



2010 CORPORATE SOCIAL RESPONSIBILITY REPORT



2010 BY THE NUMBERS

23 YEARS
OF CONSECUTIVE PROFITS

13,100

Northern Trust employees worldwide

\$45M
spent with Minority and
Women-owned firms

\$14 MILLION
cash contributions to
charities and civic organizations

180,000 VOLUNTEER HOURS
donated to organizations by partners globally



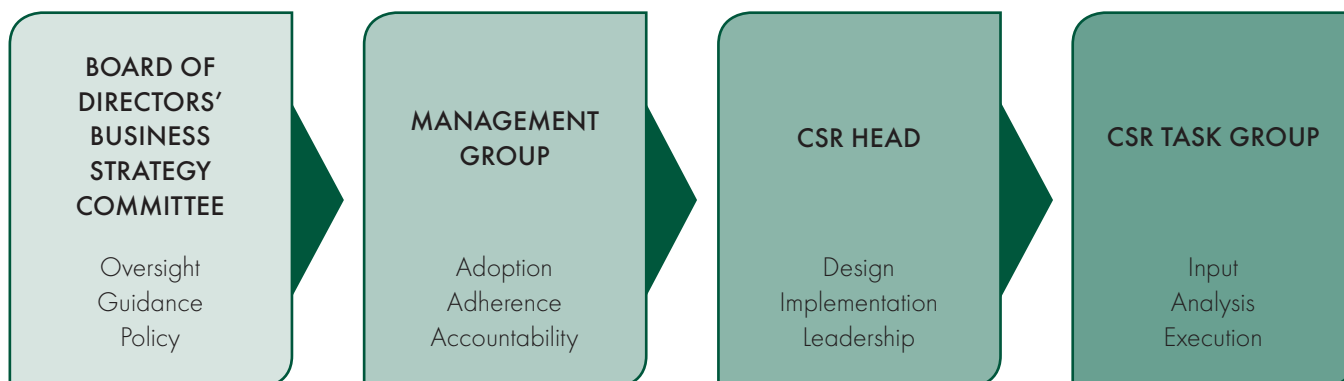
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CORPORATE SOCIAL RESPONSIBILITY STATEMENT

Since our inception, Northern Trust has aligned our efforts with our guiding principles of service, expertise and integrity. We are dedicated not only to meeting the needs of our clients and shareholders, but also to giving back to the communities we serve. Volunteerism. Philanthropy. Sound business practices and ethics. And a conservation-minded approach to protecting the environment. All of these comprise our corporate social responsibility. All are integral to our culture of caring, now and in the future. A commitment to a culture of caring means we view our clients as partners. And it means that by turning money into good works, we extend a helping hand to those who can't care for themselves. We proudly advocate corporate citizenship, philanthropy, and support for the diverse communities and environments in which we operate.

CORPORATE SOCIAL RESPONSIBILITY GOVERNANCE STRUCTURE





120

CSR initiatives in progress

INTRODUCTION

Since 1889, when Northern Trust was founded in Chicago, we have aligned our efforts with our three guiding Principles That Endure: *Service, Expertise and Integrity*. Together, they reflect the three cornerstones of business conduct which we strive to instill in our employees, whom we call partners, and to provide to our clients and the communities we serve worldwide.

Our knowledge, reliability and wisdom earned through relationships that span generations, also explains why we have earned global status for being an innovative, accountable and reliable steward of:

- Client assets under custody of \$4.1 trillion and managed assets of \$644 billion.
- Our shareholders through the focused business strategy we employ and the conservative approach that underpins how we manage the business across economic cycles.
- Our socially responsible investment offerings.
- A diverse global workforce of more than 13,000 partners, whose career growth, well-being, and commitment to volunteering and community service we honor.
- The communities we serve through our philanthropy and culture of caring.
- The environment and its finite natural resources through our efforts to minimize our environmental footprint.

We believe strong companies help build strong communities; as a reflection of this belief, we strive to invest at least 1.5 percent of our annual pre-tax profits in social initiatives. This philosophy illuminates our belief that being a responsible business contributes to our financial success, creates value for our global stakeholders, serves as a primary business strategy and strengthens our position as a market leader.

Our philosophy has motivated many of our policies. It is why nearly a century ago we were among the first organizations to provide partners with life insurance and a pension. It is why we have provided a child care center at our headquarters – the first employer-sponsored facility in downtown Chicago – for more than 20 years. It is why we honor the diversity of our workforce by supporting nine partner resource councils that both celebrate our differences and engage us in a common purpose.

This philosophy also explains why we have developed an integrated, comprehensive and global platform for corporate social responsibility (CSR). We believe that our business and CSR initiatives must be transparent and measurable; we chose to follow the Global Reporting Initiative (GRI)



framework in this 2010 CSR Report and disclose metrics on the Environmental, Social and Governance (ESG) indicators. The entire Report was prepared at the B level and we also obtained an independent review by Deloitte and Touche LLP to achieve the level B+. Throughout 2010, we engaged our key stakeholders to gain their feedback and input for this report. We believe that accurate and complete reporting is essential to our long-term goal of increased transparency and disclosure.

This CSR report shares data that we are tracking and measuring to provide accountability and management oversight. During the compilation of this report, our Chairman and Chief Executive Officer, entire Management Group, and the Business Strategy Committee of the Board of Directors actively participated in discussions with our CSR Head and CSR Task Group. The design of our CSR report and the integration of our global CSR strategy is a unified effort that reaches every partner in our organization. Dozens of partners and executive-level officers are involved in the data collection, verification, measurement and strategic alignment of our CSR program with our business model.

The goal of this report is to detail these efforts and capture the critical importance that Northern Trust has long placed in being a trusted and responsible corporation.

WE STRIVE TO INVEST
1.5%
OF PRE-TAX PROFITS
IN SOCIAL INITIATIVES



LETTER FROM THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER



At Northern Trust, our commitment to corporate social responsibility rests with our long-term business objectives: financial stability and strength, revenue and per-share earnings growth and measured appetite for risk. This philosophy of responsibly managing our business and resources has helped us steer a steady course through tumultuous economic and financial times worldwide and to deliver solid financial results.

Consider that Northern Trust:

- ▶ Is one of just two large U.S. banking institutions that did not cut shareholders' dividends in 2009, thus maintaining our dividend for the 114th consecutive year.
- ▶ Is included in *FORTUNE* magazine's list of the "World's Most Admired Companies."
- ▶ Posted our 23rd year of consecutive annual profits in 2010.
- ▶ Ranked as the 14th largest asset manager and the 9th largest custodian of assets in the world.*

CSR is not new to us. We have a responsible and caring culture embodied in our commitment to our clients, our shareholders, our partners, the environment and the communities we serve. Business has entered a new age of transparency. Our CSR report is a reflection of our continued commitment to transparency and disclosure. We conducted a review of our CSR initiatives throughout our global operations and identified more than 120. They range from reducing our carbon footprint and improving client and partner satisfaction to developing socially responsible products and services and strengthening our CSR governance. A formal CSR program ensures that we set priorities for these initiatives and actively promote them. Our goal is to maintain strategic alignment of ESG-related indicators with our core businesses.

We involve every level of management in developing our global CSR strategy, which is led by Connie Lindsey, Executive Vice President and head of Corporate Social Responsibility, and includes our entire Management Group, our 24 member global cross-functional CSR Task Group, and me. Our Management Group provides oversight and strategic guidance to Connie, whose professional experience and extensive background in civic, social and arts community service make her uniquely qualified to lead us in our corporate response to the environmental and social issues that touch our marketplace, workplace and community. The Management Group also ensures adoption of, adherence to and accountability for global CSR initiatives. We believe that CEO and executive-level leadership and engagement are critical to integrating CSR across the business. The CSR Task Group provides detailed input, analysis and recommendations for developing, monitoring and executing our CSR strategy. Our head of CSR regularly updates our Board of Directors' Business Strategy Committee about CSR-related matters and is responsible for the design and execution of the overarching CSR strategy.

In 2010, this structure helped us make substantial progress in establishing and rolling out our global CSR strategy. It also helped us incorporate CSR imperatives into our

* Asset Manager ranking based on *Pensions & Investments'* June 2010 periodical. Custodian ranking based on the *Institutional Investor* magazine's June 2010 issue.



five-year strategic business plans for each business unit. In addition, it helped us engage external organizations to better understand their CSR assessments and criteria. As we move forward, our goal is to increase the level of public disclosure and communication with regard to our non-financial performance.

We make every effort to align our long-term strategic CSR goals with internationally accepted standards. Northern Trust is a signatory to the United Nations Principles for Responsible Investment (UNPRI) and a member of the Institutional Investors Group on Climate Change (IIGCC). We are also in the process of joining the United Nations Environmental Programme Finance Initiative (UNEP FI), and we look forward to strengthening this relationship and becoming an active member in the upcoming year. We are also mindful of labor, financial, and other laws and regulations that apply to us.

We face challenges and we must understand how new financial regulations will affect our business, our clients and the industry. We also must seek to maintain client satisfaction under difficult economic conditions as well as partner engagement and open dialogue with all stakeholders.

Northern Trust is committed to our CSR strategy – whether it involves reducing our energy use and developing our talent or increasing our compliance and ethics training. CSR is the way we do business.

Rick Waddell

Frederick H. Waddell
Chairman and CEO



23 YEARS
OF CONSECUTIVE
ANNUAL PROFITS

LETTER FROM THE HEAD OF CORPORATE SOCIAL RESPONSIBILITY



At Northern Trust, we believe that corporate social responsibility combined with strategic stakeholder engagement is smart business. Our commitment to measuring and managing our environmental impact along with our guiding principles of service, expertise and integrity drive our social and governance practices globally. We believe CSR creates measurable growth and value as a fully integrated part of our business strategy.

Through executing our CSR strategy, our socially responsible investing products and services are triggering new and expanded client relationships. We are improving our understanding of how sustainable consumption helps us reduce our use of paper, energy, fuel, and water. We are setting emission-reduction targets for our global operations. We are enhancing our talent-development efforts related to diversity and inclusion, and our long-term career planning programs are assisting us in attracting and retaining an outstanding global workforce.

One of our first imperatives was to focus on data collection and metrics reporting, which we will continue to develop and enhance throughout 2011. Our CSR Task Group meets monthly to review our progress on these activities and to reallocate resources when needed. The Management Group discusses CSR periodically throughout the year to ensure accountability and that the activities align with our corporate strategy.

We made significant progress in 2010 in developing our governance structure and senior-level oversight of ESG items. As a result:

- Our Global Sustainability Index Fund won Standard & Poor's Gold Award in the rating agency's first U.S. Mutual Fund Excellence Awards program.
- Northern Trust was listed for the 19th time in *Working Mother* magazine's 100 Best Companies for Working Mothers.
- We were included in *Black Enterprise* magazine's 40 Best Companies for Diversity.
- We ranked again among the top 50 companies for Latinas to work for in the United States by *Latina Style* magazine.
- International Data Group's *Computerworld* 2010 listed us among the best places to work in IT for the eighth consecutive year.
- The Dave Thomas Foundation named us among the 100 Best Companies for adoption benefits.

- We were chosen among the top 50 companies for executive women by the National Association for Female Executives for the second year in a row.
- Our Chicago headquarters earned an ENERGY STAR® designation for our environmental efforts, which is notable since our principal building is a century old.
- We won the Henry Betts, M.D. Employment Advocacy Champion Award from the Rehabilitation Institute of Chicago.

To see the full list awards received, visit our website at www.northerntrust.com.

Partners Think Green is our global sustainability program. In 2011, we will launch an environmental awareness campaign to increase our partners' knowledge of sustainability initiatives they can implement to reduce our carbon emissions and energy-related costs.

As for CSR trends, investors are showing increased interest in analyzing their financial portfolios to assess climate-change impact and risk. This gives us an opportunity to provide clients with more advanced capabilities related to ESG analysis. We are reviewing new products and services related to our socially responsible investment offerings.

One aspect of our CSR strategy emphasizes the training and development of our partners regarding risk management, compliance, ethics and anti-bribery laws. As we expand globally, ongoing adherence to local laws and regulations in each jurisdiction in which we operate will be essential to our financial success. Training our partners about client privacy, and anti-money laundering and anti-bribery regulations help to mitigate risk in global markets.

Our CSR governance process is straightforward. With leadership from the Board of Directors' Business Strategy Committee and the Management Group, we set priorities for and provide oversight to the CSR Task Group and other partners. Our long-term goals are aligned with the strategic plans of each business unit. Strategic integration, metrics and accountability are key drivers of CSR at Northern Trust.

Connie L. Lindsey

Connie L. Lindsey
Executive Vice President, Head of Corporate Social Responsibility

14th largest
global asset manager

9th largest
global custodian
of assets



TABLE 1:
2010 GOALS AND RESULTS

	2010 GOALS	2010 RESULTS
	GOVERNANCE	
	<ul style="list-style-type: none"> • Develop CSR reporting structure. • Include ESG guidelines into the Charter of the Business Strategy Committee of the Board of Directors. • Include ESG indicators in the strategic plans of each business unit. 	<ul style="list-style-type: none"> • Developed a Global CSR Task Group. • Updated Charter to include oversight of our ESG strategy. • Integrated ESG indicators into the strategies of each business unit.
	BUSINESS	
	<ul style="list-style-type: none"> • Analyze global socially responsible investing opportunities. • Align SRI initiatives, products and services across each business line. • Include supplier diversity in the Global Procurement Policy. • Establish and implement process to screen suppliers for the Foreign Corrupt Practices Act (FCPA). 	<ul style="list-style-type: none"> • Increased collaborations with external organizations to review future trends. • Established an SRI Committee containing individuals from each business unit globally. • Included supplier diversity language to encourage the use of diverse suppliers directly and/or indirectly as well as Diversity Sourcing Strategy Guidelines. • Established the global process and completed pilot phase for FCPA screening.
	ENVIRONMENT	
	<ul style="list-style-type: none"> • Establish emissions reduction targets. • Research employing an Environmental Management System (EMS) certified to ISO 14001. • Review integration of environmental guidelines into the Global Procurement Policy. 	<ul style="list-style-type: none"> • Set emissions reduction target to 5 percent per full-time employee by 2011 year-end. • Contracted vendor to assist with developing an online metrics analysis system in preparation for establishing an EMS certified to ISO 14001. • Established working group to revise Global Procurement Policy to include ESG standards and principles.

(TABLE 1 continued)

	GLOBAL WORKFORCE	
	<ul style="list-style-type: none"> • Strengthen talent development and retention programs. • Perform Employee Engagement Survey and review areas for growth. • Integrate human rights standards into the Global Procurement Policy. 	<ul style="list-style-type: none"> • Established proprietary CareerVision development program for first-level officers and managers. • Completed Employee Engagement Survey and established action items for 2011 execution. • Established working group to revise Global Procurement Policy to include ESG standards and principles.
	COMMUNITY AFFAIRS	
	<ul style="list-style-type: none"> • Reallocate charitable giving to include more global regions. • Implement new Charitable Trust Guidelines. • Increase partner volunteer hours. 	<ul style="list-style-type: none"> • Received management approval to design a global grant-making vehicle. • Revised Charitable Trust Guidelines for 2011 roll-out. • Engaged partners by providing additional volunteer opportunities; reported volunteer hours remained consistent at 180,000.

TABLE 2:

2011 TARGETS AND 3-TO-5 YEAR GOALS

	2011 TARGETS	3-TO-5 YEAR GOALS
	GOVERNANCE	
	<ul style="list-style-type: none"> • Enhance Global Privacy Program. • Employ CSR online training for partners. • Increase periodic management reviews of ESG trends and opportunities. 	<ul style="list-style-type: none"> • Increase periodic review of ESG strategy by Board of Directors. • Increase reporting transparency & disclosure. • Increase senior management participation and collaborations with executive-level ESG organizations.
	BUSINESS	
	<ul style="list-style-type: none"> • Evaluate client interest and opportunities. • Continuous education of our staff on SRI capabilities. • Expand SRI capabilities with deeper product features. • Conduct review of Human Rights standards with top suppliers. • Partner with local advocacy organizations to expand business relationships with local minority firms. 	<ul style="list-style-type: none"> • Further integration of United Nations Principles for Responsible Investment as a framework for responsible ownership practices. • Increase participation with external organizations regarding sustainable investment trends and opportunities. • Develop and employ full vendor management system and processes for suppliers. • Enhance vendor website registration process and deployment of registered vendors to internal buyers.
	ENVIRONMENT	
	<ul style="list-style-type: none"> • Review implementation of ISO 4001-based Environmental Management System. • Analyze emissions and determine strategy to achieve additional emissions reductions of 5 percent per FTE per year, 2012-2015. • Expand environmental partnerships with external organizations. 	<ul style="list-style-type: none"> • Increase ratio of renewable energy purchased. • Participate in the Water Disclosure Project. • Implement a Global Transport Program to track and reduce corporate travel emissions.

(TABLE 2 continued)

	GLOBAL WORKFORCE	
	<ul style="list-style-type: none"> • Increase the ethnic minority population at the Senior Manager level. • Increase the global female population at the Senior Manager level. • Deepen culture of accountability around performance management processes and overall development of talent at all levels. • Enhance Employee Journey programs and increase focus on Manager Training. • Launch Global Career Development Portal. 	<ul style="list-style-type: none"> • Consistently improve enterprise scores on the engagement index of the Employee Engagement Survey. • Accomplish 100 percent compliance on all aspects of the performance management process. • Increase ethnic minority representation in the Mid-Level Manager ranks. • Increase female representation in the Mid-Level Manager ranks.
	COMMUNITY AFFAIRS	
	<ul style="list-style-type: none"> • Determine potential partner organizations for global grant-making vehicle. • Define global education platform and measurements for each region. • Implement electronic global data collection for charitable giving. 	<ul style="list-style-type: none"> • Create global volunteer awards, recognizing dedicated partners in each region. • Enhance partner engagement and alignment with global business unit regions. • Help increase global awareness and familiarity with Northern Trust to strengthen relationships through strategic philanthropy.



122

year heritage of organic growth

INTEGRITY IN GOVERNANCE

We conduct business through various U.S. and non-U.S. subsidiaries including The Northern Trust Company, an Illinois banking corporation headquartered in Chicago's financial district. (The term "Northern Trust" refers to Northern Trust Corporation and subsidiaries on a consolidated basis, unless otherwise noted). More information about Northern Trust's structure, services offered, and markets served is available in our Annual Report located at www.northerntrust.com.

We have 78 offices in 18 U.S. states and 16 international offices in North America, Europe, the Middle East and the Asia-Pacific region. Details about each global office can be found at northerntrust.com. Northern Trust focuses on servicing and managing client assets in two target market segments: individuals, families, and privately held businesses through our Personal Financial Services (PFS) business unit; and institutional investors worldwide through our Corporate and Institutional Services (C&IS) business unit. An important element of this strategy is to provide an array of asset management and related services to PFS and C&IS clients, which are provided primarily by a third business unit, Northern Trust Global Investments (NTGI). In executing this strategy, we emphasize quality through a high level of service complemented by the effective use of technology, delivered by a fourth business unit, Operations & Technology (O&T). We employ more than 13,000 partners with about 35 percent located outside the United States.

We also recently achieved several noteworthy strategic developments that expand our presence and client-servicing capabilities.

- Our application for a branch license in Beijing was approved by the China Banking Regulatory Commission in November 2010. This authorization marks a milestone for Northern Trust, which has had a representative office in Beijing since 2005 and considers China a strategic focus. The branch supports institutional clients in China with global custody, accounting, performance measurement and investment mandate compliance monitoring services. It plays a key role in our continued growth in the Asia-Pacific region, where assets under custody grew by 26 percent in 2010. Our staff has grown in the region to more than 2,300 partners at offices in Beijing, Hong Kong, Singapore, Tokyo, Melbourne and Bangalore.

16
international offices



- On December 1, 2010, we acquired Waterline Partners, LLC, a top-ranked Los Angeles investment-advisory firm that bolsters our West Coast presence as well as our capabilities for clients. With \$807 million in assets under management, Waterline has developed a strong reputation for designing custom investment portfolios that balance clients' needs for growth, income and preservation of capital.
- We further expanded our second operations center in Bangalore, India, to increase capacity.

NORTHERN TRUST GOVERNANCE

Our Board of Directors' leadership structure includes the chairman and CEO, who is the only non-independent board member, and a lead director appointed annually by independent directors. Our directors believe that combining the positions of chairman and CEO is most appropriate at this time since having one person in both posts provides unified leadership and direction to Northern Trust and strengthens the CEO's ability to develop and execute strategic initiatives as well as respond efficiently in crisis situations. On November 10, 2009, our independent directors first designated a lead director. Among other things, the lead director may call at any time a special meeting of the board or a special executive session of the independent directors, and presides at all board meetings when the board chairman is not present. The lead director's duties are described in our Corporate Governance Guidelines available at www.northerntrust.com. Rick Waddell is our Chairman and CEO and our lead director is appointed annually in April.

The board consists of 13 directors, including 2 women (15%) and 4 minorities (31%). Other than the chairman and CEO, all current directors are independent as defined under the listing standards of the NASDAQ stock market. To determine independence, the board has adopted categorical standards of independence found at www.northerntrust.com and also in the annual Proxy Statement. More information about director independence can be found in the Corporate Governance Guidelines and the annual Proxy Statement located at www.northerntrust.com.

Stockholder proposals for our annual meeting must be directed to our Corporate Secretary by the deadline specified by Northern Trust to be eligible for inclusion in the annual proxy statement. The proposal must comply in all respects with the rules and regulations of the U.S. Securities and Exchange Commission ("SEC") and our by-laws. More information can be found in the annual Proxy Statement located at www.northerntrust.com.



Minorities compose
31%
 of our Board of Directors

Our executive compensation program is designed to attract, motivate and retain individuals who will contribute to our success and the creation of stockholder value. Total compensation consists principally of base salary, annual cash incentive, and equity compensation (stock options, restricted stock units, and/or performance stock units). Incentive compensation reflects various financial and non-financial performance criteria determined by the board's Compensation and Benefits Committee and is evaluated, generally, in light of the prevailing economic environment and, particularly, the environment in the financial services industry. More information can be found in the annual Proxy Statement located at www.northerntrust.com.

In evaluating director candidates, including persons recommended by stockholders, the appropriate board committee considers the factors specified in our Corporate Governance Guidelines to ensure the board includes a diversity of perspectives and backgrounds. This includes the nature of the expertise and experience required to perform a director's duties as well as a candidate's relevant business and industry experience, professional background, age, current employment, community service and other board service. The committee also considers the racial, ethnic, and gender diversity of the board in assessing candidates. A full listing of the characteristics and qualifications of director candidates is set forth in the Corporate Governance Guidelines located at www.northerntrust.com.

The directors have adopted a Code of Business Conduct and Ethics ("the Code") to promote honest and ethical conduct. This includes fair dealing and the ethical handling of actual or apparent conflicts of interest. The Code satisfies applicable SEC and NASDAQ requirements and applies to all directors, officers (including the Corporation's principal executive officer, principal financial officer, principal accounting officer and controller) and partners. A copy of the Code is available on the Northern Trust website at www.northerntrust.com.

Any material transaction or relationship that could reasonably be expected to create a conflict of interest should be discussed in advance with the Code of Ethics Contact Person. Any Northern Trust director, officer or partner who becomes aware of any suspected past, ongoing, or potential violation of law, rules or regulations is encouraged to notify the Code of Ethics Contact Person promptly. More information can be found in the Code of Business Conduct and Ethics located at www.northerntrust.com.

The Board's Corporate Governance Committee, in conjunction with the lead director, leads the Board of Directors in an annual self-evaluation to determine whether the board and committees are functioning effectively and in compliance with our Corporate Governance Guidelines. This evaluation

\$4.1T
ASSETS UNDER CUSTODY



includes a review and assessment of the continuing independence of non-employee directors. The committee and the lead director solicit comments from all directors and report annually to the board on their assessment. More information can be found in the Corporate Governance Guidelines located at www.northerntrust.com.

Directors conduct their risk-oversight function through the Board's Audit, Business Risk, Business Strategy, and Compensation and Benefits Committees:

- The Audit Committee conducts our management of risks relating to financial reporting and the legal component of compliance risk.
- The Business Strategy Committee conducts our management of strategic risk. It is also responsible for the oversight of ESG practices.
- The Business Risk Committee conducts our management of risks relating to the categories of credit risk, market and liquidity risk, fiduciary risk, operational risk, and the regulatory component of compliance risk. The committee has approved a corporate risk appetite statement articulating our expectation that risk is consciously considered as part of strategic decisions and in day-to-day activities. Our business units are expected to manage business activities consistent with the corporate risk appetite statement.
- The Compensation and Benefits Committee, at least annually, conducts reviews of our incentive-compensation arrangements and practices. It assesses the extent to which such arrangements and practices discourage inappropriate risk-taking behavior by participants and are consistent with the Corporation's safety and soundness.
- The charters for the committees provide that they may meet with the individuals who supervise our day-to-day risk management responsibilities and other members of management, consultants or advisors. More information can be found in the Corporate Governance Guidelines and annual Proxy Statement located at www.northerntrust.com.

STAKEHOLDER ENGAGEMENT

Throughout the year we actively engage in dialogue with our stakeholders: clients, partners, shareholders, communities, regulators, and suppliers.

These stakeholder groups are determined based on our business strategy of servicing corporations, institutions, and affluent individuals worldwide.

Each stakeholder group affects our reputation, policies, and best practices.

We believe it is imperative to regularly communicate with these groups through periodic in-person meetings, electronic communication, conferences, and other platforms to hear their suggestions and concerns related to our business practices. It also provides us with an opportunity to promptly implement solutions related to stakeholder questions and avoid adversely



affecting valued relationships. The following section provides more detail regarding our approach to engaging these key stakeholder groups:

■ Clients

Delivering superior client service is our hallmark and the ultimate determinant of our long-term success. We use a variety of direct and indirect avenues to gain feedback on client satisfaction. Our executive management and client service teams hold meetings with our clients regularly throughout the year to review the health of our overall relationships. Additionally, we engage independent market-research firms to survey our clients worldwide to get feedback from them on an annual and biennial basis.

Our management and client service teams use this feedback and survey data to assess client satisfaction, identify emerging service requirements, and pinpoint trends and issues that affect product or relationship development and evaluate our position against our competitors. This information guides us in our continuous efforts to improve the client experience and to assist our client-retention activities.

Results of the latest surveys from each business unit, conducted between 2008 and 2010, show high levels of client satisfaction despite the financial crisis. We scored highest in areas related to institutional strength and stability, acting with integrity, exceptional client service, broad array of products and services and instilling confidence in clients that they can achieve their goals. A substantial portion of our clients said they would choose us again as an asset-servicing provider and would recommend us to others. Clients commended Northern Trust for keeping the level of services consistent during such a difficult economic environment.

Our clients have also requested more information on our corporate social responsibility activities. They have expressed increased interest in our environmental efforts and the initiatives underway to help us become more environmentally-friendly. They have also requested more information on our socially responsible investing products and services. We have responded to these questions throughout this report and are working toward enhancing our engagement methods with clients regarding our social and environmental aspects.

■ Partners

We call our employees “partners” because they are essential to our success. We strive to engage, train and develop our partners via various platforms consistent with business unit strategies and regional culture.

We employ several approaches to engaging our global workforce, including: quarterly town hall meetings for each business unit; an online

35%
of our partners are
located outside the U.S.



"i-box" for partners to submit their ideas and suggestions; Partner Passport®, our internal website that is updated daily with company and partner news stories; bi-annual performance reviews with their managers; and Northern News, our monthly newsletter emailed directly to all partners globally. In addition, senior management frequently participates in panel discussions and other events hosted by our Business Resource Councils to assist partners with their understanding of the company's strategy and culture.

We also issue an employee engagement survey every three years to obtain anonymous and honest feedback from our partners. Feedback from our partners has helped us to define and enhance our career development and training programs. Our Global Workforce section outlines the integrated and proactive approach we take to ensure the satisfaction, retention, and advancement of our personnel base.

■ Communities

We maintain relationships with a variety of nonprofit community groups worldwide, as well as community-development financial institutions in U.S. communities where our branch offices are located. We select the non-profits with which we partner based on their effectiveness in addressing and servicing unmet needs in underserved communities. We engage in continuous outreach through meetings, events and calls in those communities throughout the year. Our Community Involvement section outlines the programs, initiatives, and interactions with which we engaged our communities in 2010.

■ Shareholders

We maintain open and transparent communications and disclosures with our shareholders. We actively engage with them throughout the year via multiple platforms including our annual stockholders meeting; our annual report to shareholders; quarterly earnings reports, conference calls and webcasts; SEC filings; and communications through our website.

In addition, we participated in seven industry investor conferences in 2010 and conducted more than 60 investor meetings at those conferences and at our offices. We engaged with investors and analysts to discuss our strategic positioning and financial results. On May 26, 2010, we held and webcast our own biennial Investor Day at the NASDAQ MarketSite in New York. The day featured presentations from our Chief Executive Officer, Chief Financial Officer, Chief Investment Officer and the Presidents of our PFS, C&IS and NTGI business units.

Shareholders and other interested persons may also communicate any concerns about Northern Trust to our Board of Directors or to any member of the board by writing to them at:

\$644B
assets under management



Northern Trust Corporation
Largest Institutional Shareholders
December 31, 2010

INSTITUTIONAL SHAREHOLDER	SHARES (IN MILLIONS)	PERCENT OF SHARES OUTSTANDING
Northern Trust Global Investments Ltd.	15.7	6.5
T. Rowe Price Associates, Inc.	10.5	4.4
Capital Research Global Investors	9.7	4.0
State Street Global Advisors	9.6	4.0
Goldman Sachs Asset Management LP	8.7	3.6
BlackRock Fund Advisors	8.6	3.6
Vanguard Group, Inc.	8.4	3.5
Capital World Investors	8.1	3.3
State Farm Insurance Co. Asset Management	5.7	2.3
American Century Investment Management, Inc.	4.9	2.0

Source: NASDAQ Online and FactSet



Northern Trust Corporation
Attention: [Board of Directors]/[Board Member]
c/o Corporate Secretary
Northern Trust Corporation
50 South La Salle Street, M-9
Chicago, IL 60603

■ Regulators

We support the public goals of economic stability and growth by serving consumer and public-sector clients, being involved in regulatory reform and participating in government programs.

In our institutional business, our clients include non-profit foundations, college and university endowments, retirement plans for corporations, unions, and governmental agencies at the local, state and national levels. Our institutional clients provide purchasing power and financial security for millions of people. Through our roles as trustee, custodian, fiduciary, fund administrator, lender, treasury manager and investment manager, we provide essential services to our clients and to the U.S. and global financial markets as a whole. In our personal banking business, our clients include individuals and families who are primarily located in the United States. We provide mortgages and other personal loans to our clients and their families in addition to a breadth of financial-planning services. We provide tools for

borrowers with short-term mortgage-payment challenges, as well as a willingness and ability to pay over the long term that might allow them to stay in their homes. These efforts provide for consistent and equitable treatment with regard to modifications and extensions. This also limits foreclosures. We examine each situation closely to confirm that appropriate options have been considered.

We have a number of activities focused on financial reform and its impact on our clients and us, particularly with the passage of the Dodd-Frank Wall Street Reform and Consumer Protection Act. The new law is both uncertain and complex, and we are monitoring the related rule-making and developing processes to address these changes to support our clients' needs.

In addition, Northern Trust partners participate periodically in financial-services industry trade organizations, such as the Financial Services Roundtable, the Securities Industry and Financial Markets Association, the Investment Company Institute and others to stay current on various initiatives and related client impact. We also engage regularly with our regulators worldwide. This process provides opportunities to share information, consider supervisory feedback, and take any appropriate action.

■ Suppliers

Our suppliers are expected to obey the laws of the country of manufacture, sale or distribution. We also expect them to have a solid financial background and no associated key risks. We hold monthly, quarterly and annual supplier meetings as necessary. Both parties provide training. We schedule periodic executive briefings to understand our suppliers' operations (e.g., technology centers, etc.) and work environments. Through these engagements, we have obtained feedback resulting in the development of several business programs to develop our diverse suppliers. We are also reviewing methods to assist them with global expansion and international market presence. Further information is available about our suppliers in the Business section.



EXTERNAL PARTIES

We subscribe to or endorse these externally developed CSR initiatives:

- Community Reinvestment Act
- Institutional Investor Group on Climate Change (IIGCC)
- United Nations Environmental Programme Finance Initiative (UNEP FI)
- United Nations Principles for Responsible Investments (UNPRI)

We are a member of these associations:

- Board member, National Association of Affordable Housing Lenders
- Boston College Center for Corporate Citizenship
- Catalyst, Inc.
- Chicago Minority Supplier Development Council (CMSDC)
- Chicago United
- Chicago Urban League
- City of London Environmental Forum (Steering Group Member)
- Corporate Responsibility Chicago
- Diversity Best Practices
- Financial Services Roundtable of Supplier Diversity of the NMSDC
- FTSE4Good Index
- Institute of Supply Chain Management
- Institutional Investors Group on Climate Change (IIGCC)
- National Minority Supplier Development Council (NMSDC)
- United Way of Metropolitan Chicago
- Women's Business Development Center Local Chapter (WBDC)



#1

Northern Trust's
ranking, in class, in
FORTUNE 500's 2010
Most Admired Companies

ETHICAL BUSINESS PRACTICES



We strive to nurture what we consider to be our first duty: to operate with integrity at all times. We value the principles of accountability, honesty and transparency in every aspect of our business. We conduct business in a manner that ensures we employ ethical business practices throughout our operations. We enforce that policy with a broad program that includes a Code of Business Conduct and Ethics for our partners and a Code of Vendor Conduct for our suppliers.



CODE OF BUSINESS CONDUCT AND ETHICS

To fulfill its commitment to the highest standards of integrity, ethics, and honesty, the Board of Directors of Northern Trust Corporation has adopted the Northern Trust Code of Business Conduct and Ethics (“the Code”). The Code applies to all Northern Trust directors, officers and partners worldwide. The Code establishes a number of basic principles to be followed in all dealings within Northern Trust, and with our clients, suppliers, shareholders and regulatory agencies worldwide. In addition to basic principles, the Code provides guidance on how to deal with difficult ethical issues. The Code also outlines how to raise questions about the Code and how to report suspected Code violations, criminal conduct, and regulatory violations. All Northern Trust directors, officers and partners are expected to be familiar with the Code and to adhere to all of the Code’s applicable principles and procedures. More detailed policies and procedures, which are not part of the Code, also apply to some or all of Northern Trust’s directors, officers and partners. References to “Northern Trust” include Northern Trust Corporation and all entities directly or indirectly under its control. The full text of the Code can be found at www.northerntrust.com.

ANTI-CORRUPTION COMPLIANCE

Northern Trust affirms a continuing commitment to comply with laws and regulations in the United States and throughout the world to combat bribery and corrupt practices involving public officials. In the United States, the prohibition against bribery of foreign public officials is contained primarily in the Foreign Corrupt Practices Act (FCPA). Other federal, state and local laws prohibit bribery of public officials within the United States. Many other countries have enacted similar anti-corruption laws.

It is the policy of Northern Trust that all directors, officers and partners shall at all times comply with applicable anti-corruption laws, rules, codes and regulations wherever Northern Trust does business. The Code prohibits bribery and kickbacks of any kind, whether or not a public official is involved.

We conduct an Anti-Bribery/Foreign Corrupt Practices Act risk assessment annually to outline the risks associated with our adherence to relevant anti-bribery laws and regulations. The assessment includes all business units and jurisdictions globally, taking into account the location of our clients/prospects around the world. In 2010, no actions were taken by external regulatory bodies against us for incidents of corruption, and no legal actions were taken against us for anti-competitive behavior, anti-trust, and/or monopoly practices. Nor were monetary fines imposed with respect to Anti-Bribery/Anti-Corruption compliance.

ANTI-MONEY LAUNDERING PROGRAMS

Northern Trust maintains a Global Anti-Money Laundering and Economic Sanctions Policy and Programs document that includes information on the economic and trade sanctions that can be imposed for non-compliance. We have not paid any Bank Secrecy Act/Anti-Money Laundering (BSA/AML) related fines.

INFORMATION PRIVACY

We recognize our clients' expectations of privacy with regard to their nonpublic personal information, and preserving the trust of our clients is one of the core values of our organization. We strive to comply with all applicable laws, rules, and regulations relating to bank privacy and have instituted guidelines for the responsible use and protection of our clients' nonpublic personal information by partners.

Further, the Bank's Audit Services Department conducts periodic reviews of our compliance with the procedures established pursuant to our Customer Privacy Policy. The Bank has implemented a Security Breach Response Procedure to address situations that could result in sensitive client information being compromised or breached.

+100

compliance training courses
maintained for partners

PARTNER COMPLIANCE TRAINING

All of 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 national laws and regulations and avoid any situation that may trigger a conflict of interest. We expect partners to respect any confidential bank information; breaches of that confidentiality may bring disciplinary action. Here is what we require of our partners:

- Annual anti-corruption training is required for client-facing personnel, as well as audit, legal, and compliance professionals. 98 percent of our partners who are required to take this course have completed it.
- All partners are required to take three courses: Global AML & Sanctions, Information Security at Northern Trust, and Ethics & Code of Conduct.
- We maintain more than 100 additional compliance courses for partners, including the Anti-Bribery/Foreign Corrupt Practices Act, U.K. Fraud and Market Abuse, Consumer Banking Compliance, Basel II, Customer Information Security Guidelines, Managing Operational Risk, Market Abuse and Insider Trading. Requirements for these courses are based on location and job function.
- All of our directors, officers and partners are expected to adhere to local law, always conforming to the most stringent requirement where multiple laws may apply. The Compliance and Ethics Program and other Compliance Policies of broad applicability are communicated to all partners by the Chief Compliance and Ethics Officer, the Legal Department or the Human Resources Department via posting on our intranet site. Certain Compliance Policies require annual certification and sign-off by affected partners.
- Business unit heads, in conjunction with the Senior Compliance Officers and supported by the Human Resources Department, communicate the compliance and legal requirements that apply to personnel within their units. Global Compliance has established standards for developing curricula, reporting on training completion, and ensuring that mandatory training is completed.
- Partners are encouraged to report suspected Code violations, criminal conduct, and regulatory violations. We have an Employee Hotline for such reporting, which can be made anonymously by telephone or Internet, and the Corporate Secretary's office publicizes the Hotline information monthly.



O actions taken against Northern Trust in 2010 for incidents of corruption

BUSINESS APPROACH

In considering our capital needs and risk profile, it is important to understand that we do not underwrite mortgage loans to subprime borrowers. Reflecting on our time-tested risk management practices, we maintain a very strong and conservatively positioned balance sheet. Our securities portfolio is of a very high quality, with 85 percent of the portfolio invested in U.S. Treasury, government sponsored agency and triple-A rated securities at year-end 2010. Our credit quality also remains sound, with nonperforming assets representing only 1.34 percent of our loan portfolio at the end of 2010, compared with our peer group average of 4.13 percent. Our net charge-offs of 0.64 percent of average loans and leases in 2010 are also better than our peer group average of 2.23 percent for the same period.

PUBLIC POLICY

Our 2010 lobbying focus only covered our offices in the United States and dealt with financial regulatory reform and the public pension funding status. We work with the finance industry trade organizations of which we are members, and certain of our partners are registered as federal or Illinois lobbyists. We also worked with the federal government and regulators on key matters around the federal regulatory reform legislation. We focus our lobbying on asset-management services. In Illinois, we have healthy ongoing discussions with state legislators and various elected or appointed officials about the state of Illinois' public pension system. Federal lobbying reports may be found at <http://lobbyingdisclosure.house.gov> and our financial contributions can be found at <http://www.fec.gov/disclosure.shtml>.

MARKETING STANDARDS

Corporate Marketing has primary responsibility for obtaining legal and compliance review of marketing and advertising materials. Marketing and advertising materials about products and services are sent to legal and compliance partners for review in advance of design/production. Our marketing policies and guidelines are reviewed periodically by legal and compliance. Updates are made as required in response to new rules. In 2010, we did not have any incidents of non-compliance concerning marketing.

CLIENT HEALTH AND SAFETY

Four GRI indicators, PR1-PR4, do not apply to our business since they are immaterial to our operations. These indicators apply to lifecycle stages in which the health and safety impacts of products and services are assessed for improvement; total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services, by type of outcomes; type of product and service information required by procedures and percentage of significant products and services



CODE OF VENDOR CONDUCT

Northern Trust expects vendors to employ high standards of recycling and waste-management governance. We specify these terms and conditions in our procurement policy, and we monitor this annually:

- Northern Trust is committed to making progress toward integrating ethical, social and environmental factors into our Global Procurement Policy over the next two years. In addition, we plan to perform a CSR analysis on our top 25-50 suppliers.
- We check our suppliers daily against the U.S. Office of Foreign Asset Control to ensure we comply with any economic and trade sanctions.
- At minimum, suppliers with whom we conduct business are expected to obey the laws of the country of manufacture, sale or distribution.
- Our top 100 suppliers comprise more than 70 percent of our total U.S. spending. We are reviewing our procurement policies, practices and procedures and anticipate an update on them in 2011.

Our procurement policy ensures a fair and objective bidding process. In our policy, we do not stipulate the use of local suppliers, those that are based in the location of the office that is procuring the product or service. Instead we ensure an equitable bidding process and we do not specifically measure our spending with local or regional suppliers.

subject to such information requirements; and total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.

SUPPLIER DIVERSITY PROGRAM

Supplier Diversity is a key component of our Global Procurement Policy. Northern Trust considers supplier diversity a corporate strategy that senior management supports through our procurement professionals. Developing and expanding our roster of diverse suppliers through our Supplier Diversity Program is a sound business practice that contributes to our bottom line and fosters increased competition, innovation, and improves quality of service.

We include all vendor types in this program. We provide a range of contract opportunities to ensure we have access to new and innovative products. For example, we have created a strategic alliance with leading minority-owned investment banks and are introducing them to our corporate clients when they have a securities underwriting need. In 2010, these investment banks were able to increase revenues by \$1.6 million.

As part of our efforts to continually refine the program, we went through a vendor data enrichment process in 2010 to identify the diverse suppliers in our supply chain. This process was integral in providing a corporate view of



spending, enabling trend analysis to determine available opportunities for diverse suppliers and maximizing the supplier diversity program by counting all diverse spend.

In 2010, we spent about \$45 million with minority, women-owned, and firms owned by individuals with disabilities, a 35 percent increase from 2009.

Northern Trust works closely with organizations to help diverse suppliers expand their opportunities with the company. These organizations provide programs such as the Five Forward Initiative™, which commits us to establishing or expanding business relationships with up to five current or new local minority firms in an effort to build a stronger regional economy and increase the scale of minority businesses.

In addition, for more than 13 years, our annual *Corporate Bridges Program* has assisted more than 70 minority business owners each year with educational sessions to enhance business opportunities. Networking sessions promote interaction between our purchasers and potential minority-owned suppliers. Under our *Emerging Managers Program*, which we have offered since 1993, we identified talented minority and women-owned investment and other small emerging firms to create targeted, diversified investment programs for our clients. We maintain an active universe of more than 200 investment managers and have funded about \$5 billion with emerging firms.

With our *Minority-and-Women-Owned Broker-Dealer Programs*, Northern Trust seeks to identify minority and women-owned broker-dealers, expand the volume of securities traded through them and help them improve their firms' capabilities. Our annual *Minority Investment Management Forum* with the Chicago Minority Business Development Agency forges new partnerships for minority-owned firms.

Among other initiatives, we regularly use minority brokers as managers for our debt offerings. Of the seven names on our Bank Note Program, two are minority-owned firms. One minority-broker has regularly been a top 10 counterparty in our investment-portfolio activities. We also use a minority-owned accounting firm to audit our 401(k) plan.

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 and Chicago United, among others. We are an active member of the Financial Services Roundtable of Supplier Diversity of the National Minority Supplier Development Council (NMSDC), a networking group of financial services companies.

160

VENDORS IN OUR SUPPLIER
DIVERSITY PROGRAM

We are working with our major suppliers to have them demonstrate their support of supplier diversity through Tier 2 spending. In the Tier 2 program, our primary suppliers are responsible for reporting dollars they spend directly or indirectly with diverse businesses related to Northern Trust contracts. We encourage our diverse suppliers to do business with each other as well as form collaborative partnerships to increase their scale. Further, we have integrated Supplier Diversity metrics into our overall Diversity and Inclusion Management Group scorecard.



13

years engaging minority
business owners in our
Corporate Bridges Program



\$18B

ESG Assets Under Management

**SOCIALLY RESPONSIBLE
INVESTING**

Socially responsible investing is an investment strategy that explicitly integrates non-financial factors into the investment strategy. SRI, for short, is also known as socially-conscious, ethical or sustainable investing. Socially responsible investors pursue these strategies for a variety of reasons. Some investors approach these strategies from a moral perspective. Others follow this strategy in an attempt to reduce risk or create financial outperformance. Some topics popular with SRI investors include identifying companies whose corporate practices promote environmental stewardship, social justice, human rights, diversity, consumer protection or corporate governance.

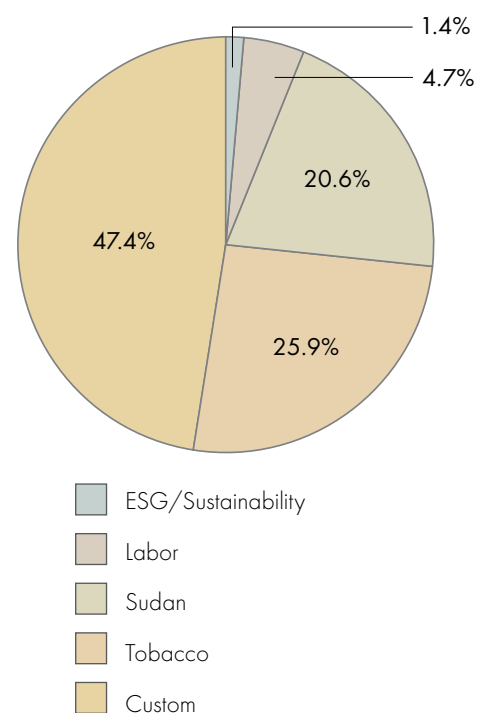
Northern Trust Global Investments (NTGI) has more than 25 years of experience managing socially responsible portfolios and more than \$18 billion globally in diverse socially screened strategies. NTGI is committed to providing clients with sophisticated investment solutions to the meet specific needs, values and preferences of social investors.

SRI PRODUCTS AND SERVICES

To meet the diverse motivations behind responsible investing, we offer an extensive suite of investment capabilities and customization options for SRI investors. At the end of 2010, NTGI managed approximately 10 pooled funds and 50 separately managed accounts using SRI screening techniques or social indices. The \$18 billion in socially screened strategies represent approximately 6% of our total index assets. The issues most important to our clients are listed to the right.

Many of our traditional investment capabilities can be paired with responsible investing strategies including: index management, active management and manager of managers. Depending on the sophistication of the responsible investing strategy we leverage our relationships with leading ESG research providers, such as Sustainalytics, MSCI ESG Research, and Institutional Shareholder Services to create customized screens or weightings. One of our flagship SRI products is the Northern Trust Global Sustainability Index (Ticker: NSRIX) Fund, which is the first mutual fund to track a global sustainability index. This index includes companies that rate favorably in ESG management performance based on analysis and research from MSCI's ESG research team. Our efforts are being recognized. Standard & Poor's Equity Research awarded our Global Sustainability Index Fund the Gold

**SOCIALLY SCREENED ASSETS
BY STRATEGY - 12/31/10**



award in its first-ever U.S. Mutual Fund Excellence Awards Program. About 19,000 mutual funds were analyzed.

In 2010, Green Century Capital Management hired Northern Trust to subadvise the \$50 million Green Century Equity Fund. The fund tracks the MSCI KLD 400 Social Index, comprised of 400 companies with strong ratings in environmental, community, partner, supply chain, governance, ethics factors, and other SRI criteria. The index also avoids companies significantly involved with alcohol, tobacco, firearms, gambling, nuclear power and military weapons. In addition, the Green Century Equity Fund's investment adviser engages companies in the portfolio to improve their environmental performance to protect both the environment and shareholder value.

In addition to our investment solutions, Northern Trust has environmental risk and reporting capabilities. As governments worldwide impose taxes and regulation on corporate emissions, investors are increasingly conscious of how the environmental efficiency of an organization may have a financial impact on future corporate earnings. Therefore, we have partnered with an external data provider to offer environmental emission analytics. This arrangement allows us to measure how corporate environmental performance affects financial performance, enabling investors to effectively measure the carbon footprint of their portfolios. Using our analytics tools, in addition to the emissions data, clients may reduce investment risk from carbon and other environmental impact costs, while maintaining their overall investment strategy and financial performance.

Reflecting our continuing commitment to responsible investing strategies, we have set the following medium-term goals:

- Expanding our SRI investment management capabilities.
- Enhancing our existing ESG monitoring and measurement tools for investors.
- Launching additional commingled Index SRI products.
- Expanding our proxy voting research and analysis.
- Researching engagement opportunities and strategy.
- Researching the feasibility of third-party associations to bring new capabilities to investors.

In addition to offering SRI products and services, Northern Trust is an active member of the dialogue around the evolution of responsible investing strategies. Northern Trust holds regular client meetings with more than 200 asset-owner clients. These meetings give us the opportunity to assess clients' needs for SRI products and services and to introduce them, when possible. We also host periodic seminars and conferences at which clients can learn about SRI trends, current events and new opportunities.

NORTHERN TRUST
HAS CLIENTS IN OVER

40
COUNTRIES



The head of CSR attends periodic meetings with client-facing partners to update them about our environment, social and governance policies and procedures. In 2011, we plan to increase the number of meetings and informational training sessions with all of our partners, specifically those in client-facing roles. Keeping our client-servicing partners informed ensures that we keep our clients informed about our ability to service their SRI needs.

RESPONSIBLE INVESTING PRINCIPLES

In situations where our clients do not have a specific responsible mandate, Northern Trust Global Investments is guided by our own responsible investment principles. The foundation of those principles, as with our entire decision making process, is that we will act in a manner to protect our client's financial well-being throughout the time period and strategy they have set forth.

Northern Trust is an advocate of the highest Environmental, Social and Governance (ESG) standards. We fully acknowledge that the long-term financial success of our clients and shareholders is dependent upon a healthy global environment, a stable society and well functioning companies. In our daily operations and strategic planning, we strive to mitigate our environmental impact and improve our social and governance procedures. As a leading investment manager and financial service provider, we recognize our additional influence and responsibility. We are committed to:

- Expanding our understanding of ESG concepts and their impact on economic value.
- Integrating ESG analysis into investment decisions as appropriate.
- Encouraging companies we invest in to pursue and disclose sustainable business practices.
- Voting proxies consistent with these principles as appropriate.

We view the above principles as consistent with our role as a fiduciary and essential to protecting our client's financial interests.

Northern Trust Global Investments is a signatory to the United Nations' Principles for Responsible Investment (UNPRI) based on our shared principles and support of the United Nation's approach to responsible investment. We believe the UNPRI's overarching themes of transparency, accountability and continuous improvement align with our own values. We also believe it is important to be part of a community that is working to establish a common language and best practices around these issues. Internally we use the UNPRI as a framework to formalize our responsible investing principles and set priorities.

25

years of experience
managing SRI portfolios



ACCESS POINTS FOR THE DISABLED

We operate 10 branches and 14 ATMs in low- and moderate-income census tracts. We plan to have all of our ATMs able to service the visually impaired by the end of 2011. In addition, we are reviewing a project that will enhance our website portals for the visually impaired. Completion of this project would update both our Internet and intranet sites. Our clients with failing eyesight, diminished mobility and reduced hand-eye coordination would have full access to our client sites. An internal work group of partners has drafted the proposal which recommends that all client-facing websites meet accessibility standards by 2014. Northern Trust strives to be an all-inclusive organization. Making our websites accessible to all is an important step forward in that effort.

PROXY VOTING POLICY

In proxy voting, we seek to ensure that the shares we vote are in the best interests of clients/beneficiaries and protect the value of their investments. Our custom proxy voting guidelines outline our positions on this. Generally, we support the position of a company's board of directors when voting shareholder-initiated social and environmental proposals. This position reflects the belief that, in most cases, a company's management group and elected directors are best positioned to make corporate decisions on these sorts of proposals.

While this core belief remains unchanged, we have concluded from recent events that a more nuanced approach is advisable. These events include revised SEC interpretations of rules that control the types of issues a company's management can and cannot exclude from corporate proxy ballots, and a proliferation in the types of issues being voted upon. We are working with our proxy voting vendor to identify specific types of proposals that may merit our support.

In 2010, we made certain revisions to our proxy voting guidelines dealing with social and environmental issues. As a result of these revisions, among other issues, we generally vote for proposals that advocate for the elimination of workplace discrimination based on sexual orientation or gender identity; request more disclosure about the environmental impact of a company's operations, products and initiatives; and request that companies issue reports about their energy-efficiency plans.

These changes can be found in Section XII of the Northern Trust Proxy Voting Guidelines, a copy of which is available at www.northerntrust.com.





241,000
hours of training
completed by our partners

GLOBAL WORKFORCE

HUMAN RIGHTS STATEMENT

Northern Trust enforces 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. In addition, we do not tolerate forced labor, child labor or violating the rights of indigenous people. Northern Trust's guiding principles embrace inclusion and diversity of culture, thought, experience and other attributes of individuals' backgrounds and hold in highest regard 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.

Our human rights and workforce principles apply to all of our global company operations and clearly state our support for the protection of minority groups' rights, women's rights, and workers' rights. They expressly reference our conformance with International Labour Organization standards, the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and other public policies.

A component of our human rights principles applies these standards to our suppliers/vendors as well as our partners. The principles also encompass stakeholder involvement, public reporting, auditing, third-party auditing and quantifiable targets or goals.

A senior-level company officer is responsible for the execution of our human rights and workforce standards, and several partners work to implement them. These beliefs commit us to providing fair and equal wages to partners regardless of gender, as well as competitive compensation and benefits to our workforce.



BUSINESS RESOURCE
COUNCILS FOR PARTNERS

TOTAL WORKFORCE BREAKDOWN BY REGION*

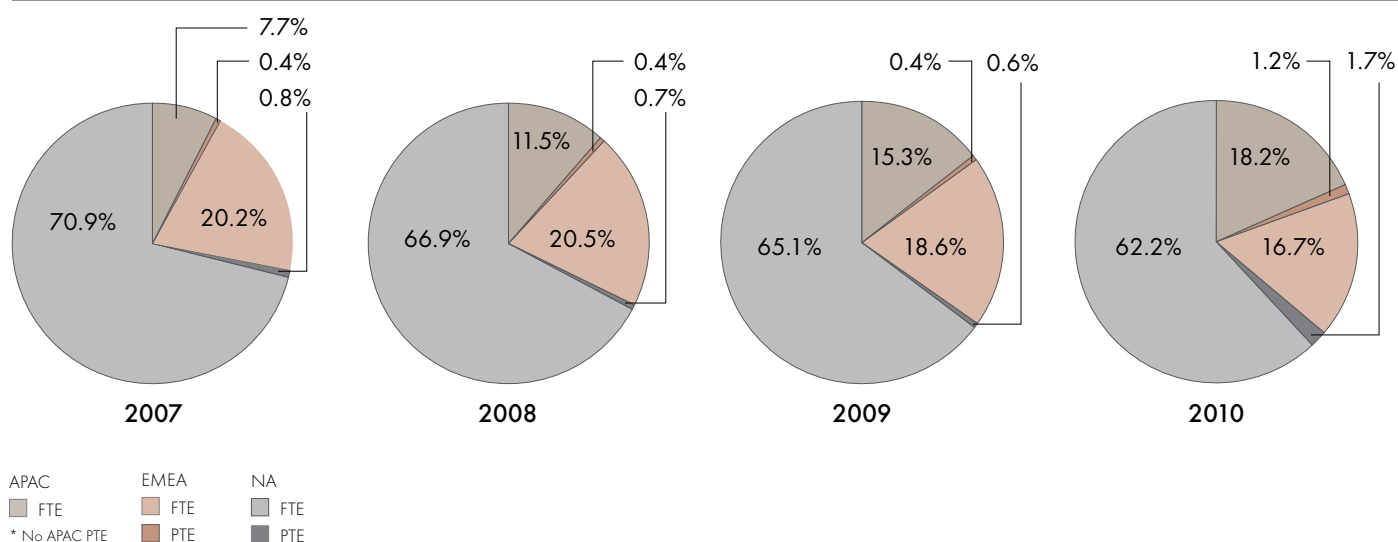
	2007		2008		2009		2010	
	PTE	FTE	PTE	FTE	PTE	FTE	PTE	FTE
ASIA-PACIFIC	—	864	—	1,442	—	1,939	—	2,390
EUROPE, MIDDLE EAST, AFRICA	46	2,257	52	2,544	49	2,371	159	2,202
NORTH AMERICA	89	7,941	84	8,354	79	8,275	227	8,185
Sub-Totals	135	11,062	136	12,340	128	12,585	386	12,777
GRAND TOTALS	11,197		12,476		12,713		13,163	

* Staff count does not reflect the Waterline Partners, LLC acquisition, contractors, or temporary employees

PTE: Part-time Employees

FTE: Full-time Employees

WORKFORCE BREAKDOWN BY REGION, AS PERCENT OF TOTAL EMPLOYEES, 2007-2010



PARTNER BENEFITS

Northern Trust has long recognized that our partners are critical to our success. Over the past 122 years, we have become known for the progressive nature of our innovative partner benefits. Nearly a century ago, we were among the very first organizations to provide partners with life insurance and a pension. We have provided a day care center at our headquarters for more than 20 years. We were one of the first financial institutions to provide benefits to domestic partners, and we honor the diversity of our workforce by supporting at least nine partner resource councils.

Our U.S. partners participate in defined benefit pension plans and a 401(k). In most other countries, partners participate in a defined-contribution program.

Benefits vary with work location and employment status. We provide benefit programs suitable to each geographic location. Overall, these benefits include life insurance, health care/medical insurance, disability/critical illness insurance, retirement provision, generous time-off policies, education benefits and work/life services. Not all are provided in each country, and in certain locations benefit provision is through statutory plans.

In the United States, we offer a wide array of other benefits that can include an onsite day care center; a lactation program for new mothers; elder care; health-care accounts; maternity, paternity and adoption paid leaves of absence; payment of adoption-related expenses; flexible work schedules; retirement planning; and medical, dental, and vision plans. It is our intent to put such programs in place in all global locations, as appropriate, while being sensitive to regional differences.

Retirement Administrators guide our partners as they approach the end of their careers. Detailed information regarding pension plan payments and other retirement benefits are included in the internal Employee Sourcebook, which is regularly updated and available online to partners in the United States.

In the United States and most of Europe, the Middle East, and the Asia-Pacific region, our partners can access, review, and update most of their work-related materials via MyPlace, our internal web-based portal that also includes career-related and other information. Our teamwork and collaboration reach around the globe through Regional HR Service Centers, HR Relationship Managers and Centers of Expertise in an effort to achieve common goals while fostering an environment of mutual respect.



"Northern Trust offers an environment where women can succeed, thanks to work/life programs and early identification of high potentials, says Dr. Betty Spence, NAFE president. "We are proud to recognize Northern Trust as a NAFE Top Company."



THE NORTHERN TRUST CHILD DEVELOPMENT CENTER

Northern Trust has been at the forefront of adopting workplace programs that help it attract the most talented and capable employees. Tammi Kozlowski, a relationship manager in Corporate & Institutional Services - Large Corporate client service, is drawn to one benefit in particular: the Northern Trust Child Development Center. She has three major reasons why: her sons David, 5; Thomas, 3½; and Samuel, 1.

“The center is so easy for us to use, and my sons love it. Without it, I would have to employ a nanny to help fit with our work schedules, because it’s difficult to find a full-day preschool,” says the 15-year Northern Trust employee. “I feel so comfortable at work knowing the children are safe and close by.” She can even contract with a back-up care service to stay at home with a sick son.

Since 1990, when Northern Trust opened Chicago’s first company-sponsored day care facility in its downtown headquarters building, employees such as Tammi have been sending their children there. Only employees can enroll their children at the center, which can accommodate 79 children and is open weekdays year round from 7 a.m. to 6 p.m.

It’s a cheery and inviting preschool, with fish tanks adorning the hallway and, in each room, a science area where children grow plants, art stations, a kitchen area and various other play and work areas where children can do any number of activities. The two older Kozlowski boys are served a warm breakfast and lunch as well as two snacks during the day. They also take enrichment courses, including a Spanish program, music, My Gym and even chess, for the oldest boy.

“It’s very nice working with and partnering with Northern Trust,” says Joyce Miller, the center’s director. The facility is managed for Northern Trust by Bright Horizons Family Solutions, which since 1986 has been providing employer-sponsored, fully accredited child care and early-education programs for more than 700 clients. The Northern Trust center employs 14 regular staff members as well as a support staff.

Tammi has overheard several employees say the child development center was a major factor in their decision to work at Northern Trust. “It’s a comforting environment and if I feel something needs to be addressed, I know the staff there will listen.” How do her sons enjoy it? “Every night my husband and I ask them what their favorite part of the day was,” she notes. “My middle son, Thomas, usually responds, ‘I can do everything, and all the time.’”



The facility is managed for Northern Trust by Bright Horizons Family Solutions, which since 1986 has been providing employer-sponsored, fully accredited child care and early-education programs for more than 700 clients.

RETENTION AND RECRUITMENT

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 generally are targeted for specific locations using a variety of channels that include job boards, colleges, networks, associations, and on-line and social networks. If there are operational changes that lead to job elimination, we make every effort to help partners find alternative positions within the company.

PARTNER HEALTH AND SAFETY

Our partners' health and safety are managed by 17 dedicated Business Continuity, Disaster Recovery (BD/DR) staff members who comprise our Global Business Continuity and Recovery Services Group. This group oversees the function across the enterprise, allowing them to deploy a consistent global approach and methodology. In addition, 31 percent of our partners function as Life Safety volunteers reporting up to the Director of Life Safety. Life Safety volunteers are responsible for ensuring life safety procedures are performed per guidelines and provide organized assistance to partners during an emergency. Our Life Safety program provides clients, staff and visitors with the leadership, knowledge and means to safely address emergency situations that may occur at any of our facilities worldwide. The program provides a framework that allows us to respond proactively to emergency situations, thus minimizing the risk of serious injury to clients, staff and visitors.

Our Human Resource department becomes involved in partner health and safety when specific health issues arise. For example, an ad-hoc working group managed the H1N1 flu threat in 2009. Lost days, rates of injury, occupational diseases, and work-related fatalities are not concepts normally associated with the financial-services industry.

On the health front, our wellness program, "nGood Health," encourages and supports partners and their families to embrace a healthy lifestyle. It also works to foster an effective, active and healthy workplace. The Wellness Program includes health-risk assessments, wellness screening, incentives for healthy lifestyle practices, healthier food choices in our cafeterias, frequent healthy lifestyle information and webinars, among other features.

Globally, we have an Employee Assistance Program that supports partners and their families in dealing with a variety of personal and professional challenges, such as serious diseases, mental health issues, elder care and dealing with grief. In the United States, our partners and family members with serious conditions can access a disease-management program at no cost.



TRAINING AND DEVELOPMENT

Northern Trust recognizes the value of training and developing our partners, providing them with dozens of continuing education opportunities. In 2010, more than 240,000 hours of training were conducted, an average of 18 hours per partner.

In 2010, we also established CareerVision – a career-development program for first-level officers and their managers. By year-end, 900 partners participated. In 2011, we will introduce web-based Career Development Planning tools housed in the MyPlace web portal to further assist partners with strategic career planning.

97 percent of our partners received performance reviews in 2010, in addition to mid-year reviews; this is a 2 percent increase from 2009.

HUMAN RIGHTS

Our partners receive training on anti-discrimination, diversity and inclusion, and sexual harassment. In addition we provide training specifically on Cultural Change which is especially helpful for expatriates and partners on short-term assignments abroad and global relocation.

None of our operations have risk of incidents of child labor or young workers exposed to hazardous work, and none have risk of incidents of forced labor. None of our operations have incidents of violations involving the rights of indigenous people.

COLLECTIVE BARGAINING

While we don't have a specific policy in place regarding collective bargaining and trade agreements, staff members in any of our locations are permitted to exercise freedom of association as permitted by applicable regional laws. At this time, there are no employees covered by collective bargaining agreements; due to this, GRI Indicator LA9 is not applicable. We have not identified any operations where the right to exercise this freedom is at significant risk.



GLOBAL BUSINESS RESOURCE COUNCILS (BRCs)

At Northern Trust, we currently sponsor nine global business resource councils. These include:

- Advancing Professionals Resource Council (APRC)
- Asian Leadership Business Resource Council (ALBRC)
- Black Business Resource Council (BBRC)
- Disability Business Resource Council (DBRC)
- Latin Heritage Leadership Council (LHLC)
- LGBT Business Resource Council (LGBT BRC)
- Sage Partners Business Resource Council (SPBRC)
- Women in Leadership Business Resource Council (WIL)
- Working Families Business Resource Council (WFBRC)

We actively seek to enhance BRC members' business networks through attendance at external events and programs. Global Diversity & Inclusion, for instance, sent Business Resource Council leaders to the Diversity Best Practices National Affinity Leadership Congress in New York City to develop their strategic leadership abilities, deepen their professional network and exchange best practices. It also sent women to the Working Mother Leadership Summit in Chicago.

Several of our Asian Leadership Business Resource Council members attended the National Association of Asian American Professionals' annual convention in San Francisco. Our Advancing Professionals Resource Council

900
partners participated in the first
year of the CareerVision program

OUR LGBT COMMITMENT

Over the years, Northern Trust has supported initiatives important to the lesbian, gay, bisexual and transgender (LGBT) community in the markets we serve. We have put many employment programs in place to attract, nurture and retain a world-class and diverse talent pool. For example, Northern Trust was one of the first major financial institutions in the United States to offer domestic partner benefits. Northern Trust's LGBT Affinity Group – one of nine global employee networks – recognized a need for a dedicated practice group focused on the unique financial needs of LGBT and non-traditional families. In January 2011, Northern Trust launched one of the first dedicated LGBT wealth-management practices in the nation. This practice builds on decades of experience working with LGBT clients to navigate widely varied legal, tax and wealth-transfer challenges and opportunities. Our dedicated LGBT practice speaks to Northern Trust's strength in providing unsurpassed service, expertise and integrity to meet our clients' diverse wealth management needs.

(APRC) partnered with the University of Chicago Booth School of Business to host a student panel and networking event. Additionally, the APRC hosted a graduate school and certification fair to expose members to the admissions process at several graduate schools.

Our Black Business Resource Council partnered with the National Black MBA Association's Chicago Chapter to host the annual Summer Intern Reception. This event focuses on providing networking opportunities for interns from Historically Black Colleges and Universities and professionals from Chicago area firms. The London chapter of the BBRC hosted *"The Junior Apprentice,"* a community outreach partnership with the HEBE Foundation, focused on personal development for high school students.

Our Disability Business Resource Council partnered with KPMG to sponsor a Workability! event focused on sustainable workplace practices for people with disabilities. Our LGBT Business Resource Council sent partners to the Human Rights Campaign's Corporate Equality Index 100 Dinner in honor of Northern Trust's fourth consecutive year on the list. Partners attended the 2010 Out & Equal Summit addressing issues affecting LGBT partners in the workplace.

GLOBAL DIVERSITY & INCLUSION ADVISORY COUNCILS (DIACs)

At Northern Trust, these include:

- Corporate Groups DIAC
- Corporate & Institutional Services (C&IS) DIAC
- Northern Trust Global Investments (NTGI) DIAC
- Operations & Technology (O&T) DIAC
- Personal Financial Services (PFS) DIAC

The affinity groups and separate Global Diversity & Inclusion Advisory Councils provide a wide array of activities for their respective members and business units. For instance, the Northern Trust Global Investments Diversity & Inclusion Advisory Council hosted a year-long speaker series. The Advancing

5

GLOBAL DIVERSITY AND
INCLUSION ADVISORY
COUNCILS, ONE PER
BUSINESS UNIT

DreamMakers' Forum®: This highly regarded business development program offers a unique venue for affluent black individuals and their families to explore issues and opportunities that arise through creating, preserving and transferring wealth. The biennial program gives participants the opportunity to network with their peers and with our wealth-management professionals and executives, as well as external community, business and political leaders. The most recent event drew nearly 200 current and prospective clients on the topic of *"Wealth and Influence: Establishing a Living Legacy."*

Professionals Resource Council also held a Speaker Series that covered a range of topics from Northern Trust's corporate strategy, including an overview of the Asia-Pacific region and a session on navigating the performance-management process. Our Black Business Resource Council hosted the "Knuggets of Knowledge Series" that centered on partner self-appraisal, successful career navigation and assessment of potential career paths. The Asian Leadership Business Resource Council conducted a number of professional-development events, including a soft-skills training session.

We also develop business programs with the various affinity groups. Our Latin Heritage Leadership Council partnered with the Association of Latino Professionals in Finance and Accounting (ALPFA) and the law firm Kirkland & Ellis to focus on the new ALPFA Law initiative. The event targeted about 150 current and prospective clients and featured a presentation on trends in trust and estate law developed by Northern Trust. In addition, we hosted a secondary ALPFA Law event with Plante Moran and Hinshaw & Culbertson, titled *"Transitioning Closely Held Business Owners,"* for another 100 attendees. These events have yielded \$10 million, \$15 million, and \$150 million referrals from partner law firms, respectively.

MANAGEMENT ACCOUNTABILITY

Our global diversity strategy and programs are led by the Director of Global Diversity & Inclusion, a senior position. An annual Diversity & Inclusion update is provided to the Board of Directors for evaluation. We also utilize scorecards to measure the accountability of our enterprise and individual management group members on diversity and inclusion issues.

In 2010, we administered our Employee Engagement Survey with a 73 percent response rate. Overall, the results of the survey were gratifying. According to the results, Northern Trust partners are more engaged in our business than they were three years ago. They are proud to be a part of Northern Trust and they respect our continued focus on achieving excellence for our clients and cite this focus as a primary driver of their engagement. The results also indicated areas where we could do better. As a result, we are enhancing programs that form our Employee Journey – such as professional education, career planning and performance management – while placing an emphasis on providing our partners with the flexibility to take advantage of this training.

Managers shared the survey results with their teams and began creating customized action plans in response to the findings. In addition, the Management Group is preparing a corporate-wide action plan to address the survey's general findings.





\$65.6M

community development loans
provided by Northern Trust

CONTRIBUTING TO
THE COMMUNITY

CONTINUING SHOREBANK'S MISSION

Founded in 1973, ShoreBank was the first community development bank in the United States. Its mission was to provide financial services and credit to underserved low income and minority communities in Chicago, Detroit and Cleveland. In the wake of the financial crisis, the Federal Deposit Insurance Corporation (FDIC) had to close many small community banks due to large loan losses and depleted capital. Chicago's ShoreBank was in a similar position and faced closure.

As an active member of the communities in which we operate, Northern Trust recognized ShoreBank's vital role in promoting community development. In August 2010, Northern Trust joined a group of 20 financial institutions, foundations and private investors by contributing \$5 million toward Urban Partnership Bank's acquisition of ShoreBank. The creation of Urban Partnership Bank will allow ShoreBank's mission of providing vital and positive community services to continue.

Community involvement is a deeply rooted part of our culture. Since our founding in 1889, Northern Trust has actively advanced a culture of caring and a commitment to invest in the communities we serve worldwide. This philosophy continues today through progressive community lending efforts; contributions to service and community organizations; partner volunteerism; gifts in-kind such as donations of meeting space, graphic design expertise and other knowledge services; and directorship guidance to charitable and civic boards.

In 2010, our global corporate philanthropy program awarded over \$14 million in cash contributions to local and international civic and charitable organizations. In the last five years, corporate philanthropy has contributed more than \$75 million in support of nonprofit organizations worldwide.

\$3.4M

corporate and employee
contributions to United Way

PHILANTHROPIC VEHICLES

Our Northern Trust Charitable Trust and corporate giving program supports organizations with programs in the communities where we do business. The grants primarily assist programs and agencies that focus on advancing the wellbeing of disadvantaged women and children and people with disabilities in one of four core areas:

■ Enriching Neighbors:

The Charitable Trust supports organizations that strive to measurably improve the quality of life in our focus communities. Health, basic human needs and community-development programs provide invaluable support to people facing obstacles that impede their full participation in society. It has supported charities such as Access Living, Texas Scottish Rite Hospital, Ronald McDonald House Charities and Mercy Housing.

■ Preserving the Environment:

To help strengthen the stewardship efforts of organizations that work to preserve the environment, the Charitable Trust supports programs that incorporate elements of green construction into affordable housing initiatives and that create green job-training programs for disadvantaged women and people with disabilities. To increase environmental stewardship efforts, Northern Trust has supported Openlands, The Nature Conservancy, and Chicago Botanic Gardens.

■ Supporting Education:

Reflecting our view that education is the cornerstone of future success, the Charitable Trust supports organizations that bring innovative, comprehensive and exemplary programs to local public school students. Through our efforts to augment the priorities and goals of local public school systems, students in our communities gain additional tools to enhance their academic achievement and develop their leadership skills. The Charitable Trust gives priority to organizations that improve student achievement through innovative programming, developing the talent of teachers and principals and preparing students to compete globally. Among the organizations it has supported are Teach for America, Kohl Children's Museum and Working in the Schools.

■ Sharing the Arts:

Arts and cultural programs contribute to developing vibrant and healthy communities. The Charitable Trust supports organizations that bring arts opportunities to our focus communities. It also supports organizations that create forums for social interaction celebrating our diversity and heritage. Specifically, the Charitable Trust supports arts and cultural organizations that open access to the city's cultural life, and integrate the arts into education and other community outreach initiatives. Among the organizations it has supported are The Africa Foundation, American Ballet Theatre, Steppenwolf Theatre, and the Naples Philharmonic Center for the Arts.

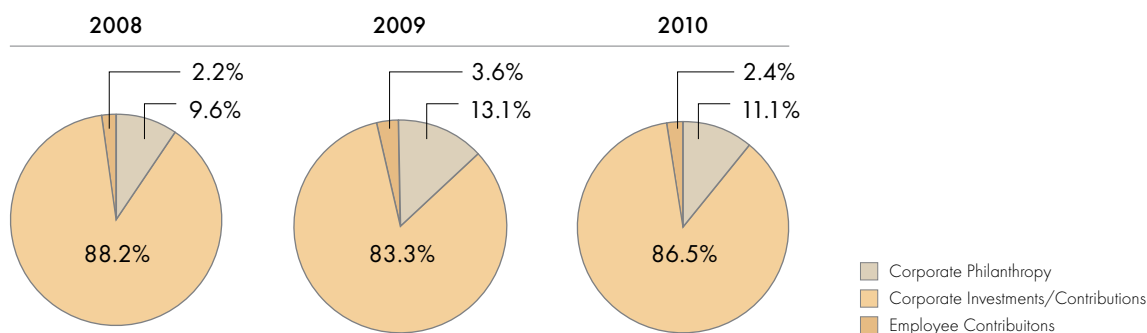


TOTAL ANNUAL CONTRIBUTIONS SUMMARY*

CATEGORY	2008	2009	2010
United Way Corporate Gift	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Northern Trust Charitable Trust	\$ 2,109,000	\$ 2,452,000	\$ 2,586,000
Corporate Matching Gifts Nationally	\$ 746,000	\$ 675,000	\$ 630,000
Other Corporate Philanthropy	\$ 10,589,000	\$ 8,546,000	\$ 10,050,000
Corporate Philanthropy Total	\$ 14,444,000	\$ 12,673,000	\$ 14,266,000
In-Kind Contributions of Products and Services	\$ 253,000	\$ 190,000	\$ 240,000
Community Development Investments	\$ 133,000,000	\$ 80,000,000	\$ 112,300,000
Corporate Investments/Contributions Total	\$ 133,253,000	\$ 80,190,000	\$ 112,540,000
United Way Employee Contributions	\$ 2,600,000	\$ 2,500,000	\$ 2,400,000
Employee Matching Gifts Contributions	\$ 750,000	\$ 953,000	\$ 776,000
Employee Contributions Total	\$ 3,350,000	\$ 3,453,000	\$ 3,176,000
EMPLOYEE & CORPORATE GRAND TOTAL	\$ 151,047,000	\$ 96,316,000	\$ 129,982,000

*More information on corporate giving can be found in the Charitable Trust Annual Report located at www.northerntrust.com

CONTRIBUTIONS BY CATEGORY



COMMUNITY REINVESTMENT ACT (CRA)

All three charters: Northern Trust Company, Northern Trust Bank, FSB, and Northern Trust NA currently have an "Outstanding" CRA rating. In 2010, more than \$172 million in affordable mortgage loans were originated and more than \$65.6 million in loans were made for community development purposes to address the needs of underserved low and moderate income communities. New CRA investments originated or purchased totaled \$112.3 million. Our directors receive an annual CRA and Fair lending report and have approved our policies related to community reinvestment and fair lending.



Our CRA Investment Portfolio comprises \$215 million of rated securities. Among other investments:

■ **Unrated Community Development Financial Institution Investments:**

\$63.3 million outstanding. These investments were intended to be used toward the creation of affordable housing units; mortgages for affordable homeownership; new jobs; new charter school slots; day care slots; acquisition of foreclosed homes for redevelopment; creation of new businesses; and savings in fees from payday, tax anticipation and auto finance lenders.

■ **Equity Investments:**

\$20.9 million in asset value. These investments were intended to be used toward the creation of affordable housing units; new jobs; new charter high schools; and shopping developments in underserved areas.

■ **Tax Credit Investments:**

\$237.5 million in asset value. Affordable rental housing units and the financing of community based economic development projects in 33 states were created as a result of these investments.

Our Community Reinvestment Strategy concentrates on partnering with community-based, nonprofit Community Development Financial Institutions (CDFIs). Long-term, low interest-rate investments are made in these institutions, which then make loans for a wide range of small business, consumer, home ownership and home improvement initiatives. Loans also are made for day care centers, health clinics, charter schools, community centers, shopping centers, grocery stores and affordable rental housing in underserved low and moderate income neighborhoods.

We also seek to address the needs and concerns of the communities we serve through active engagement. For example, when a community group identified lack of affordable housing as a key concern during conversations with Northern Trust, we responded with a detailed explanation of how we strive to address this issue by developing multifamily loan products, capital investments in CDFIs that provide affordable housing loans and investments in low-income housing tax-credit projects.

PARTNER VOLUNTEERISM

In 2010, Northern Trust partners contributed nearly 200,000 volunteer hours to many worthy charitable organizations around the globe. In the U.S., partners volunteered in excess of 157,000 hours, providing United States' not-for-profit organizations more than \$3.2 million of in-kind labor.

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CONSECUTIVE YEARS EARNING
AN OUTSTANDING CRA RATING



In addition, we held our first Global Week of Caring in 2010. The effort provided partners with a chance to work on projects that serve community needs both during and after regular office hours. Partner groups around the world organized volunteer projects during the week to benefit local charities.

Our Community Affairs coordinators helped to secure volunteer efforts within Europe, the Middle East and the Asia-Pacific regions by working closely with a global community involvement working group.

In the United States, we partnered with the United Way to secure volunteer opportunities for our North American partners.

1

NEWPORT BEACH partners teamed up with Giving Children Hope, a nonprofit dedicated to alleviating poverty, by helping to fill food backpacks.

2

The CHICAGO Youth Centers' ABC Polk Brothers Center celebrated Fun Foods Week, with partners organizing activities that incorporated various food stations for the kids.

3

The SARASOTA office hosted high school students at a reception designed to raise awareness for career planning and to help build financial literacy.

4

LONDON partners worked with the CLIC Sargent for Children with Cancer, an organization which helps children survive the many stages of cancer treatment and recovery.

5

In BANGALORE, partners worked with the Sheila Kothavala Institute for the Deaf (SKID), a school for hearing-impaired children.

6

Our MELBOURNE office partners participated in a charity run/walk event with proceeds supporting Ardoch Youth Foundation, which makes education a reality for disadvantaged young people and their families.



COMMUNITY IMPACT OF INVESTMENTS

■ Neighborhood Housing Services of Chicago (NHS):

Established in 1975, NHS focuses on revitalizing neighborhoods block by block through community-based offices that offer homeownership lending, financial counseling, foreclosure prevention and rehabilitation services. A long-term partner of NHS, we first invested in it in 1997. The \$5 million equity-equivalent investment continues to provide an ongoing source of capital as well as operating dollars for the NHS Auburn Gresham office. In its neighborhoods, NHS serves more than 182,000 families; loans to borrowers to buy, fix, or keep housing units; educates more than 28,000 potential homeowners; builds or rehabilitates affordable homes for potential sale; provides foreclosure counseling and education to homeowners; and intends to save families from foreclosure.

■ IFF:

IFF is the largest community development financial institution exclusively serving nonprofit corporations in the Midwest. Northern Trust has been a key capital provider to support its lending. Among other accomplishments, IFF has closed over 800 high-impact loans totaling \$289.2 million. These loans were intended to be used toward the creation of new jobs; new day care slots for low-income children in underserved areas; over 140,300 patient visits to low-income clinics; affordable housing units; and beds for the homeless. We have a 19.5% interest in the investor consortium that funds lending as well as long-term, below-market rate investments outside the consortium, which IFF continues to use to fund new loans each year. We have been IFF's largest long-term investor, providing a continued source of loan capital.

■ North Side Community Federal Credit Union:

Northern Trust has partnered with this low-income credit union located in the Uptown neighborhood of Chicago for many years. By using our capital as a loan-loss reserve, North Side has been able to offer innovative products and stay within the financial standards established by its regulator. Its members have saved more than \$5 million in fees and charges by avoiding the use of abusive lending products.

■ United Way:

Northern Trust enjoys a long and rich history of support with United Way branches across the United States. In 2010, our partner fundraising campaign raised \$2.4 million, and partners contributed more than 2,400 volunteer hours for United Way to support organizations whose programs focus on increasing access to income, education, and health for those who need it the most. A \$1 million corporate donation raised our total contributions to United Way to \$3.4 million in 2010.



■ Charitable Giving in the U.K.:

- Northern Trust's CEO for the Channel Islands completed a three-day sponsored cycling challenge to raise funds to send 10 physically and/or mentally challenged Guernsey residents on holiday. Nearly £15,000 was raised in sponsorship support from our staff, clients and professional advisors.
- Our new Community Partners initiative in London gives partners one day of paid time off to participate in a corporate team-based challenge that gives back to the community. Northern Trust Community Partners, the EMEA region's signature volunteer program, was launched in January 2010. Since then, nearly 250 London-based partners have used the initiative to volunteer with several local organizations.

■ Charitable Giving in Bangalore, India:

In 2010, the Northern Trust Operations and Technology center in Bangalore increased its charitable support to organizations in the region:

- At the Sheila Kothavala Institute for the Deaf, we purchased much needed Audio Visual equipment for the school.
- At Christel House Bangalore, we sponsored construction of a pre-university classroom.
- For the Association of People with Disabilities, which provides job training through its horticultural centers, we donated funds to build a water-treatment plant. This funding supports both the continuity of the training program and the health of the plants.
- In 2010 new partnerships were formed with Habitat for Humanity India and SOS Children's Village. We provided Habitat for Humanity India a grant to build two houses for families in Bangalore. SOS Children's Village received a grant from us to provide a year of schooling for a family of 10 children.

■ Charitable Giving for Education:

We strongly commit to promoting educational opportunities for disadvantaged members of the communities in which we do business. One way we do this is through the creation of scholarship funds and the sponsorship of educational institutions. The William and Cathy Osborn Scholarship Fund, was established in 2010 to honor our former chairman and CEO and Northern Trust's commitment to education. The scholarship supports high school seniors in the Chicago-based Noble Network of Charter Schools who will be first-generation college students.

\$75 M

in corporate philanthropy
over last 5 years





■ Charitable Giving for the Arts:

We have supported the National Foundation for Advancement in the Arts since 2004. Our giving has gone toward the young ARTS program that identifies emerging artists and assists them at critical junctures in their educational and professional development. Since 2007, we have sponsored a talented student at the Jacqueline Kennedy Onassis School at the American Ballet Theatre in New York City. As lead sponsor, we help ensure that talented students, regardless of their circumstances, get world-class training provided by the American Ballet Theatre through this Northern Trust award.

■ Workplace Mentoring:

In Chicago, we launched a workplace mentoring program with Big Brothers Big Sisters in 2009. Every other week, high school students travel to Northern Trust to meet with their mentors to discuss such topics as college readiness, applications and financial literacy, as well as to receive help with homework. Additionally, the students learn about Northern Trust and hear from senior leaders about their personal journeys, among other things.

\$3.2M
OF IN-KIND LABOR VOLUNTEERED



5%

emissions reduction target
per person for 2011

ENVIRONMENTAL
SUSTAINABILITY

We recognize that our commitment to financial success must also consider the broader environmental impact of our operations. As a result, we developed initiatives that pursue sustainable development. We always strive to improve our environmental performance by supporting and encouraging the responsible use, reuse, recycling and disposal of the materials and products we buy. We also monitor our utility consumption and have a team of representatives that further our sustainability projects and processes as part of the Partners Think Green sustainability program.

ENVIRONMENTAL STATEMENT



CLIMATE CHANGE STATEMENT

MANAGEMENT OVERSIGHT

Our Board of Directors’ Business Risk Committee oversees the operational risks to our business. An Operational Risk Committee, which includes various senior officers, oversees risk issues including business-continuity risks associated with hurricanes, floods and other weather-related events. Our Partners Think Green global sustainability program directs paper and solid-waste recycling and energy conservation initiatives; our Northern Trust Global Investments business unit manages our socially responsible investment services; and the Risk Services Group within our Corporate & Institutional Services business unit directs our web-based compliance monitoring service.

Our Business Resiliency team addresses daily any climate-change challenges to our operations. We operate proprietary business resiliency centers outside of Chicago, Jersey City, Dublin, Bangalore, London, and Guernsey in the Channel Islands. We also expect our suppliers to develop a Business Resiliency contingency plan that ensures the services we use continue to function in the face of unknown or unexpected challenges to the supply chain.



2010 CARBON EMISSIONS AND ENERGY USAGE REPORTING BOUNDARIES BY REGION*

		NORTH AMERICA	ASIA-PACIFIC	EUROPE, MIDDLE EAST, AFRICA	OVERALL
Direct Emissions (Scope 1)	% Staff	100%	100%	100%	100%
	% Offices (Leased & Owned)	100%	100%	100%	100%
Indirect Emissions (Scope 2 & 3)	% Staff	100%	100%	100%	100%
	% Offices (Leased & Owned)	100%	100%	100%	100%

*Reporting boundaries for energy usage and carbon emissions figures do not reflect the Waterline Partners, LLC acquisition

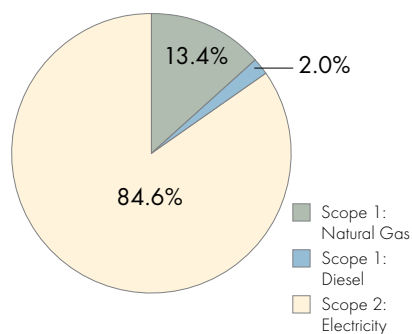


2010 GIGAJOULES (GJ) OF ENERGY BY REGION

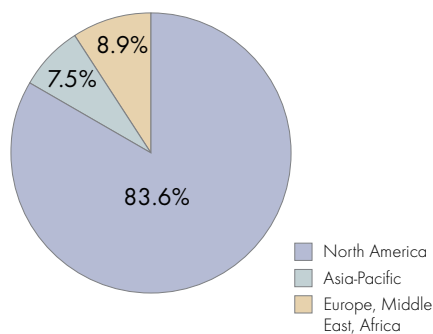
	SCOPE 1 NATURAL GAS	SCOPE 1 DIESEL	SCOPE 1 TOTAL	SCOPE 2* TOTAL	OVERALL
NORTH AMERICA	60,762	2,461	63,223	316,548	379,771
ASIA-PACIFIC	0	6,098	6,098	28,158	34,256
EUROPE, MIDDLE EAST, AFRICA	279	580	859	39,510	40,369
OVERALL	61,041	9,138	70,179	384,217	454,396

*Scope 2 energy reflects electricity usage.

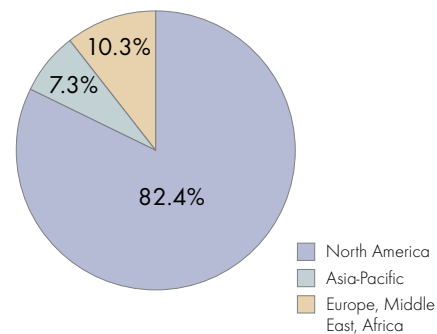
Gigajoules of Energy by Scope



Gigajoules of Energy by Region



Energy (kWh) Consumed by Region



2010 ENERGY (KWH) CONSUMED BY REGION

	NORTH AMERICA	ASIA-PACIFIC	EUROPE, MIDDLE EAST, AFRICA	OVERALL
ENERGY (kWh)	87,930,092	7,821,720	10,975,088	106,726,899
100% RENEWABLE ENERGY (kWh)	0	0	7,005,809	7,005,809

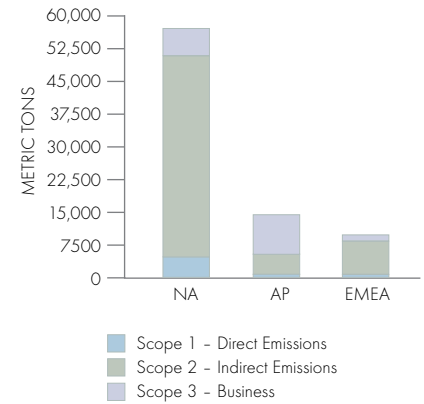


CARBON EMISSIONS

2010 GREENHOUSE GASES (CO₂) BY REGION

	NORTH AMERICA	ASIA-PACIFIC	EUROPE, MIDDLE EAST, AFRICA	OVERALL
Employees - FTE	8,185	2,390	2,202	12,777
Scope 1 - Direct	3,721	452	48	4,221
Scope 1 - per FTE	0.455	0.189	0.022	0.330
Scope 2 - Indirect	45,445	7,027	5,555	58,027
Scope 2 - per FTE	5.552	2.940	2.523	4.542
Scope 3 - Business*	6,274	3,819	1,715	11,809
Scope 3 - per FTE	0.767	1.598	0.779	0.924
Total - ALL	55,441	11,298	7,318	74,057
Total - per FTE	6.77	4.73	3.32	5.80

*Scope 3 reflects emissions related to employee business travel (flights, hotels, rental cars, car service, and shuttle bus service)

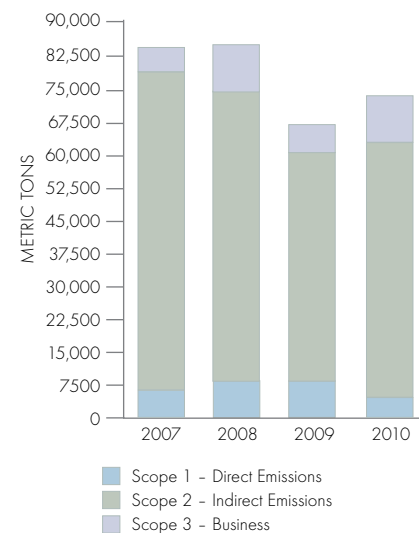


2007-2010 GREENHOUSE GASES (CO₂) FOR ALL REGIONS

	2007 FISCAL YEAR	2008 FISCAL YEAR*	2009 FISCAL YEAR	2010 FISCAL YEAR**
Employees - FTE	11,062	12,340	12,585	12,777
Scope 1 - Direct	7,208	7,759	7,656	4,221
Scope 1 - per FTE	0.652	0.629	0.608	0.330
Scope 1 - % chg FTE	-0.48%	-3.50%	-3.25%	-45.70%
Scope 2 - Indirect	71,736	67,177	52,920	58,027
Scope 2 - per FTE	6.48	5.44	4.21	4.54
Scope 2 - % chg FTE	7.31%	-16.05%	-22.76%	8.00%
Scope 3*	6,447	10,483	7,020	11,809
Scope 3 - per FTE	0.583	0.850	0.558	0.924
Scope 3 - % chg FTE	-26.57%	45.76%	-34.34%	65.69%
Total - ALL	85,391	85,419	67,596	74,057
Total - per FTE	7.72	6.92	5.37	5.80
Total - % chg FTE	3.04%	-10.33%	-22.41%	7.91%

*2008 Scope 3 increase attributed to expansion in India resulting in additional global travel

** Due to the ongoing improvements in our assessment and measurement procedures, emissions attributed to shuttle and car services have been reassigned to Scope 3 from Scope 1 as of 2010 reporting cycle



TARGETS FOR CARBON EMISSIONS REDUCTION

For all our offices, we are using raw data when available, and using assumptions where we cannot get meter readings. All offices have been assessed to determine if they had supplies of gas or oil this year, so that we could fully complete the scope of our reporting. This has allowed us to reflect a healthy reporting boundary in this year's analysis.

We have set a target of reducing carbon emissions by 5 percent, per full-time employee (FTE), by the end of 2011. This goal reflects our desire to demonstrate our conservation-minded approach to protecting the environment. We have also participated in the Carbon Disclosure Project since 2006, publicly reporting on our progress toward reducing emissions.

Our emissions reduction goal does not include future data analysis and integration of carbon emissions stemming from the acquisition of Waterline Partners, LLC. Nor does it include other significant organizational changes that may occur in 2011.

PARTNER ENGAGEMENT

Every day, thousands of our partners actively engage in environmental initiatives as they go about their work. Partners Think Green is our environmental program of promoting best practices, increasing awareness of sustainability issues and unifying environmentally-focused business operations under a single umbrella. The group promotes global events and programs to reduce our emissions and energy use. Through the global Partners Think Green intranet site, which informs partners about initiatives and provides useful tips, as well as through our building managers and our 100+ global Partners Think Green Champions, we identify issues that need attention. Our collaborative approach helps us strengthen our environmental performance. In addition, we promote the following Partners Think Green Environmental Tips:

- 1) Log off your PC, and switch off your monitor each evening
- 2) Unplug unused desktop items like cellphone chargers, and switch off lights
- 3) Choose duplex/black and white option when printing
- 4) Use video/teleconferencing in place of travel when possible
- 5) Recycle waste appropriately

A few of our environmental programs highlight how involved our partners have become with sustainability:

- Project Green, sponsored by Technology Infrastructure & Operations may save up to 5.5 MWh of energy by automatically putting 17,000 of our workplace computers on low-energy 'sleep' mode when not in use.
- Our printers and copiers are set to print on both sides when settings allow, which can reduce our paper usage by an estimated 30 percent.



EARTH DAY 2010

Our partners' enthusiasm on Earth Day 2010 illustrates their interest in protecting our planet. On April 22, they celebrated the annual event with a global "Partners Think Green – Jeans for a Day" theme. All partners were encouraged to wear jeans to work. Nearly 6,000 participating partners raised more than \$17,000 for our long-term charitable partner, The Nature Conservancy, which applies high-level strategies to combat global warming.

In a related event, the Illinois Partners Think Green group coordinated a children's art contest, inviting participants to "Envision Earth Day" through their art. Many of the children who attended also gave money to the Nature Conservancy. Elsewhere, Northern Trust offices held other Earth Day events:

- London held a Farmer's Market, promoting locally grown, seasonal vegetables, and an environmental prize quiz.
- Dublin partners were allowed to test drive electric vehicles that ESB, the national electricity supply company, brought along as part of an educational presentation.
- The Singapore office created an Earth Day information wall to provide partners tips on reducing their carbon footprint at home and at the office.



CLIENT ENGAGEMENT

New SEC rules that require investment funds to use a defined format for a summary prospectus have enabled us to create an environmentally-friendly solution that has reduced printing costs by \$100,000. For those clients whose funds we hold directly, we can deliver an unlimited number of fund prospectuses in one envelope and printed at a lower cost. At the same time, we can electronically post and link to these documents on our website. With the introduction of the SEC-approved four-page summary prospectus, we printed/mailed only 2.2 million pages instead of the 28.5 million pages required for a full statutory prospectus.

ENERGY EFFICIENT BUILDINGS

Underscoring our commitment to making our real estate more energy efficient, our Chicago headquarters at 50 S. La Salle Street received an EPA ENERGY STAR® in 2010 for the 2009 calendar year, a great achievement for a building that is more than a century old. The ENERGY STAR® mark indicates superior energy performance and identifies its recipients as some of the most energy-efficient buildings in the U.S. We are a member of the U.S. Green Building Council, whose LEED® certification system assesses the energy efficiency of building projects. All of our most recent and significant



OUR LONDON OFFICE OPERATES ON

100%
RENEWABLE ENERGY

worldwide building projects gained LEED® Gold certification. For example, our recently renovated floor at 181 West Madison Street in Chicago has received a LEED® Gold standard and our office in Bangalore, India was the first commercial interior in that city to achieve such certification. As we move forward with the development of new buildings, we intend to continue pursuing LEED® certification.

RECYCLING AND RENEWABLE ENERGY

We are passionate about recycling and using renewable energy sources. Among our achievements, our London office ranked No. 1 for recycling in the Canary Wharf area in 2010 with a 70 percent recycling rate and without any waste sent to landfill; non-recyclable waste is sent locally for energy incineration. Our new U.K. Business Resiliency Center joined our Canary Wharf office in London as a facility that uses only renewable energy. The combined consumption of these buildings – more than 7 MWh – is sourced from a non-fossil fuel-based electricity supply. Renewable energy powered 6.6 percent of our global portfolio of building electricity usage at year-end 2010, up 1.5 percent from a 2009 baseline.

Among other 2010 initiatives, Northern Trust:

- Installed recycle stations in all dining rooms for glass, plastic and aluminum at our headquarters. Eliminated the use of plastic trays and lids for internal catering functions in cafeterias in our Canal and Loop locations in Chicago.
- Eliminated the use of plastic trays and lids for internal catering functions in cafeterias in our Canal and Loop locations in Chicago.
- Reduced the amount of bottled beverage selections and installed bulk juice machines. The principal bottled-water option brand uses 30 percent less plastic than other brands. This also took place in cafeterias in our Canal and Loop locations.
- Removed all foam containers and non-recyclable plastic from all cafes.
- Eliminated individual workstation trash units in our Bangalore office and moved to a system where waste is managed via centrally located units, thereby increasing recycling rates. We intend to employ this system in London in 2011, to boost the 70 percent recycling rate in 2010.
- Received U.S. Environmental Protection Agency certificates of compliance showing we recycle our computer equipment, including desktops, laptops, server hard drives, printers, monitors and peripherals through a contractor applying government standards. We estimate that 3,500 units were recycled in 2010.

30%

REDUCTION
IN PAPER USAGE
BY SETTING OUR PRINTERS
AND COPIERS TO PRINT
DOUBLE-SIDED

- Instituted a so-called “Closed Loop” toner and printer cartridge-recycling program in Arizona, Colorado, California and Texas; all other offices have cartridge-recycling facilities. The ‘closed loop’ system eliminates waste as used cartridges are collected and refurbished/refilled by the vendor and reintroduced to the supply chain.

BUSINESS TRAVEL AND TRANSPORT

We spent more than \$400,000 improving our videoconferencing facilities in 2009 in an effort to avoid air travel when possible. We also operate shuttle-bus services in Chicago and we are working with our transport vendors to determine the most efficient routing to reduce carbon dioxide emissions.

WATER AND ENERGY PRESERVATION

Where possible, we have adjusted HVAC thermostat set points by 1 degree higher or lower, for cooling and heating, respectively. Potentially, this initiative could save up to 10 percent of our HVAC electricity consumption. We are continuing our initiative to replace incandescent lights with compact fluorescent lights (CFLs) and LEDs which typically consume only about 11 percent of an incandescent light’s electricity. In 2010, our Bangalore office installed solar panels on the roof that serve as a power supply for emergency lamps, our first on-site power generation facility. We are installing motion-activated lighting controls and sprinkle flow faucets, and reduced water flush toilets across our real-estate portfolio. In our London office’s restrooms, installation of energy-efficient hand dryers – which are 80 percent more efficient than conventional models – will cut the consumption of 5 million hand towels. We also recognize the importance of planting native species in our landscaping projects because they use less water. Our LEED® Gold-certified Fort Meyers PFS office in Florida uses native species of plants in its landscape design, which use far less water than otherwise required.

BIODIVERSITY

As part of our LEED® Gold-certified Illinois Data Center project, eco-friendly native landscaping was installed, and more than four acres of natural prairie were restored.

FINES AND ACCIDENTS

Northern Trust has never been fined or sanctioned for failure to comply with environmental laws and regulations. We also have not been party to any spill accidents.

\$100,000
saved in printing costs
by converting to a 4-page prospectus





BASIS FOR THIS REPORT

SUMMARY OF 2010 REPORTING MECHANISMS

This report is based on information obtained, created and compiled for fiscal year January 1, 2010 to December 31, 2010. It is our third annual CSR publication; commentary was also published in 2008 and 2009. There are no restatements from prior years and no significant changes from previous reporting periods besides operational changes already noted.

This report has been created in response to our interactions with our stakeholder groups as listed in the Stakeholder Engagement section. Each stakeholder group is expected to use this report to gauge our progress on responding to the socio-economic issues that may have been raised over the past year. In reviewing our stakeholder concerns, we prioritized the report to address the items that are important to all stakeholder groups: items related to our organizational strength, integrity, governance structure, and ethical business practices. These items denote our ability to maintain stability in difficult economic times and serve each stakeholder group consistently, year over year. Next, we highlighted our work developing socially responsible investment products and services for our clients that are evolving their investment strategies. After we outlined our business model, practices, long-term goals and responded to client queries related to environmental and social investment products, we detailed the elements that have made us one of the top employers. Our workforce section is to reassure our partners that we are continuously striving to help them manage their work/life balance and reassure the external public that we treat our partners with the same care and quality we expect them to treat our clients. Finally, we close our report with our progress serving the community and protecting the environment. We have long contributed to the development of the communities within which we operate, and we are striving to improve our contributions to the environment over the upcoming years.

The boundary of this report includes 100% of our leased and owned offices and 100% of our workforce in all domestic and global regions within which we operate. Refer to the Environmental section for specific reporting percentages per region with regard to emissions reporting. The boundary of this report excludes the offices related to the acquisition of Waterline Partners LLC and five locations where the square footage is less than 2,500. Data measurement techniques utilized includes the Greenhouse Gas Protocol by the World Resources Institute and the Global Reporting Initiative (GRI) framework. When raw data from owned or sub-metered facilities is unavailable, estimated consumption for the North America and the Europe-Middle East locations is based on a per person extrapolation of the average consumption for that region. Our basis for reporting on joint ventures and subsidiaries has been detailed in the Integrity in Governance section. We are only reporting on aggregated data from wholly owned subsidiaries. No joint ventures or other entities are included unless otherwise noted.

The process for seeking external assurance for this report is similar to all vendor reviews and assessments. The procedures for which are contained in our Global Procurement Policy.



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



FTSE4Good



UNEP Finance Initiative
Innovative financing for sustainability

GRI CONTENT INDEX

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4.9	Procedures of governance body for overseeing the organization's ESG practices	7 8 20	Introduction CEO Letter Integrity in Governance	Strategy Committee Charter: http://www-ac.northerntrust.com/content//media/attachment/data/compliance/document/CGBusinessStrategyCommitteeCharter.pdf
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GRI	DESCRIPTION	PAGE(S)	REPORT SECTION(S)	EXTERNAL LINKS
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*Indicates partial response.



Statement GRI Application Level Check

GRI hereby states that **The Northern Trust Company** has presented its report "2010 Corporate Social Responsibility Report" to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level B+.

GRI Application Levels communicate the extent to which the content of the G3 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3 Guidelines.

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 2 May 2011

A handwritten signature in blue ink, appearing to read "Nelmara Arbex", is written over a faint, large watermark of the GRI logo in the background.

Nelmara Arbex
Deputy Chief Executive
Global Reporting Initiative



The "+" has been added to this Application Level because The Northern Trust Company has submitted this report for external assurance. GRI accepts the reporter's own criteria for choosing the relevant assurance.

The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. www.globalreporting.org

Disclaimer: Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 31 march 2011. GRI explicitly excludes the statement being applied to any later changes to such material.



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Independent Accountants' Review Report

Board of Directors, Shareowners, and Stakeholders

Northern Trust Corporation
Chicago, Illinois

We have reviewed the Corporate Social Responsibility Report of Northern Trust Corporation ("the Company") for the year ended December 31, 2010. This report is the responsibility of the Company's management.

We conducted our review in accordance with attestation standards established by the American Institute of Certified Public Accountants. A review consists principally of applying analytical procedures, considering management assumptions, methods, and findings, and making inquiries of persons responsible for sustainability and operational matters. It is substantially less in scope than an examination, the objective of which is the expression of an opinion on the presentation. Accordingly, we do not express such an opinion. A review of the sustainability report is not intended to provide assurance on the entity's compliance with laws or regulations.

The preparation of the sustainability 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. Different entities may make different but acceptable interpretations and determinations. The sustainability report includes information regarding the Company's 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 such sustainability report does not include, in all material respects, the required elements of the Global Reporting Initiative G3 Guidelines for Application Level B sustainability reports; that the 2010 historical amounts included therein have not been accurately derived, in all material respects, from the Company's records; or that the underlying information, determinations, estimates, and assumptions of the Company do not provide a reasonable basis for the disclosures contained therein.

The comparative disclosures for periods prior to 2010 were not reviewed by us and, accordingly, we do not express any form of assurance on them.

Deloitte & Touche LLP

May 13, 2011
Detroit, Michigan

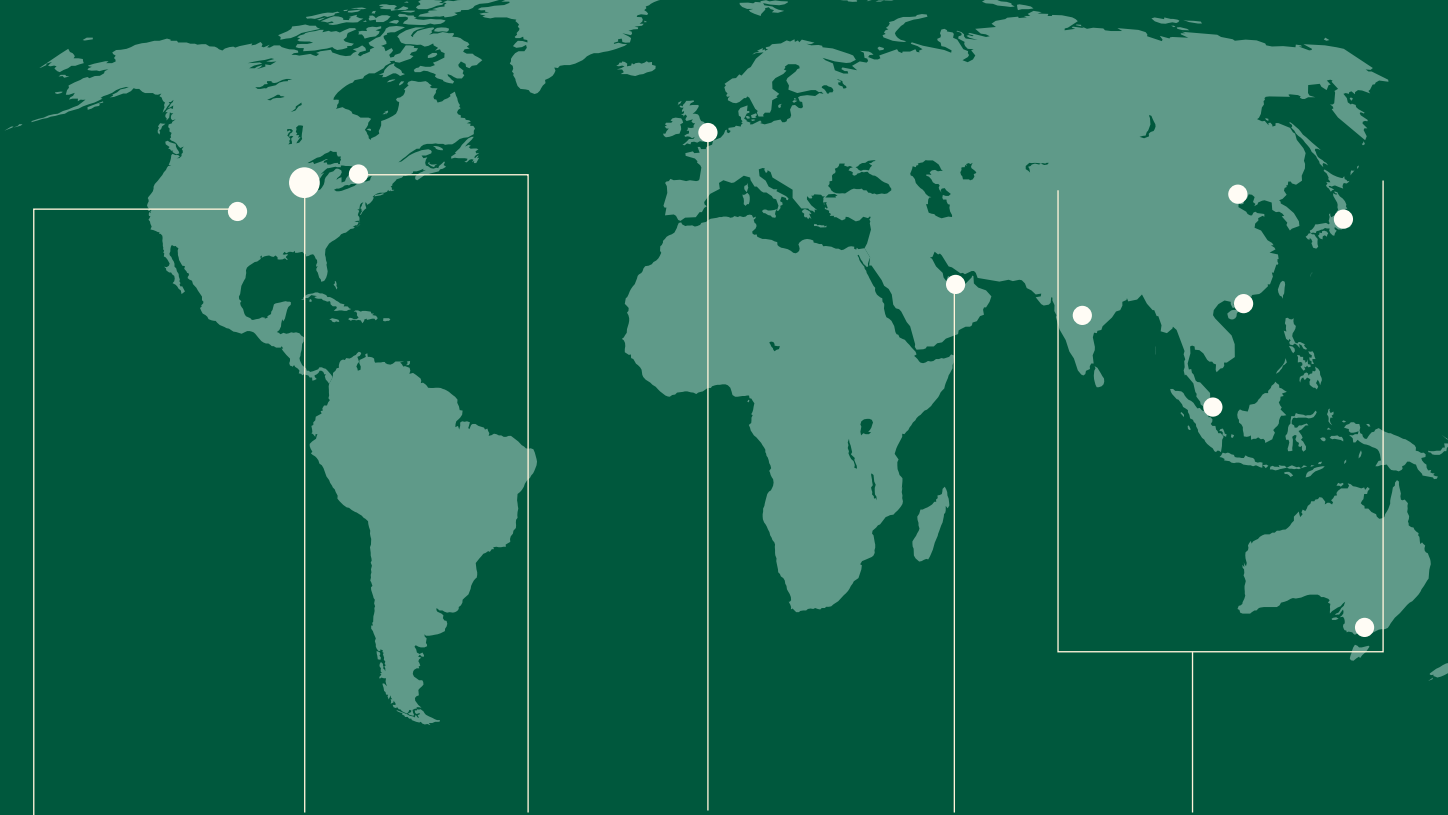
CORPORATE SOCIAL RESPONSIBILITY: HISTORICAL PERSPECTIVE

Northern Trust receives continuous industry recognition for our dedication to diversity, philanthropy and the environment as well as workplace initiatives that attract the service of the most talented, capable employees. Following are some of the many efforts we have undertaken and recognitions we have received.

1912	Offers free group life insurance for employees – one of the first companies in the nation to do so.	1990s	Converts prime financial district real estate at Monroe and Wells streets, adjacent to the headquarters building, from drive-up banking facility into compact urban Chicago park, open to the public.
1913	Introduces one of the nation's first employee pension plans.		
1930	Installs "manufactured weather" – a radical concept in its day – to reinforce Northern Trust as Chicago's preferred workplace, making its headquarters the first air-conditioned office building in the city.	1990	Opens the first employee child care center in downtown Chicago designed to support the needs of working parents. Organizes the first employee diversity councils to support diversity initiatives within business units. Becomes a component security in the Domini 400 Social Index.
1940s	Works with the national Office of Price Administration to develop a procedure, which becomes the national standard, for ration standardization during World War II.		Announces first grant for Science/Math Advocacy and Recruitment for Teaching Program, a collaborative effort with Northwestern University and the Chicago Urban League to assist talented, disadvantaged Chicago high school students.
1948	Opens new facility that includes modern new addressograph and tabulating technology to replace handwritten and typed recordkeeping.		
1949	Creates a pension and profit-sharing division to support the rapid expansion of employee benefit plans following World War II.	1991	Receives Employer of the Year designation by the International Association of Business, Industry, and Rehabilitation and the Midwest Association of Business, Rehabilitation and Industry for our support of the disabled community. Receives Voices for Illinois Children Award for our commitment to early childhood intervention and youth programs. This includes creation of the Centennial Fund for the Education of Children and our contributions to the Center for Successful Child Development in the low-income Robert Taylor Homes in Chicago.
1960	Installs fully integrated electronic accounting and check-processing system, a first for a Chicago bank and laying the foundation for later resource conservation efforts.		
1966	Forms a charitable trust to support not-for-profit organizations in Cook County, Illinois, where Northern Trust is headquartered.	1991-1998, 2000-2010	<i>Working Mother</i> magazine lists Northern Trust as among 100 Best Companies for Working Mothers in its annual survey.
1968	Creates a cooperative education program to give promising high school seniors jobs.		
1974	Develops industry-leading U.S. asset and reporting services to address corporate clients' needs as a result of the Employee Retirement Income Security Act, which mandated that employee benefit fund assets be held in trust.	1993	Introduces Diversity at Work, a program to prepare non-managers to become diversity advocates in the organization. Receives Exemplary Partnership Award from Illinois State Council on Business-Education Partnerships for our adopt-a-school partnership with Wells Community Academy.
1984	Establishes a neighborhood lending program to provide funding for income-qualified borrowers and properties in low- and moderate-income neighborhoods.		
1988	Forms the Black Affinity Group to support leadership development among employees of Black heritage. Forms an Employee Stock Ownership Plan to give employees a stake in the corporation's success. As of year-end 2008, employees, directors and retirees beneficially approximately 13% of Northern Trust stock.	1994	Forms TNT Pride to champion a tolerant environment for all lesbian, gay, bisexual and transgendered employees. Northern Trust Bank of Texas receives Habitat for Humanity's Long-Term Corporate Partner Award for pioneering development of 0% and low-interest financial programs in Dallas.
1989	Introduces Managing a Changing Workforce, a diversity training program for all managers and supervisors. Introduces Global Opportunities in Leadership Development, a recruitment and management training program.		

1995	<p>Institutes the Chairman's Diversity Award to recognize employees who champion and make noteworthy contributions to our diversity efforts.</p> <p>Receives the first Erie Neighborhood House Good Neighbor Award recognizing our commitment to that social service agency and to Chicago's West Town community.</p>	2003-2009	Computerworld magazine names Northern Trust to its Best Places to Work in IT annual list.
1996	<p>Receives the Department of Labor's Exemplary Volunteer Effort Award for our commitment to affirmative action efforts.</p> <p>Receives our first Bank Enterprise Award from the U.S. Treasury Department recognizing our community development programs in Chicago.</p>	2004	Receives Investor in People Leadership and Management Award from the United Kingdom Department for Education and Skills.
1996, 2005, 2009	Receives Outstanding Buyer Award from the Chicago Minority Business Development Council for our outstanding record of purchasing from minority- and women-owned vendors.	2005	<p>Creates the Latin Heritage Leadership Council to help employees of Hispanic descent with leadership development, networking and mentoring opportunities.</p> <p>Receives highest honor, The Success Award, from the Chicago Minority Enterprise Development Council.</p> <p>Receives Minority Enterprise Development Week Recognition Award for our Minority and Emerging Investment Manager Program and our Supplier Diversity initiatives.</p>
1997	Launches Private Passport®, offering online account access and bill payment to personal clients, with full integration to their trust, brokerage and mutual fund accounts and helping reduce client paper consumption.	2006	Forms Disability Affinity Group for employees with disabilities and parents of special-needs children.
1998	<p>Becomes only the second bank in the United States to offer domestic partner benefits to both same-sex and opposite-sex employees.</p> <p>Receives award from the Illinois Governor's Commission on the Status of Women for excellence in work/life issues.</p>	2007-2009	<p>FORTUNE magazine names Northern Trust as one of America's Most Admired Companies.</p> <p>ECPI E. Capital Partners adds Northern Trust to its Ethical Index GLOBAL, an SRI equity index tracking performance of 300 companies in 24 countries worldwide.</p> <p>Creates the Black Business Resource Council to broaden the scope and capabilities established by the Black Affinity Group.</p> <p>Introduces the emergency backup dependent care program to help employees address sudden family care needs on a daily basis.</p> <p>Receives Exemplary Best Practices Corporation Award from Chicagoland Chamber of Commerce.</p>
2000	<p>FORTUNE magazine names Northern Trust among the 100 Best Companies to Work for in America.</p> <p>Becomes component security in the KLD Broad Market Social Index and the KLD Large Cap Social Index.</p> <p>Receives the Catalyst Organization's award for significant progress in the advancement of women.</p> <p>Forms the Asian Leadership Council to address the needs and concerns of Asian employees.</p>	2008	<p>Barron's magazine names Northern Trust to its list of America's 500 Best Companies.</p> <p>Named one of Guernsey's Top Three Best Large Businesses.</p> <p>Named to Latina Style magazine's list of Top 50 Companies for Latinas to Work in the United States.</p> <p>Gains rating of 100 from Corporate Equality Index on the Human Right Campaign Foundation's Best Places to Work.</p> <p>Northern Trust launches the Partners Think Green sustainability brand.</p> <p>Receives the Anderson C. Rasumssen Jr., Award from the Minority Business Enterprise Input Committee of the Chicago Minority Business Development Council for extraordinary commitment to expanding purchasing from minority companies.</p>
2001	Receives Hannah G. Solomon Award from the Council of Jewish Women for "daring to make a difference."	2009	<p>CRO magazine names Northern Trust as one of its 100 Best Corporate Citizens.</p> <p>Business Week magazine names Northern Trust to its list of 50 Best-Performing American Companies.</p> <p>National Association for Female Executives names Northern Trust as among the Top 50 Companies for Executive Women.</p> <p>Real Estate & Construction Review selects new Northern Trust building in Fort Myers, Florida, as a Green Building of America Award-winning project for the Southeast region.</p>
2001-2003; 2005-2006	Business Ethics magazine names Northern Trust to its list of 100 Best Corporate Citizens.		
2001-2005; 2007-2009	Becomes a component of the FTSE4Good Index.		
2003	<p>Receives Equip for Equality's Corporate Award for employment of people with disabilities.</p> <p>Receives Corporate Diversity Award from the Chicago Council on Urban Affairs.</p> <p>Launches the Women in Leadership Forum to provide career development and organizational insight to female partners.</p> <p>Receives recognition by Global Finance magazine as one of the World's Most Socially Responsible Companies.</p>		
2003-2006	Receives Excellence through People Award from Enterprise Ireland.		

NORTHERN TRUST GLOBAL LOCATIONS



United States

Arizona
California
Colorado
Connecticut
Delaware
Florida
Georgia
Illinois
Massachusetts
Michigan
Minnesota
Missouri
Nevada
New York
Ohio
Texas
Washington
Wisconsin

Headquarters

Chicago

Canada

Toronto

Europe

Amsterdam
Dublin
Guernsey
Jersey
Limerick
London
Luxembourg
Stockholm

Middle East

Abu Dhabi

Asia-Pacific

Bangalore
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Hong Kong
Melbourne
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