEN, CFA[®]

Began career in 2002 | With Northern Trust since 2005

Mr. Camden holds a B.A. in economics from DePauw University. He is an active CFA[®] charter holder and a member of the CFA Institute and the CFA Society Chicago.

DISCLOSURE AND RISKS

All data is as of date indicated and subject to change.

Bond Risk: Bond funds will tend to experience smaller fluctuations in value than stock funds. However, investors in any bond fund should anticipate fluctuations in price, especially for longer-term issues and in environments of rising interest rates.

High-Yield Risk: Although a high-yield fund's yield may be higher than that of fixed-income funds that purchase higher-rated securities, the potentially higher yield is a function of the greater risk that a high-yield fund's share price will decline.

DEFINITIONS

¹ Bloomberg Barclays U.S. Corporate High Yield 2% Issuer Capped Index is an unmanaged index that measures the market of U.S. dollar-denominated, non-investment grade, fixed-rate, taxable corporate bonds. It is a version of the Bloomberg Barclays High Yield Corporate Bond Index except it limits its exposure of each issuer to 2% of the total market value and redistributes any excess market value Index-wide on a pro-rata basis. It is not possible to invest directly in an index.

Modified Duration: Duration is a measure of a bond fund's sensitivity to changes in interest rates. The Fund's duration is calculated using the modified duration formula.

Quality Distribution: Credit quality ratings are based on the conservative average of Moodys, Standard & Poors and Fitch ratings. If ratings from all three rating agencies disagree, the model assigns the middle rating to the security. If two of the three agree, the model assigns the rating from those two to the security. If none of these three rating agencies has assigned a rating, the Fund will assign a rating of not rated. The ratings, expressed in Standard & Poors nomenclature, range from AAA (extremely strong capacity to meet its financial commitment) to D (in default). Short-term ratings, expressed in Standard & Poors nomenclature, range from A-1 (obligors capacity to meet its financial commitment on the obligation is strong) to A-3 (exhibits adequate protection parameters). The ratings represent the rating agencies opinions of the quality of the securities they rate. Ratings are relative and subjective and are not absolute standards of quality.

