

Carbon Reduction Plan

Supplier name: Northern Trust

Publication date: November 5, 2021

Commitment to achieving Net Zero Carbon

Northern Trust is committed to achieving net zero carbon emissions (Net Zero Carbon) from our business operations by 2050. Making a Net Zero Carbon commitment goes further than offsetting emissions from an organization's business operations. To achieve Net Zero Carbon, prior to offsetting, an organization must set a target for initial reductions in emissions from its operations. We are committed to reducing the emissions from our business operations by 50%, in addition to using offsets for our residual emissions.

Business Operations

Scope 1 emissions, direct greenhouse gas (GHG) emissions that result from sources that are controlled by Northern Trust, for example our use of gas boilers and back-up diesel generators.

Scope 2 emissions are indirect greenhouse gas emissions associated with the purchase of electricity, steam, heat, or cooling. Although scope 2 emissions physically occur at the point of generation, they are accounted for in an organization's GHG inventory because they are a result of that organization's energy use. For Northern Trust, scope 2 emissions are generally the result of our purchased electricity.

Scope 3 emissions are all indirect emissions (not included in scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions. While, we recognize that GHG protocols recommend including our investment and lending portfolios in our scope 3 emissions calculations, this plan is currently limited to our business operations.

Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

Baseline Year: 2019*						
Additional details relating to the baseline emission calculations.						
<p>In 2017, we reset a goal to reduce total Scope 1, Scope 2 (using the Market-Based Approach), and Scope 3 carbon emissions by 25% by 2020 compared to the 2015 baseline.</p> <p>In 2020, we exceeded that goal, reducing emissions by 65%. With the majority of our staff working from home in 2020 due to COVID-19, we believe it is more appropriate to use 2019 as our baseline year.</p>						
Baseline year emissions						
EMISSIONS	TOTAL Metric tons of carbon dioxide equivalent (MtonCO₂e)					
Scope 1	1,909 MtonCO₂e					
Scope 2	35,149 MtonCO₂e					
Scope 3	45,067 MtonCO₂e <table border="1" style="margin-left: 20px;"> <tr> <td>Category 1 - Purchased Goods and Services</td> </tr> <tr> <td>Category 3 - Fuel and Energy</td> </tr> <tr> <td>Category 5 - Waste Generated from Operations</td> </tr> <tr> <td>Category 6 - Business Travel</td> </tr> <tr> <td>Category 7 - Employee Commuting</td> </tr> </table>	Category 1 - Purchased Goods and Services	Category 3 - Fuel and Energy	Category 5 - Waste Generated from Operations	Category 6 - Business Travel	Category 7 - Employee Commuting
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Total Emissions	82,125 MtonCO₂e					

Current Emissions Reporting

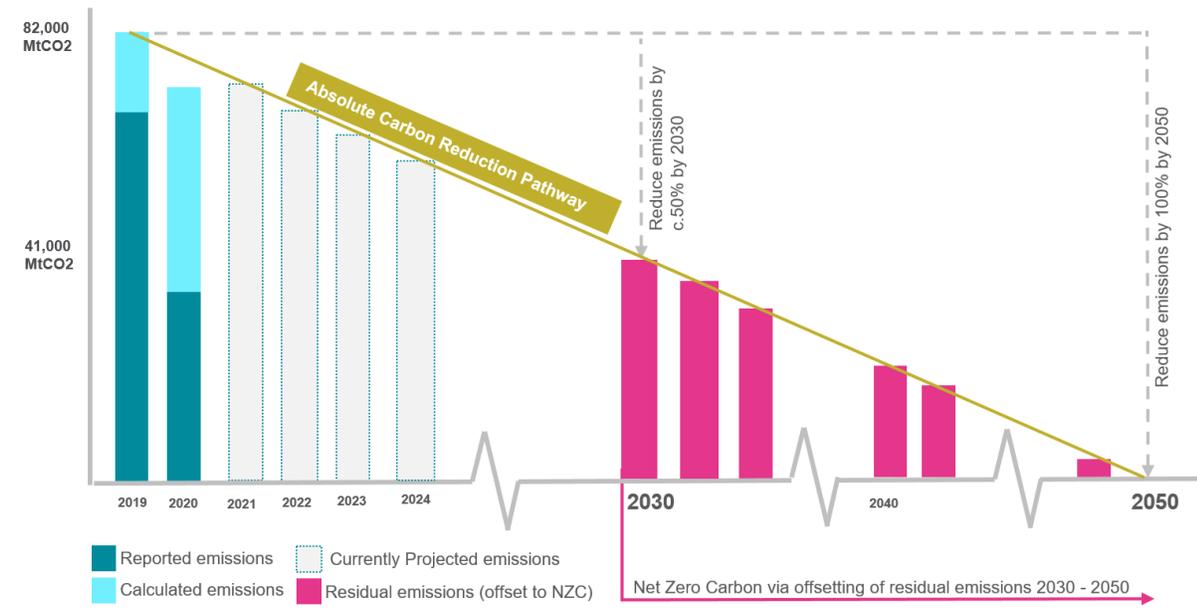
Reporting Year: 2020*						
EMISSIONS	TOTAL MtonCO2e					
Scope 1	1,610 MtonCO2e					
Scope 2	24,151 MtonCO2e					
Scope 3	45,982 MtonCO2e					
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Total Emissions	71,743 MtonCO2e					

Emissions reduction targets

In order to continue our progress to achieving Net Zero Carbon, we have developed the following carbon reduction targets.

We currently project that carbon emissions will decrease over the next five years to 63,875 MtonCO₂e by 2026. This is a reduction of 22% from our 2019 baseline.

Progress against these targets can be seen in the graph below:



Carbon Reduction Projects

Completed Carbon Reduction Initiatives

The following environmental management measures and projects have been completed or implemented since the 2019 baseline:

- Light-emitting diode (LED) lighting upgrades
- Passive Infrared (PIR) lighting controls
- Cold aisle containment

The carbon emission reduction achieved by these measures equate to 720 MtonCO₂e, a 1% reduction against the 2019 baseline.

In the future we hope to implement further measures such as:

- 100% use of renewable energy (or equivalent) in all locations
- De-gassing our real estate portfolio
- Installation of renewable energy technologies including photovoltaic (PV) and wind turbines
- Upgrades to electronically commutated (EC) fans in data centers
- Electrification of company-owned shuttle fleet
- Eliminate single use plastics from our premises

Forward-Looking Statements

This document may include statements which constitute “forward-looking statements” within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are identified typically by words or phrases such as “believe,” “expect,” “anticipate,” “intend,” “estimate,” “project,” “likely,” “plan,” “goal,” “target,” “strategy,” and similar expressions or future or conditional verbs such as “may,” “will,” “should,” “would,” and “could.” Forward-looking statements include statements, other than those related to historical facts, that relate to Northern Trust’s GHG emissions and the implementation of, and execution on, plans related thereto. These statements are based on Northern Trust’s current beliefs and expectations of future events or future results, and involve risks and uncertainties that are difficult to predict and subject to change. These statements are also based on assumptions about many important factors, including the factors discussed in Northern Trust’s most recent annual report on Form 10-K and other filings with the U.S. Securities and Exchange Commission, all of which are available on Northern Trust’s website. We caution you not to place undue reliance on any forward-looking statement as actual results may differ materially from those expressed or implied by forward-looking statements. Northern Trust assumes no obligation to update its forward-looking statements

Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard¹ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting².

Scope 1 and Scope 2 emissions have been reported in accordance with Streamline Energy & Carbon Reporting (SECR) requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard³.

Signed on behalf of Northern Trust :



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Teresa A. Parker, Executive Vice President and President – Europe, Middle East and Africa

* In the first quarter of 2021, Northern Trust enhanced its calculation methodology related to its 2019 emissions baseline data to include the following additional scope 3 information not previously included therein: Category 1 – Purchased Goods and Services, Category 5 – Waste Generated from Operations, Category 6 - Business Travel (Rental Car Hires) and Category 7 – Employee Commuting (Teleworking). As of the date of this document, new data included as a part of this methodology enhancement remains unaudited. Northern Trust expects this data will be audited during the reporting cycle related to the calendar year ending December 31, 2021. As a result of the foregoing, emissions data contained herein may vary in certain instances from comparable data included in Northern Trust’s Statement on Climate Change and Greenhouse Gas Emissions for periods prior to January 1, 2021.

¹ <https://ghgprotocol.org/corporate-standard>

² <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

³ <https://ghgprotocol.org/standards/scope-3-standard>