

**NORTHERN TRUST UCITS FGR FUND**

**ANNUAL REPORT AND AUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2016**

## NORTHERN TRUST UCITS FGR FUND

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## NORTHERN TRUST UCITS FGR FUND

### MANAGEMENT AND OTHER INFORMATION

|                                   |  |  |
|-----------------------------------|--|--|
| <b>Manager:</b>                   | Northern Trust Fund Managers (Ireland) Limited<br>Georges Court<br>54-62 Townsend Street<br>Dublin 2<br>Ireland  |  |
| <b>*Directors of the Manager:</b> | John Fitzpatrick <sup>1</sup><br>Michael Boyce <sup>1</sup><br>Gerald Brady <sup>1</sup><br>Eleanor Fitzgerald (Resigned 21 April 2017)<br>Willem van Ooijen (Resigned 29 August 2016)<br>Catherine Duffy (Resigned 29 August 2016)<br>Hazel McNeillage (Appointed 29 August 2016)<br>James Wright (Appointed 20 October 2016) | Irish<br>Irish<br>Irish<br>Irish<br>Dutch<br>Irish<br>British<br>British |
| <b>Investment Manager:</b>        | Northern Trust Global Investments Limited<br>50 Bank Street<br>Canary Wharf<br>London E14 5NT<br>United Kingdom  |  |
| <b>Depositary:</b>                | Northern Trust Global Services Limited<br>Amsterdam Branch<br>Claude Debussylaan 18A<br>1082 MD Amsterdam<br>The Netherlands   |  |
| <b>Legal Titleholder:</b>         | Stichting Bewaarder Anchor NL Beleggingsfondsen<br>Claude Debussylaan 18A<br>1082 MD Amsterdam<br>The Netherlands  |  |
| <b>Administrator:</b>             | Northern Trust International Fund Administration Services (Ireland) Limited<br>Georges Court<br>54-62 Townsend Street<br>Dublin 2<br>Ireland   |  |
| <b>Independent Auditor:</b>       | KPMG Accountants N.V.<br>Laan van Langerhuize 1<br>1186 DS Amstelveen<br>The Netherlands   |  |
| <b>Legal Adviser:</b>             | Norton Rose Fulbright LLP<br>Amstelplein 1<br>1096 HA Amsterdam<br>The Netherlands   |  |
| <b>Secretary of the Manager:</b>  | Northern Trust International Fund Administration Services (Ireland) Limited<br>Georges Court<br>54-62 Townsend Street<br>Dublin 2<br>Ireland   |  |

\*A chairman is appointed at each meeting of the Directors of the Manager and unitholders.

<sup>1</sup>Independent

## NORTHERN TRUST UCITS FGR FUND

### MANAGER'S REPORT

#### Principal Activities and Future Developments

Northern Trust UCITS FGR Fund (the "Fund") was established on 26 November 2014 as an Undertaking for Collective Investments in Transferable Securities (UCITS).

The Fund is structured as an open-ended umbrella fund with multiple sub-funds. As at 31 December 2016 the Fund comprises of eight Sub-Funds: Northern Trust North America Equity Index UCITS FGR Fund; Northern Trust Europe Equity Index UCITS FGR Fund; Northern Trust Developed Real Estate Index UCITS FGR Fund; Northern Trust Emerging Markets Custom ESG Equity Index UCITS FGR Fund; Northern Trust World Custom ESG Equity Index UCITS FGR Feeder Fund; Northern Trust Europe Custom ESG Equity Index UCITS FGR Feeder Fund; Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund; and Northern Trust Europe Fundamental Index UCITS FGR Feeder Fund (the "Sub-Funds").

The investment objectives of Northern Trust North America Equity Index UCITS FGR Fund, Northern Trust Europe Equity Index UCITS FGR Fund, Northern Trust Developed Real Estate Index UCITS FGR Fund and Northern Trust Emerging Markets Custom ESG Equity Index UCITS FGR Fund are to closely match the risks and returns of the MSCI North America Index, MSCI Europe Index, FTSE EPRA/NAREIT Developed Index and MSCI Emerging Markets Custom ESG Index respectively, with net dividends reinvested.

The investment objectives of Northern Trust World Custom ESG Equity Index UCITS FGR Feeder Fund, Northern Trust Europe Custom ESG Equity Index UCITS FGR Feeder Fund, Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund and Northern Trust Europe Fundamental Index UCITS FGR Feeder Fund (the "Feeder Funds") are to invest at least 85% of their assets in Northern Trust World Custom ESG Equity Index Fund, Northern Trust Europe Custom ESG Equity Index Fund, Northern Trust North America Custom ESG Equity Index Fund and Northern Trust Europe Fundamental Index Fund (the "Master Funds") respectively.

The investment objectives of Northern Trust World Custom ESG Equity Index Fund, Northern Trust Europe Custom ESG Equity Index Fund, Northern Trust North America Custom ESG Equity Index Fund and Northern Trust Europe Fundamental Index Fund are to closely match the risks and returns of the MSCI World Custom ESG Index, MSCI Europe Custom ESG Index, MSCI North America Custom ESG Index and FTSE RAFI Europe Index - QSR respectively, with net dividends reinvested.

A detailed review of the performance of each Sub-Fund for the year is included in the Investment Reviews on pages 5 to 12.

The Fund will continue to act as an investment vehicle as set out in its Prospectus.

#### Financial Situation, Results and Distributions

##### Financial Situation

The net assets of the Sub-Funds as at the year end were as follows:

|  |                   |
|--|-------------------|
| Northern Trust North America Equity Index UCITS FGR Fund                   | US\$966,189,910   |
| Northern Trust Europe Equity Index UCITS FGR Fund                          | €1,327,860,022    |
| Northern Trust Developed Real Estate Index UCITS FGR Fund                  | US\$1,624,637,970 |
| Northern Trust Emerging Markets Custom ESG Equity Index UCITS FGR Fund     | €127,921,504      |
| Northern Trust World Custom ESG Equity Index UCITS FGR Feeder Fund         | €883,453,338      |
| Northern Trust Europe Custom ESG Equity Index UCITS FGR Feeder Fund        | €177,876,692      |
| Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund | €65,777,605       |
| Northern Trust Europe Fundamental Index UCITS FGR Feeder Fund              | €331,424,537      |

Further details of the financial situation of the Sub-Funds as at the year end are set out in the Statement of Financial Position on pages 13 and 14

##### Results

The returns posted by the Sub-Funds and their respective benchmarks for the year were as follows:

|  | Sub-Fund | Benchmark |
|--|----------|-----------|
|  | %        | %         |
| Northern Trust North America Equity Index UCITS FGR Fund                   | 12.26    | 11.57     |
| Northern Trust Europe Equity Index UCITS FGR Fund                          | 3.27     | 2.58      |
| Northern Trust Developed Real Estate Index UCITS FGR Fund                  | 5.12     | 4.06      |
| Northern Trust Emerging Markets Custom ESG Equity Index UCITS FGR Fund     | 13.24    | 13.14     |
| Northern Trust World Custom ESG Equity Index UCITS FGR Feeder Fund         | 10.54    | 10.07     |
| Northern Trust Europe Custom ESG Equity Index UCITS FGR Feeder Fund        | 1.76     | 1.24      |
| Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund | 14.86    | 14.47     |
| Northern Trust Europe Fundamental Index UCITS FGR Feeder Fund              | 19.73    | 19.06     |

Further details of the results of the Sub-Funds for the year are stated in the Statement of Comprehensive Income on pages 17 and 18.

## NORTHERN TRUST UCITS FGR FUND

### MANAGER'S REPORT (continued)

#### Financial Situation, Results and Distributions (continued)

##### *Distributions*

Total distributions declared and paid by the Sub-Funds during the year were as follows:

|  |                |
|--|----------------|
| Northern Trust North America Equity Index UCITS FGR Fund               | US\$13,088,548 |
| Northern Trust Europe Equity Index UCITS FGR Fund                      | €34,815,061    |
| Northern Trust Developed Real Estate Index UCITS FGR Fund              | US\$29,858,066 |
| Northern Trust Emerging Markets Custom ESG Equity Index UCITS FGR Fund | €1,100,149     |
| Northern Trust World Custom ESG Equity Index UCITS FGR Feeder Fund     | €283,702       |
| Northern Trust Europe Custom ESG Equity Index UCITS FGR Feeder Fund    | €58,668        |

Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund and Northern Trust Europe Fundamental Index UCITS FGR Feeder Fund did not declare or pay any distributions during the year.

Further details of distributions by the Sub-Funds during the year are stated in note 8 on pages 33 and 34.

#### Events during the Year

Northern Trust Europe Fundamental Index UCITS FGR Feeder Fund commenced operations on 15 January 2016.

The following unit classes launched during the year: Class B Euro of Northern Trust Emerging Markets Custom ESG Equity Index UCITS FGR Fund; Class B Euro of Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund; and Class A Euro of Northern Trust Europe Fundamental Index UCITS FGR Feeder Fund.

Effective 29 August 2016, Catherine Duffy and Willem van Ooijen resigned as Directors of the Manager. Effective 29 August 2016 and 20 October 2016 respectively, Hazel McNeillage and James Wright were appointed as Directors of the Manager.

There were no other significant events during the year.

#### Events Since the Year End

Northern Trust World Custom ESG Minimum Volatility Equity Index UCITS FGR Fund commenced operations on 10 January 2017.

Effective 21 April 2017, Eleanor Fitzgerald resigned as a Director of the Manager.

There have been no other significant events affecting the Fund subsequent to the year end.

#### Investment Risks

The Sub-Funds invest in accordance with their respective investment objectives and policies. The value of investments and the income from them, and therefore the value of and income from units relating to each Sub-Fund, will therefore be closely linked to the performance of such investments. Investments made by Northern Trust Global Investments Limited (the "Investment Manager"), are speculative and an investment in a Sub-Fund, therefore, involves a degree of risk. There is no guarantee that the investment objective of a Sub-Fund, or its risk monitoring, will be achieved and results may vary substantially over time.

The Investment Manager has taken measures to mitigate the risks carried by the investment strategy of each Sub-Fund. The investment objective of each Sub-Fund is to closely match the risk and return of the specific market index of each Sub-Fund. The Sub-Funds operate index tracking strategies whereby they seek to track the risk and return characteristics of their indices by investing directly in assets that are index constituents (i.e. a physical replication model). However, each Sub-Fund does not seek to fully replicate its index but instead seeks to match the Sub-Fund's investments with index constituents on a sample based physical replication model (i.e. an optimisation approach) within the scope of the general UCITS investment restrictions and the specific investment restrictions set out in the Prospectus. Accordingly, investment in a Sub-Fund should not be considered to provide a direct exposure to its index. In normal market conditions each Sub-Fund can be expected to closely match the performance of its index. However, in normal market conditions an ex-post tracking error of up to 1% should be anticipated. This is due to transaction costs and the liquidity impact of the Sub-Funds' optimisation approach.

A Sub-Fund's investment strategy may carry considerable risks. Financial risks that the Sub-Funds' activities are exposed to are detailed in note 12. The main risks are described below.

##### *Market and Liquidity Risk*

Some of the securities traded on the exchanges in which each Sub-Fund may invest may prove to be illiquid or highly volatile from time to time and this may affect the price at which each Sub-Fund may liquidate positions to meet repurchase requests or other funding requirements. The securities of small capitalisation companies are less liquid and this may result in fluctuations in the price of the units of the relevant Sub-Fund. As the Sub-Funds invest in daily tradeable financial instruments, the liquidity risk is low. However, in unforeseen circumstances it is possible that the positions of the Sub-Funds cannot be liquidated in time against a reasonable price. In the case of certain Sub-Funds there may be limited exposure to emerging markets and investors should be aware of risks attached to investing in such markets which could have a limited impact on the performance of such relevant Sub-Funds.

## NORTHERN TRUST UCITS FGR FUND

### MANAGER'S REPORT (continued)

#### Investment Risks (continued)

##### *Concentration Risks*

To the extent the Sub-Funds invest in a greater amount in any one financial instrument, sector or industry, the performance of the Sub-Funds will depend to a greater extent on the overall condition of the financial instrument, sector or industry, and there is increased risk to the Sub-Funds if conditions adversely affect that financial instrument, sector or industry.

##### *Redemption Risks*

The redemption of units is subject to restrictions as outlined in the Prospectus and may in circumstances be suspended. Redemptions may cause the Sub-Funds to dispose of investments in order to meet their redemption obligations earlier than anticipated or under less favourable market conditions than the Sub-Funds would otherwise have disposed of such investments. This may result in a lower net asset value, generating lower or negative returns for the non-redeeming unitholders. Significant redemptions may lead to significant losses to unitholders which remain invested in the Sub-Funds.

##### *Reliance on the Investment Manager*

The unitholders have no right to participate in the management of a Sub-Fund or in the control of its business. Accordingly no person should purchase any units unless he is willing to entrust all aspects of management of the Sub-Fund to Northern Trust Fund Managers (Ireland) Limited (the "Manager"), and all aspects of selection and management of the Sub-Fund's investments to the Investment Manager. The Sub-Funds' success therefore depends substantially on the efforts of the Manager and the Investment Manager.

##### *Risks Associated with Investing in Other Investment Funds*

A Sub-Fund may invest in one or more investment funds selected by the Investment Manager in accordance with the respective investment objectives and policies, including schemes managed by the Manager, the Investment Manager or their affiliates. The value of investments and the income from them, and the value of and income from units relating to each Sub-Fund, is therefore closely linked to the performance of such underlying investment fund. The investment programmes of these underlying investment funds may be speculative and an investment in such a Sub-Fund, consequently, involves a high degree of risk.

##### *Legal and Regulatory Risks*

Legal and regulatory (including taxation) changes could adversely affect the Fund. Regulation (including taxation) of investment vehicles such as the Fund is still evolving and therefore subject to change. In addition, many governmental agencies, self-regulatory organisations and exchanges are authorised to take extraordinary actions in the event of market emergencies. The effect of any future legal or regulatory (including taxation) change on the Fund is impossible to predict, but could be substantial and have adverse consequences on the rights and returns of unitholders.

##### *Political and/or Regulatory Risks*

The performance of a Sub-Fund may be adversely affected by developments in the countries that such Sub-Fund may invest in, or by changes in economic and market conditions, uncertainties such as political developments, changes in government policies, the imposition of restrictions on the transfer of capital and in legal, regulatory and tax requirements.

#### Administrative Organisation and Internal Controls

The Manager has documented the administrative organisation and internal controls in accordance with the Act on Financial Supervision (Wet op het financieel toezicht) (the "AFS") and the Decree on Conduct of Business of Financial Institutions AFS (Besluit Gedragstoezicht financiële ondernemingen Wft) ("BGfo"). During the reporting period we have reviewed the various aspects of the Fund's operations. Our work did not find anything that would lead us to conclude that the administrative organisation and the system of internal controls as referenced in article 121 of the BGfo does not satisfy the requirements as laid down in the BGfo and related regulations. Furthermore, we did not find that the administrative organisation and internal controls are ineffective or that they do not operate in accordance with their description.

Based on the above, we declare as Manager of the Fund, that we are in possession of a description of the administrative organisation and internal controls in accordance with article 121 of the BGfo which fulfils the requirements of the BGfo. We also state with a reasonable degree of certainty that the administrative organisation and the system of internal controls were effective and operated in accordance with its description during the reporting period.

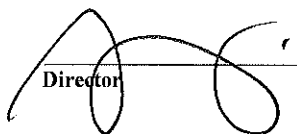
#### On behalf of the Manager



Director

Northern Trust Fund Managers (Ireland) Limited  
Georges Court  
54-62 Townsend Street  
Dublin 2  
Ireland

25 April 2017



Director

**NORTHERN TRUST UCITS FGR FUND**  
**NORTHERN TRUST NORTH AMERICA EQUITY INDEX UCITS FGR FUND**

**INVESTMENT REVIEW**

*For the year ended 31 December 2016*

**Launch Date**

11 March 2015

**Sub-Fund Size**

US\$966.19 million

**Benchmark**

MSCI North America Index

**Sub-Fund Review**

For the year ended 31 December 2016 the Sub-Fund has posted a return of 12.26% while the benchmark has returned 11.57%. Since inception the Sub-Fund has outperformed the benchmark, being up 6.75% annualised whilst the benchmark has returned 6.12% annualised. The ex-post tracking error reported since inception is 0.08%.

MSCI announced the results of its quarterly review for the MSCI Standard Developed and Emerging Market Index Series for February 2016. For MSCI North America, there were 7 additions to and 6 deletions from the index. One-way index turnover was 0.62%.

MSCI announced the results of its quarterly review for the MSCI Standard Developed and Emerging Market Index Series for May 2016. For MSCI North America, there were 13 additions to and 9 deletions from the index. One-way index turnover was 0.79%.

MSCI announced the results of its quarterly review for the MSCI Standard Developed and Emerging Market Index Series for August 2016. For MSCI North America, there was one addition to and one deletion from the index. One-way index turnover was 0.41%.

MSCI announced the results of its quarterly review for the MSCI Standard Developed and Emerging Market Index Series for November 2016. For MSCI North America, there were 19 additions to and 3 deletions from the index. One-way index turnover was 0.69%.

The index changes were carefully traded to minimise cost and deviation from the benchmark and were used as an opportunity to equitise some of the futures exposure.

**Northern Trust Global Investments Limited**  
**Investment Manager**  
**March 2017**

**NORTHERN TRUST UCITS FGR FUND**  
**NORTHERN TRUST EUROPE EQUITY INDEX UCITS FGR FUND**

**INVESTMENT REVIEW**

*For the year ended 31 December 2016*

**Launch Date**

11 March 2015

**Sub-Fund Size**

€1.33 billion

**Benchmark**

MSCI Europe Index

**Sub-Fund Review**

For the year ended 31 December 2016 the Sub-Fund has posted a return of 3.27% while the benchmark has returned 2.58%. Since inception the Sub-Fund has outperformed the benchmark, being down -1.60% annualised whilst the benchmark has returned -2.26% annualised. The ex-post tracking error reported since inception is 0.74%.

MSCI implemented changes to their series of indices at the end of February 2016. These changes included normal investment review changes such as additions, deletions, and float and shares changes. For MSCI Europe there were 3 additions and 2 deletions and a number of free float and shares in issue changes. The one-way index turnover was 0.31%.

MSCI implemented changes to their series of indices at the end of May 2016. These changes included normal investment review changes such as additions, deletions, and float and shares changes. For MSCI Europe there were 9 additions and 4 deletions and a number of free float and shares in issue changes. The one-way index turnover was 1.14%.

MSCI implemented changes to their series of indices at the end of August 2016. These changes included normal investment review changes such as additions, deletions, and float and shares changes. For MSCI Europe there were no additions and no deletions and a number of free float and shares in issue changes. The one-way index turnover was 0.17%.

MSCI implemented changes to their series of indices at the end of November 2016. These changes included normal investment review changes such as additions, deletions, and float and shares changes. For MSCI Europe, there were 7 additions and 3 deletions and a number of free float and shares in issue changes. One-way index turnover was 0.46%.

The index changes were carefully traded to minimise cost and deviation from the benchmark and were used as an opportunity to equitise some of the futures exposure.

**Northern Trust Global Investments Limited**  
**Investment Manager**  
**March 2017**



**NORTHERN TRUST UCITS FGR FUND**  
**NORTHERN TRUST DEVELOPED REAL ESTATE INDEX UCITS FGR FUND**

**INVESTMENT REVIEW**

*For the year ended 31 December 2016*

**Launch Date**

11 March 2015

**Sub-Fund Size**

US\$1.62 billion

**Benchmark**

FTSE EPRA/NAREIT Developed Index

**Sub-Fund Review**

For the year ended 31 December 2016 the Sub-Fund has posted a return of 5.12% while the benchmark has returned 4.06%. Since inception the Sub-Fund has outperformed the benchmark, being up 2.78% annualised whilst the benchmark has returned 1.82% annualised. The ex-post tracking error reported since inception is 0.21%.

Having met in July and its next meeting in September, the Federal Open Market Committee (FOMC) fuelled much speculation for a September rate hike. However the minutes from the September FOMC meeting confirmed the growing division between the hawks and doves with labour market slack being the key area of the divergence. Meanwhile, the surprise US election win by Republican nominee Donald Trump dominated the news flow throughout November and had an immediate impact on markets. With this, in its December meeting, the Federal Reserve voted to raise interest rates to a range of 0.50 to 0.75% in a widely anticipated and fully priced-in move. The Bank of England's Monetary Policy Committee (MPC) voted unanimously to keep the Bank Rate (0.25%) and unconventional policy measures unchanged at their December meeting. The MPC also indicated their continued surveillance of the effectiveness of the measures announced in August and willingness to 'respond, in either direction, to changes in the economic outlook'. The European Central Bank (ECB) left all of the policy measures unchanged, emphasising the ongoing commitment to maintain an exceptionally accommodative monetary stance required to secure a return to the 2% inflation target. A relatively quiet month was had in Europe throughout November as markets prepared for the busy political calendar starting with the Italian referendum in early December. Meanwhile during the December meeting, the ECB announced adjustments to non-standard monetary policy measures as it continues with a substantial level of accommodative policy. The quantitative easing (QE) program was extended until at least December 2017, whilst the pace of asset purchases was scaled down to €60 billion per month from April 2017 onward.

The Reserve Bank of Australia (RBA) left its benchmark interest rates on hold at 1.50%, despite concerns that the resource-rich economy has slowed sharply in the second half of the year. The RBA cut interest rates twice this year, each time by 0.25% points, in May and then August. Governor Philip Lowe emphasised that 'some slowing in the year ended growth rate is likely' while noting that higher resource export prices 'are providing a boost to national income'. The Reserve Bank of New Zealand (RBNZ) held the Official Cash Rate at its record low of 1.75%. Assistant Governor John McDermott had only in October affirmed that the RBNZ anticipates it will need to make monetary policy looser to try and stir inflation, which will remain subdued in the near term.

**Northern Trust Global Investments Limited**  
**Investment Manager**  
**March 2017**

**NORTHERN TRUST UCITS FGR FUND**  
**NORTHERN TRUST EMERGING MARKETS CUSTOM ESG EQUITY INDEX UCITS FGR FUND**

**INVESTMENT REVIEW**

*For the year ended 31 December 2016*

**Launch Date**

15 December 2015

**Sub-Fund Size**

€127.92 million

**Benchmark**

MSCI Emerging Markets Custom ESG Index

**Sub-Fund Review**

For the year ended 31 December 2016 the Sub-Fund has posted a return of 13.24% while the benchmark has returned 13.14%. Since inception the Sub-Fund has outperformed the benchmark, being up 15.68% annualised whilst the benchmark has returned 15.55% annualised. The ex-post tracking error reported since inception is 0.51%.

MSCI announced the results of its quarterly review for the MSCI Standard Developed and Emerging Market Index Series for February 2016. These changes included normal investment review changes such as additions, deletions, and float and shares changes. For MSCI Emerging Markets Custom ESG, there were 2 additions to and 2 deletions from the index. One-way index turnover was 0.39%.

MSCI announced the results of its quarterly review for the MSCI Standard Developed and Emerging Market Index Series for May 2016. These changes included normal investment review changes such as additions, deletions, and float and shares changes. For MSCI Emerging Markets Custom ESG, there were 15 additions to and 17 deletions from the index. One-way index turnover was 4.21%.

MSCI announced the results of its quarterly review for the MSCI Standard Developed and Emerging Market Index Series for August 2016. These changes included normal investment review changes such as additions, deletions, and float and shares changes. For MSCI Emerging Markets Custom ESG, there were no additions to and no deletions from the index. One-way index turnover was 0.65%.

MSCI announced the results of its quarterly review for the MSCI Standard Developed and Emerging Market Index Series for November 2016. These changes included normal investment review changes such as additions, deletions, and float and shares changes. For MSCI Emerging Markets Custom ESG, there were 21 additions to and 20 deletions from the index. One-way index turnover was 1.17%.

The index changes were carefully traded to minimise any deviation from the benchmark and were used as an opportunity to equitise some of the futures exposure.

**Northern Trust Global Investments Limited**  
**Investment Manager**  
**March 2017**

**NORTHERN TRUST UCITS FGR FUND  
NORTHERN TRUST WORLD CUSTOM ESG EQUITY INDEX UCITS FGR FEEDER FUND**

**INVESTMENT REVIEW**

*For the year ended 31 December 2016*

**Launch Date**

24 September 2015

**Sub-Fund Size**

€883.45 million

**Benchmark**

MSCI World Custom ESG Index

**Sub-Fund Review**

For the year ended 31 December 2016 the Sub-Fund has posted a return of 10.54% while the benchmark has returned 10.07%. Since inception the Sub-Fund has outperformed the benchmark, being up 15.98% annualised whilst the benchmark has returned 15.49 annualised. The ex-post tracking error reported since inception is 0.18%.

MSCI announced the results of its quarterly review for the MSCI Standard Developed and Emerging Market Index Series for February 2016. These changes included normal investment review changes such as additions, deletions, and float and shares changes. For MSCI World Custom ESG, there were 11 additions to and 8 deletions from the index and a number of free float changes and shares in issue changes. One-way index turnover was 0.49%.

MSCI announced the results of its quarterly review for the MSCI Standard Developed and Emerging Market Index Series for May 2016. These changes included normal investment review changes such as additions, deletions, and float and shares changes. For MSCI World Custom ESG, there were 28 additions to and 20 deletions from the index and a number of free float changes and shares in issue changes. One-way index turnover was 0.95%.

MSCI announced the results of its quarterly review for the MSCI Standard Developed and Emerging Market Index Series for August 2016. These changes included normal investment review changes such as additions, deletions, and float and shares changes. For MSCI World Custom ESG, there was one addition to and one deletion from the index and a number of free float changes and shares in issue changes. One-way index turnover was 0.34%.

MSCI announced the results of its quarterly review for the MSCI Standard Developed and Emerging Market Index Series for November 2016. These changes included normal investment review changes such as additions, deletions, and float and shares changes. For MSCI World Custom ESG, there were 34 additions to and 14 deletions from the index and a number of free float changes and shares in issue changes. One-way index turnover was 0.63%.

**Northern Trust Global Investments Limited  
Investment Manager  
March 2017**

**NORTHERN TRUST UCITS FGR FUND**  
**NORTHERN TRUST EUROPE CUSTOM ESG EQUITY INDEX UCITS FGR FEEDER FUND**

**INVESTMENT REVIEW**

*For the year ended 31 December 2016*

**Launch Date**

9 October 2015

**Sub-Fund Size**

€177.88 million

**Benchmark**

MSCI Europe Custom ESG Index

**Sub-Fund Review**

For the year ended 31 December 2016 the Sub-Fund has posted a return of 1.76% while the benchmark has returned 1.24%. Since inception the Sub-Fund has outperformed the benchmark, being up 2.29% annualised whilst the benchmark has returned 1.99% annualised. The ex-post tracking error reported since inception is 0.62%.

MSCI announced the results of its quarterly review for the MSCI Standard Developed and Emerging Market Index Series for February 2016. These changes included normal investment review changes such as additions, deletions, and float and shares changes. For MSCI Europe Custom ESG, there were 3 additions to and 2 deletions from the index and number of free float changes and shares in issue changes. One-way index turnover was 0.31%.

MSCI announced the results of its quarterly review for the MSCI Standard Developed and Emerging Market Index Series for May 2016. These changes included normal investment review changes such as additions, deletions, and float and shares changes. For MSCI Europe Custom ESG, there were 9 additions to and 4 deletions from the index and a number of free float changes and shares in issue changes. One-way index turnover was 1.14%.

MSCI announced the results of its quarterly review for the MSCI Standard Developed and Emerging Market Index Series for August 2016. These changes included normal investment review changes such as additions, deletions, and float and shares changes. For MSCI Europe Custom ESG, there were no addition to and no deletion from the index and a number of free float changes and shares in issue changes. One-way index turnover was 0.17%.

MSCI announced the results of its quarterly review for the MSCI Standard Developed and Emerging Market Index Series for November 2016. These changes included normal investment review changes such as additions, deletions, and float and shares changes. For MSCI Europe Custom ESG, there were 6 additions to and 3 deletions from the index and a number of free float changes and shares in issue changes. One-way index turnover was 0.46%.

**Northern Trust Global Investments Limited**  
**Investment Manager**  
**March 2017**

**NORTHERN TRUST UCITS FGR FUND**  
**NORTHERN TRUST NORTH AMERICA CUSTOM ESG EQUITY INDEX UCITS FGR FEEDER FUND**

**INVESTMENT REVIEW**

*For the year ended 31 December 2016*

**Launch Date**

21 December 2015

**Sub-Fund Size**

€65.78 million

**Benchmark**

MSCI North America Custom ESG Index

**Sub-Fund Review**

For the year ended 31 December 2016 the Sub-Fund has posted a return of 14.86% while the benchmark has returned 14.47%. Since inception the Sub-Fund has outperformed the benchmark, being up 16.18% annualised whilst the benchmark has returned 15.81% annualised. The ex-post tracking error reported since inception is 0.09%.

MSCI announced the results of its quarterly review for the MSCI Standard Developed and Emerging Market Index Series for February 2016. These changes included normal investment review changes such as additions, deletions, and float and shares changes. For MSCI North America Custom ESG, there were 7 additions to and 6 deletions from the index and a number of free float changes and shares in issue changes. One-way index turnover was 0.62%.

MSCI announced the results of its quarterly review for the MSCI Standard Developed and Emerging Market Index Series for May 2016. These changes included normal investment review changes such as additions, deletions, and float and shares changes. For MSCI North America Custom ESG, there were 13 additions to and 9 deletions from the index and a number of free float changes and shares in issue changes. One-way index turnover was 0.79%.

MSCI announced the results of its quarterly review for the MSCI Standard Developed and Emerging Market Index Series for August 2016. These changes included normal investment review changes such as additions, deletions, and float and shares changes. For MSCI North America Custom ESG, there were one addition to and one deletion from the index and a number of free float changes and shares in issue changes. One-way index turnover was 0.41%.

MSCI announced the results of its quarterly review for the MSCI Standard Developed and Emerging Market Index Series for November 2016. These changes included normal investment review changes such as additions, deletions, and float and shares changes. For MSCI North America Custom ESG, there were 19 additions to and 3 deletions from the index and a number of free float changes and shares in issue changes. One-way index turnover was 0.69%.

**Northern Trust Global Investments Limited**  
**Investment Manager**  
**March 2017**

**NORTHERN TRUST UCITS FGR FUND**  
**NORTHERN TRUST EUROPE FUNDAMENTAL INDEX UCITS FGR FEEDER FUND**

**INVESTMENT REVIEW**

*For the period from 15 January 2016 to 31 December 2016*

**Launch Date**

15 January 2016

**Sub-Fund Size**

€331.42 million

**Benchmark**

FTSE RAFI Europe Index – QSR

**Sub-Fund Review**

Since inception the Sub-Fund has posted a return of 19.73% while the benchmark has returned 19.06%. The ex-post tracking error reported since inception is 0.68%.

The ECB left all of the policy measures unchanged, emphasising the ongoing commitment to maintain an exceptionally accommodative monetary stance required to secure a return to the 2% inflation target. The Governing Council of the ECB swiftly diverted market participants' attention to the December meeting by underscoring the significance of the upcoming set of macroeconomic projections (through to 2019) and the work of various Eurosystem committees on the QE implementation. With a relatively quiet month in Europe throughout November, markets prepared for the busy political calendar starting with the Italian referendum in early December. Meanwhile during the December meeting, the ECB announced adjustments to non-standard monetary policy measures as it continues with a substantial level of accommodative policy. The QE program was extended until at least December 2017, whilst the pace of asset purchases was scaled down to €60 billion per month from April 2017 onward. Additionally, to ensure smooth implementation of the asset purchase program, two key technical changes were introduced. From January 2017, the ECB will allow purchases of assets with yield to maturity below the deposit facility rate and with minimum residual maturity of 1 year. Further, to relieve increasing pressures in the repo market, the Eurosystem central banks will be permitted to accept cash as collateral under the Securities Lending Program.

Economic data continues to be resilient and overall the sentiment in the Euro-area appears positive. The Brexit-related fears subsided to some extent, as the negative spillovers have not materialised and confidence has not withered as much as initially feared. Eurozone GDP growth remained steady at 0.3% in the third quarter. Whilst headline inflation rose by 0.6% y/y, core inflation remained stubbornly unchanged at 0.8% y/y. Separately, broad-based strength was also visible across countries with economic sentiment improving in Germany, Spain and Italy. The December IFO climate indicator (111.0) and the ZEW indicator (up 4.7 points) both surprised to the upside. The unemployment rate in Eurozone fell to single digits (9.8%) for the first time since the bloc's debt crisis in 2010.

**Northern Trust Global Investments Limited**  
**Investment Manager**  
**March 2017**

**NORTHERN TRUST UCITS FGR FUND**

**STATEMENT OF FINANCIAL POSITION**

*As at 31 December 2016*

|   |              | <b>Northern Trust<br/>North America<br/>Equity Index<br/>UCITS FGR Fund</b> | <b>Northern Trust<br/>Europe Equity<br/>Index UCITS FGR<br/>Fund</b> | <b>Northern Trust<br/>Developed Real<br/>Estate Index UCITS<br/>FGR Fund</b> | <b>Northern Trust<br/>Emerging Markets<br/>Custom ESG Equity<br/>Index UCITS FGR<br/>Fund</b> |
|---|--------------|---|--|--|---|
|   | <b>Notes</b> | <b>US\$</b>   | <b>€</b>   | <b>US\$</b>  | <b>€</b>  |
| <b>Assets</b>   |              |   |  |  |   |
| <i>Financial assets at fair value through profit or loss:</i>   |              |   |  |  |   |
| Investments in transferable securities  | 12           | 952,326,424   | 1,302,796,181  | 1,607,016,320  | 121,045,148   |
| Investment funds  | 12           | 9,840,692   | 14,716,122   | 6,008,710  | 3,631,715   |
| Unrealised gains on futures contracts   | 12           | -   | 506,318  | 94,811   | -   |
| <i>Loans and receivables:</i>   |              |   |  |  |   |
| Cash and cash equivalents   | 9            | 656,994   | 3,260,106  | 3,867,230  | 672,470   |
| Margin cash   | 9            | 1,730,341   | 2,520,720  | 1,407,738  | 500,855   |
| Dividends receivable  |              | 1,086,267   | 1,192,971  | 6,020,492  | 323,418   |
| Receivable for securities sold  |              | -   | 296,909  | 16,925   | -   |
| Subscriptions receivable  |              | 1,155,948   | 271,996  | 1,729,890  | 1,999,822   |
| Withholding tax rebate  |              | 641,395   | 217,409  | 1,922,746  | 61,658  |
| Other assets  |              | 48,453  | 2,328,536  | 396,962  | 661   |
| <b>Total assets</b>   |              | <b>967,486,514</b>  | <b>1,328,107,268</b>   | <b>1,628,481,824</b>   | <b>128,235,747</b>  |
| <b>Liabilities</b>  |              |   |  |  |   |
| <i>Financial liabilities at fair value through profit or loss:</i>  |              |   |  |  |   |
| Unrealised losses on futures contracts  | 12           | 32,810  | 15,004   | 35,451   | 1,518   |
| <i>Financial liabilities measured at amortised cost:</i>  |              |   |  |  |   |
| Payable for securities purchased  |              | -   | -  | 2,614,953  | -   |
| Redemptions payable   |              | 1,076,824   | 42,002   | 806,779  | 250,464   |
| Dutch tax remittance payable  |              | 42,290  | -  | 99,806   | -   |
| Investment management fees payable  | 6, 11        | 21,390  | 30,875   | 66,590   | 5,006   |
| Management fees payable   | 6, 11        | 22,445  | 30,260   | 38,836   | -   |
| Administration fees payable   | 6, 11        | 44,729  | 60,377   | 89,256   | 5,649   |
| Depository fees payable   | 6, 11        | 28,950  | 37,322   | 51,333   | 14,130  |
| Audit fees payable  |              | 9,554   | 7,913  | 6,664  | 10,940  |
| Other liabilities   |              | 17,612  | 23,493   | 34,186   | 26,536  |
| <b>Total liabilities (excluding net assets attributable to holders of redeemable participating units)</b> |              | <b>1,296,604</b>  | <b>247,246</b>   | <b>3,843,854</b>   | <b>314,243</b>  |
| <b>Net assets attributable to holders of redeemable participating units</b>                               | <b>20</b>    | <b>966,189,910</b>  | <b>1,327,860,022</b>   | <b>1,624,637,970</b>   | <b>127,921,504</b>  |
| <b>Net assets attributable to holders of redeemable participating units</b>                               |              |   |  |  |   |
| Classified as liabilities   |              | 966,189,910   | 1,327,860,022  | 1,624,637,970  | 127,921,504   |

The accompanying notes form an integral part of these financial statements.

**NORTHERN TRUST UCITS FGR FUND**


**STATEMENT OF FINANCIAL POSITION (continued)**

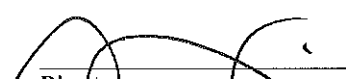
As at 31 December 2016

|   |       | Northern Trust<br>World Custom<br>ESG Equity Index<br>UCITS FGR<br>Feeder Fund<br>€ | Northern Trust<br>Europe Custom<br>ESG Equity Index<br>UCITS FGR<br>Feeder Fund<br>€ | Northern Trust<br>North America<br>Custom ESG<br>Equity Index<br>UCITS FGR<br>Feeder Fund<br>€ | Northern Trust<br>Europe<br>Fundamental<br>Index UCITS FGR<br>Feeder Fund<br>€ |
|---|-------|---|--|--|--|
| Notes   |       |   |  |  |  |
| <b>Assets</b>   |       |   |  |  |  |
| <i>Financial assets at fair value through profit or loss:</i>   |       |   |  |  |  |
| Investment funds  | 12    | 881,955,368   | 177,758,919  | 65,680,086   | 330,803,062  |
| <i>Loans and receivables:</i>   |       |   |  |  |  |
| Cash and cash equivalents   | 9     | 5,584   | 4,408  | 5,886  | 6,858  |
| Receivable for securities sold  |       | 407,499   | -  | 73,655   | 394,526  |
| Subscriptions receivable  |       | 6,869,099   | 1,794,821  | 1,810,469  | 736,064  |
| Withholding tax rebate  |       | 1,507,891   | 127,352  | 110,002  | 625,766  |
| Other assets  |       | 14,527  | 10,930   | 127  | 12,970   |
| <b>Total assets</b>   |       | <b>890,759,968</b>  | <b>179,696,430</b>   | <b>67,680,225</b>  | <b>332,579,246</b>   |
| <b>Liabilities</b>  |       |   |  |  |  |
| <i>Financial liabilities measured at amortised cost:</i>  |       |   |  |  |  |
| Payable for securities purchased  |       | 5,455,791   | 1,726,765  | 1,719,778  | 91,769   |
| Redemptions payable   |       | 1,820,738   | 69,583   | 164,351  | 1,037,877  |
| Administration fees payable   | 6, 11 | 17,036  | 6,974  | 2,461  | 8,933  |
| Depository fees payable   | 6, 11 | 275   | 228  | 331  | 356  |
| Audit fees payable  |       | 8,888   | 10,824   | 11,064   | 10,321   |
| Other liabilities   |       | 3,902   | 5,364  | 4,635  | 5,453  |
| <b>Total liabilities (excluding net assets attributable to holders of redeemable participating units)</b> |       | <b>7,306,630</b>  | <b>1,819,738</b>   | <b>1,902,620</b>   | <b>1,154,709</b>   |
| <b>Net assets attributable to holders of redeemable participating units</b>                               | 20    | <b>883,453,338</b>  | <b>177,876,692</b>   | <b>65,777,605</b>  | <b>331,424,537</b>   |
| <b>Net assets attributable to holders of redeemable participating units</b>                               |       |   |  |  |  |
| Classified as liabilities   |       | 883,453,338   | 177,876,692  | 65,777,605   | -  |
| Classified as equity  |       | -   | -  | -  | 331,424,537  |

The accompanying notes form an integral part of these financial statements.

**On behalf of the Manager**

  
Director  
25 April 2017

  
Director



# NORTHERN TRUST UCITS FGR FUND

## STATEMENT OF FINANCIAL POSITION

As at 31 December 2015

|   |           | Northern Trust<br>North America<br>Equity Index<br>UCITS FGR Fund<br>US\$ | Northern Trust<br>Europe Equity<br>Index UCITS FGR<br>Fund<br>€ | Northern Trust<br>Developed Real<br>Estate Index<br>UCITS FGR Fund<br>US\$ | Northern Trust<br>Emerging Markets<br>Custom ESG<br>Equity Index<br>UCITS FGR Fund<br>€ |
|---|-----------|---|---|--|---|
|   | Notes     |   |   |  |   |
| <b>Assets</b>   |           |   |   |  |   |
| <i>Financial assets at fair value through profit or loss:</i>   |           |   |   |  |   |
| Investments in transferable securities  | 12        | 663,674,470   | 1,145,474,739   | 671,607,795  | 37,069,831  |
| Investment funds  | 12        | 9,781,855   | 8,362,116   | 3,847,467  | 1,287,876   |
| Unrealised gains on futures contracts   | 12        | -   | 367,464   | 29,050   | 11,671  |
| Unrealised gains on forward currency contracts  |           | -   | -   | -  | 44,399  |
| <i>Loans and receivables:</i>   |           |   |   |  |   |
| Cash and cash equivalents   | 9         | -   | 2,461,485   | 2,921,575  | 2,531,903   |
| Margin cash   | 9         | 785,108   | 1,215,822   | 643,781  | 241,148   |
| Dividends receivable  |           | 771,129   | 1,151,178   | 2,470,513  | 93,311  |
| Receivable for securities sold  |           | 6,340   | 212,797   | 105,070  | 17,892  |
| Subscriptions receivable  |           | -   | -   | -  | 376,848   |
| Withholding tax rebate  |           | 523,923   | 412,485   | 772,473  | 15,459  |
| Other assets  |           | 55,444  | 1,150,257   | 338,414  | 1,060   |
| <b>Total assets</b>   |           | <b>675,598,269</b>  | <b>1,160,808,343</b>  | <b>682,736,138</b>   | <b>41,691,398</b>   |
| <b>Liabilities</b>  |           |   |   |  |   |
| <i>Financial liabilities at fair value through profit or loss:</i>  |           |   |   |  |   |
| Unrealised losses on futures contracts  | 12        | 28,569  | -   | 30,686   | 9,505   |
| <i>Financial liabilities measured at amortised cost:</i>  |           |   |   |  |   |
| Bank overdraft  | 9         | 501,018   | -   | -  | -   |
| Payable for securities purchased  |           | -   | -   | 3,285,799  | 15,705  |
| Redemptions payable   |           | -   | -   | -  | 7,881   |
| Investment management fees payable  | 6, 11     | 47,083  | 82,895  | 65,095   | 1,510   |
| Management fees payable   | 6, 11     | 8,573   | 14,791  | 8,493  | -   |
| Administration fees payable   | 6, 11     | 17,147  | 29,582  | 19,817   | 1,323   |
| Depository fees payable   | 6, 11     | 108,594   | 196,732   | 121,974  | 1,470   |
| Audit fees payable  |           | 8,773   | 5,924   | 6,233  | 7,896   |
| Other liabilities   |           | 23,758  | 33,943  | 21,091   | 15,023  |
| <b>Total liabilities (excluding net assets attributable to holders of redeemable participating units)</b> |           | <b>743,515</b>  | <b>363,867</b>  | <b>3,559,188</b>   | <b>60,313</b>   |
| <b>Net assets attributable to holders of redeemable participating units</b>                               | <b>20</b> | <b>674,854,754</b>  | <b>1,160,444,476</b>  | <b>679,176,950</b>   | <b>41,631,085</b>   |
| <b>Net assets attributable to holders of redeemable participating units</b>                               |           |   |   |  |   |
| Classified as liabilities   |           | 674,854,754   | 1,160,444,476   | 679,176,950  | -   |
| Classified as equity  |           | -   | -   | -  | 41,631,085  |

The accompanying notes form an integral part of these financial statements.

**NORTHERN TRUST UCITS FGR FUND**

**STATEMENT OF FINANCIAL POSITION (continued)**

*As at 31 December 2015*

|   |              | <b>Northern Trust<br/>World Custom<br/>ESG Equity Index<br/>UCITS FGR<br/>Feeder Fund</b> | <b>Northern Trust<br/>Europe Custom<br/>ESG Equity Index<br/>UCITS FGR<br/>Feeder Fund</b> | <b>Northern Trust<br/>North America<br/>Custom ESG<br/>Equity Index<br/>UCITS FGR<br/>Feeder Fund</b> |
|---|--------------|---|--|---|
|   | <b>Notes</b> | <b>€</b>  | <b>€</b>   | <b>€</b>  |
| <b>Assets</b>   |              |   |  |   |
| <i>Financial assets at fair value through profit or loss:</i>   |              |   |  |   |
| Investment funds  | 12           | 287,915,895   | 62,667,640   | 23,267,744  |
| <i>Loans and receivables:</i>   |              |   |  |   |
| Cash and cash equivalents   | 9            | 321,333   | 86,205   | -   |
| Subscriptions receivable  |              | 689,147   | 392,768  | -   |
| Withholding tax rebate  |              | 40,207  | 940  | 1,768   |
| <b>Total assets</b>   |              | <b>288,966,582</b>  | <b>63,147,553</b>  | <b>23,269,512</b>   |
| <b>Liabilities</b>  |              |   |  |   |
| <i>Financial liabilities measured at amortised cost:</i>  |              |   |  |   |
| Payable for securities purchased  |              | 665,105   | 394,102  | -   |
| Redemptions payable   |              | 24,182  | 30   | -   |
| Administration fees payable   | 6, 11        | 3,382   | 897  | 128   |
| Depositary fees payable   | 6, 11        | 2,403   | 2,003  | 250   |
| Audit fees payable  |              | 4,030   | 4,089  | 3,690   |
| Other liabilities   |              | 15,542  | 13,609   | 6,431   |
| <b>Total liabilities (excluding net assets attributable to holders of redeemable participating units)</b> |              | <b>714,644</b>  | <b>414,730</b>   | <b>10,499</b>   |
| <b>Net assets attributable to holders of redeemable participating units</b>                               | 20           | <b>288,251,938</b>  | <b>62,732,823</b>  | <b>23,259,013</b>   |
| <b>Net assets attributable to holders of redeemable participating units</b>                               |              |   |  |   |
| Classified as liabilities   |              | 288,251,938   | 62,732,823   | -   |
| Classified as equity  |              | -   | -  | 23,259,013  |

The accompanying notes form an integral part of these financial statements.

# NORTHERN TRUST UCITS FGR FUND

## STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2016

|   |       | Northern Trust<br>North America<br>Equity Index<br>UCITS FGR Fund<br>US\$ | Northern Trust<br>Europe Equity<br>Index UCITS FGR<br>Fund<br>€ | Northern Trust<br>Developed Real<br>Estate Index<br>UCITS FGR Fund<br>US\$ | Northern Trust<br>Emerging Markets<br>Custom ESG<br>Equity Index<br>UCITS FGR Fund<br>€ |
|---|-------|---|---|--|---|
|   | Notes |   |   |  |   |
| <b>Income</b>   |       |   |   |  |   |
| <i>Income from financial assets at fair value through profit or loss:</i>                         |       |   |   |  |   |
| Dividend income   |       | 17,176,851  | 42,080,506  | 45,845,608   | 1,893,502   |
| <i>Gains and losses from financial assets at fair value through profit or loss:</i>               |       |   |   |  |   |
| Net realised gains/(losses) on investments  |       | 6,375,127   | (42,634,040)  | 2,100,796  | 143,654   |
| Net unrealised gains/(losses) on investments  |       | 79,250,452  | 49,399,502  | (55,432,889)   | 8,234,012   |
| Realised and unrealised gains/(losses) on futures contracts                                       |       | 1,075,056   | 2,848,261   | 1,525,918  | (308,297)   |
| <i>Income and losses from financial assets that are not at fair value through profit or loss:</i> |       |   |   |  |   |
| Bank interest income  | 11    | -   | -   | 132,473  | 30,206  |
| Net realised gains/(losses) on foreign currency   |       | 335,424   | (303,527)   | 506,181  | 38,178  |
| Net unrealised (losses)/gains on foreign currency   |       | (1,128)   | 94,597  | (69,290)   | (62,125)  |
| <b>Net income/(loss)</b>  |       | <u>104,211,782</u>  | <u>51,485,299</u>   | <u>(5,391,203)</u>   | <u>9,969,130</u>  |
| <b>Operating expenses</b>   |       |   |   |  |   |
| Investment management fees  | 6, 11 | (297,448)   | (432,173)   | (704,332)  | (38,984)  |
| Management fees   | 6, 11 | (117,957)   | (169,367)   | (181,007)  | -   |
| Administration fees   | 6, 11 | (235,915)   | (338,734)   | (421,139)  | (48,721)  |
| Depository fees   | 6, 11 | (173,135)   | (252,200)   | (264,366)  | (72,237)  |
| Audit fees  |       | (28,143)  | (27,529)  | (30,669)   | (20,418)  |
| Transaction costs   |       | (84,515)  | (192,970)   | (300,963)  | (48,346)  |
| Other expenses  |       | (39,841)  | (46,321)  | (80,628)   | (23,422)  |
| <b>Total operating expenses before finance costs</b>  |       | <u>(976,954)</u>  | <u>(1,459,294)</u>  | <u>(1,983,104)</u>   | <u>(252,128)</u>  |
| <b>Net gain/(loss) from operations before finance costs</b>                                       |       | 103,234,828   | 50,026,005  | (7,374,307)  | 9,717,002   |
| <b>Finance costs</b>  |       |   |   |  |   |
| Bank interest expense   | 11    | (138,407)   | (41,876)  | -  | -   |
| Distributions   | 8     | (13,088,548)  | (34,815,061)  | (29,858,066)   | (1,100,149)   |
| Withholding tax expense   |       | (2,294,475)   | (3,075,180)   | (5,166,754)  | (189,400)   |
| Dutch tax remittance  |       | <u>(204,272)</u>  | <u>(3,325,087)</u>  | <u>(1,217,911)</u>   | <u>(74,120)</u>   |
| <b>Change in net assets attributable to holders of redeemable participating units</b>             |       | <u>87,509,126</u>   | <u>8,768,801</u>  | <u>(43,617,038)</u>  | <u>8,353,333</u>  |

There were no recognised gains or losses arising in the year other than those included above. In arriving at the results for the year, all amounts above relate to continuing operations.

The accompanying notes form an integral part of these financial statements.

# NORTHERN TRUST UCITS FGR FUND

## STATEMENT OF COMPREHENSIVE INCOME (continued)

For the year ended 31 December 2016


|   |       | Northern Trust<br>World Custom<br>ESG Equity Index<br>UCITS FGR<br>Feeder Fund<br>€ | Northern Trust<br>Europe Custom<br>ESG Equity Index<br>UCITS FGR<br>Feeder Fund<br>€ | Northern Trust<br>North America<br>Custom ESG<br>Equity Index<br>UCITS FGR<br>Feeder Fund<br>€ | *Northern Trust<br>Europe<br>Fundamental<br>Index UCITS FGR<br>Feeder Fund<br>€ |
|---|-------|---|--|--|---|
|   | Notes |   |  |  |   |
| <b>Income</b>   |       |   |  |  |   |
| <i>Income from financial assets at fair value through profit or loss:</i>                         |       |   |  |  |   |
| Dividend income   |       | 12,627,377  | 3,361,633  | 360,093  | 10,048,726  |
| <i>Gains from financial assets at fair value through profit or loss:</i>                          |       |   |  |  |   |
| Net realised gains/(losses) on investments  |       | 2,896,345   | (51,011)   | 658,935  | 2,004,012   |
| Net unrealised gains on investments   |       | 82,967,289  | 6,400,580  | 5,786,393  | 40,501,527  |
| <i>Income and losses from financial assets that are not at fair value through profit or loss:</i> |       |   |  |  |   |
| Bank interest income  | 11    | 1,525   | -  | -  | -   |
| Net realised losses on foreign currency   |       | (8)   | (136)  | (47)   | (43)  |
| Net unrealised losses on foreign currency   |       | (414)   | (318)  | (547)  | (660)   |
| <b>Net income</b>   |       | <u>98,492,114</u>   | <u>9,710,748</u>   | <u>6,804,827</u>   | <u>52,553,562</u>   |
| <b>Operating expenses</b>   |       |   |  |  |   |
| Administration fees   | 6, 11 | (82,929)  | (26,341)   | (7,807)  | (49,471)  |
| Depository fees   | 6, 11 | (10,301)  | (10,253)   | (10,154)   | (9,690)   |
| Audit fees  |       | (26,311)  | (26,280)   | (26,652)   | (11,291)  |
| Transaction costs   |       | -   | (739)  | (244)  | (19)  |
| Other expenses  |       | (39,980)  | (10,346)   | (4,949)  | (28,074)  |
| <b>Total operating expenses before finance costs</b>  |       | <u>(159,521)</u>  | <u>(73,959)</u>  | <u>(49,806)</u>  | <u>(98,545)</u>   |
| <b>Net gain from operations before finance costs</b>  |       | 98,332,593  | 9,636,789  | 6,755,021  | 52,455,017  |
| <b>Finance costs</b>  |       |   |  |  |   |
| Bank interest expense   | 11    | -   | (85)   | (136)  | (283)   |
| Distributions   | 8     | (283,702)   | (58,668)   | -  | -   |
| Withholding tax rebate  |       | 1,467,684   | 126,414  | 108,235  | 625,765   |
| Dutch tax remittance  |       | (14,908)  | (8,947)  | -  | -   |
| <b>Change in net assets attributable to holders of redeemable participating units</b>             |       | <u>99,501,667</u>   | <u>9,695,503</u>   | <u>6,863,120</u>   | <u>53,080,499</u>   |

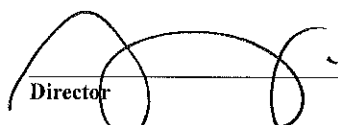
\*For the period from 15 January 2016 to 31 December 2016.

There were no recognised gains or losses arising in the year/period other than those included above. In arriving at the results for the year/period, all amounts above relate to continuing operations.

The accompanying notes form an integral part of these financial statements.

On behalf of the Manager

  
Director  
25 April 2017

  
Director

# NORTHERN TRUST UCITS FGR FUND

## STATEMENT OF COMPREHENSIVE INCOME

For the period 26 November 2014 to 31 December 2015

|   |       | Northern Trust<br>North America<br>Equity Index<br>UCITS FGR Fund<br>US\$ | Northern Trust<br>Europe Equity<br>Index UCITS FGR<br>Fund<br>€ | Northern Trust<br>Developed Real<br>Estate Index<br>UCITS FGR Fund<br>US\$ | Northern Trust<br>Emerging Markets<br>Custom ESG<br>Equity Index<br>UCITS FGR Fund<br>€ |
|---|-------|---|---|--|---|
|   | Notes |   |   |  |   |
| <b>Income</b>   |       |   |   |  |   |
| <i>Income from financial assets at fair value through profit or loss:</i>                         |       |   |   |  |   |
| Dividend income   |       | 11,251,671  | 33,924,755  | 23,592,117   | 111,176   |
| <i>Gains and losses from financial assets at fair value through profit or loss:</i>               |       |   |   |  |   |
| Net realised gains/(losses) on investments  |       | 157,682   | (8,501,213)   | (8,718,798)  | 93,145  |
| Net unrealised (losses)/gains on investments  |       | (11,162,415)  | (94,726,787)  | (17,365,250)   | 845,592   |
| Realised and unrealised gains/(losses) on futures contracts                                       |       | 141,600   | (165,930)   | (5,309)  | 82,088  |
| <i>Income and losses from financial assets that are not at fair value through profit or loss:</i> |       |   |   |  |   |
| Net realised gains/(losses) on foreign currency   |       | 88,529  | (127,145)   | 162,204  | 9,237   |
| Net unrealised (losses)/gains on foreign currency   |       | (4,967)   | (58,604)  | (475)  | 37,980  |
| <b>Net income/(loss)</b>  |       | <u>472,100</u>  | <u>(69,654,924)</u>   | <u>(2,335,511)</u>   | <u>1,179,218</u>  |
| <b>Operating expenses</b>   |       |   |   |  |   |
| Investment management fees  | 6, 11 | (217,186)   | (393,466)   | (365,923)  | (1,510)   |
| Management fees   | 6, 11 | (81,445)  | (147,550)   | (91,481)   | -   |
| Administration fees   | 6, 11 | (162,890)   | (295,099)   | (213,455)  | (1,323)   |
| Depository fees   | 6, 11 | (108,594)   | (196,732)   | (121,974)  | (1,470)   |
| Audit fees  |       | (10,497)  | (7,495)   | (7,957)  | (7,896)   |
| Transaction costs   |       | (26,933)  | (88,705)  | (176,672)  | (23,897)  |
| Other expenses  |       | (39,778)  | (62,146)  | (53,808)   | (15,070)  |
| <b>Total operating expenses before finance costs</b>  |       | <u>(647,323)</u>  | <u>(1,191,193)</u>  | <u>(1,031,270)</u>   | <u>(51,166)</u>   |
| <b>Net (loss)/gain from operations before finance costs</b>                                       |       | (175,223)   | (70,846,117)  | (3,366,781)  | 1,128,052   |
| <b>Finance costs</b>  |       |   |   |  |   |
| Bank interest expense   | 11    | (164)   | (38,787)  | (3,196)  | (885)   |
| Distributions   | 8     | (5,498,150)   | (23,612,923)  | (13,805,626)   | -   |
| Withholding tax expense   |       | (1,287,431)   | (2,684,592)   | (1,903,950)  | (1,190)   |
| Dutch tax remittance  |       | <u>(72,033)</u>   | <u>(1,655,219)</u>  | <u>(596,793)</u>   | <u>-</u>  |
| <b>Change in net assets attributable to holders of redeemable participating units</b>             |       | <u>(7,033,001)</u>  | <u>(98,837,638)</u>   | <u>(19,676,346)</u>  | <u>1,125,977</u>  |

There were no recognised gains or losses arising in the period other than those included above. In arriving at the results for the period, all amounts above relate to continuing operations.

The accompanying notes form an integral part of these financial statements.

# NORTHERN TRUST UCITS FGR FUND

## STATEMENT OF COMPREHENSIVE INCOME (continued)

For the period 26 November 2014 to 31 December 2015

|   |       | Northern Trust<br>World Custom<br>ESG Equity Index<br>UCITS FGR<br>Feeder Fund | Northern Trust<br>Europe Custom<br>ESG Equity Index<br>UCITS FGR<br>Feeder Fund | Northern Trust<br>North America<br>Custom ESG<br>Equity Index<br>UCITS FGR<br>Feeder Fund |
|---|-------|--|---|---|
|   | Notes | €  | €   | €   |
| <b>Income</b>   |       |  |   |   |
| <i>Income from financial assets at fair value through profit or loss:</i>                         |       |  |   |   |
| Dividend income   |       | 220,660  | 58,442  | -   |
| <i>Gains from financial assets at fair value through profit or loss:</i>                          |       |  |   |   |
| Net realised gains on investments   |       | 94,515   | 33,094  | -   |
| Net unrealised gains on investments   |       | 4,797,665  | 492,776   | 373,308   |
| <i>Income and losses from financial assets that are not at fair value through profit or loss:</i> |       |  |   |   |
| Net realised gains on foreign currency  |       | -  | 8   | 15  |
| Net unrealised losses on foreign currency   |       | -  | (12)  | -   |
| <b>Net income</b>   |       | <u>5,112,840</u>   | <u>584,308</u>  | <u>373,323</u>  |
| <b>Operating expenses</b>   |       |  |   |   |
| Administration fees   | 6, 11 | (5,695)  | (1,938)   | (128)   |
| Depository fees   | 6, 11 | (2,403)  | (2,003)   | (250)   |
| Audit fees  |       | (4,030)  | (4,089)   | (3,690)   |
| Transaction costs   |       | (44,348)   | (71,491)  | -   |
| Other expenses  |       | (16,232)   | (15,229)  | (6,431)   |
| <b>Total operating expenses before finance costs</b>  |       | <u>(72,708)</u>  | <u>(94,750)</u>   | <u>(10,499)</u>   |
| <b>Net gain from operations before finance costs</b>  |       | 5,040,132  | 489,558   | 362,824   |
| <b>Finance costs</b>  |       |  |   |   |
| Bank interest expense   | 11    | (1,794)  | (3)   | -   |
| Withholding tax rebate  |       | <u>40,207</u>  | <u>939</u>  | <u>1,768</u>  |
| <b>Change in net assets attributable to holders of redeemable participating units</b>             |       | <u>5,078,545</u>   | <u>490,494</u>  | <u>364,592</u>  |

There were no recognised gains or losses arising in the period other than those included above. In arriving at the results for the period, all amounts above relate to continuing operations.

The accompanying notes form an integral part of these financial statements.

# NORTHERN TRUST UCITS FGR FUND

## STATEMENT OF CHANGES IN NET ASSETS

For the year ended 31 December 2016

|   |    | Northern Trust<br>North America<br>Equity Index<br>UCITS FGR Fund<br>US\$           | Northern Trust<br>Europe Equity<br>Index UCITS FGR<br>Fund<br>€                      | Northern Trust<br>Developed Real<br>Estate Index<br>UCITS FGR Fund<br>US\$                     | Northern Trust<br>Emerging Markets<br>Custom ESG<br>Equity Index<br>UCITS FGR Fund<br>€ |
|---|----|---|--|--|---|
| Notes   |    |   |  |  |   |
| <b>Net assets attributable to holders of redeemable participating units at beginning of year</b>        | 20 | 674,854,754   | 1,160,444,476  | 679,176,950  | 41,631,085  |
| Proceeds from redeemable participating units issued   |    | 437,230,662   | 516,884,733  | 1,042,474,114  | 84,909,430  |
| Cost of redemption of redeemable participating units  |    | (233,404,632)   | (358,237,988)  | (53,396,056)   | (6,972,344)   |
| Net increase in net assets from redeemable participating unit transactions                              |    | 203,826,030   | 158,646,745  | 989,078,058  | 77,937,086  |
| Change in net assets attributable to holders of redeemable participating units                          |    | 87,509,126  | 8,768,801  | (43,617,038)   | 8,353,333   |
| <b>Net assets attributable to holders of redeemable participating units at end of year</b>              | 20 | 966,189,910   | 1,327,860,022  | 1,624,637,970  | 127,921,504   |
|   |    | Northern Trust<br>World Custom<br>ESG Equity Index<br>UCITS FGR<br>Feeder Fund<br>€ | Northern Trust<br>Europe Custom<br>ESG Equity Index<br>UCITS FGR<br>Feeder Fund<br>€ | Northern Trust<br>North America<br>Custom ESG<br>Equity Index<br>UCITS FGR<br>Feeder Fund<br>€ | *Northern Trust<br>Europe<br>Fundamental<br>Index UCITS FGR<br>Feeder Fund<br>€         |
| Notes   |    |   |  |  |   |
| <b>Net assets attributable to holders of redeemable participating units at beginning of year/period</b> | 20 | 288,251,938   | 62,732,823   | 23,259,013   | -   |
| Proceeds from redeemable participating units issued   |    | 576,465,110   | 121,766,731  | 61,807,322   | 329,895,629   |
| Cost of redemption of redeemable participating units  |    | (80,765,377)  | (16,318,365)   | (26,151,850)   | (51,551,591)  |
| Net increase in net assets from redeemable participating unit transactions                              |    | 495,699,733   | 105,448,366  | 35,655,472   | 278,344,038   |
| Change in net assets attributable to holders of redeemable participating units                          |    | 99,501,667  | 9,695,503  | 6,863,120  | 53,080,499  |
| <b>Net assets attributable to holders of redeemable participating units at end of year/period</b>       | 20 | 883,453,338   | 177,876,692  | 65,777,605   | 331,424,537   |

\*For the period from 15 January 2016 to 31 December 2016.

The accompanying notes form an integral part of these financial statements.

# NORTHERN TRUST UCITS FGR FUND

## STATEMENT OF CHANGES IN NET ASSETS

For the period from 26 November 2014 to 31 December 2015

|  |       | Northern Trust<br>North America<br>Equity Index<br>UCITS FGR Fund<br>US \$ | Northern Trust<br>Europe Equity<br>Index UCITS FGR<br>Fund<br>€ | Northern Trust<br>Developed Real<br>Estate Index<br>UCITS FGR Fund<br>US\$ | Northern Trust<br>Emerging Markets<br>Custom ESG<br>Equity Index<br>UCITS FGR Fund<br>€ |
|--|-------|--|---|--|---|
|  | Notes |  |   |  |   |
| <b>Net assets attributable to holders of redeemable participating units at beginning of period</b> | 20    | -  | -   | -  | -   |
| Proceeds from redeemable participating units issued  |       | 751,099,921  | 1,381,139,148   | 1,197,551,592  | 40,549,532  |
| Cost of redemption of redeemable participating units   |       | (69,212,166)   | (121,857,034)   | (498,698,296)  | (44,424)  |
| Net increase in net assets from redeemable participating unit transactions                         |       | 681,887,755  | 1,259,282,114   | 698,853,296  | 40,505,108  |
| Change in net assets attributable to holders of redeemable participating units                     |       | (7,033,001)  | (98,837,638)  | (19,676,346)   | 1,125,977   |
| <b>Net assets attributable to holders of redeemable participating units at end of period</b>       | 20    | 674,854,754  | 1,160,444,476   | 679,176,950  | 41,631,085  |

|  |       | Northern Trust<br>World Custom<br>ESG Equity Index<br>UCITS FGR<br>Feeder Fund<br>€ | Northern Trust<br>Europe Custom<br>ESG Equity Index<br>UCITS FGR<br>Feeder Fund<br>€ | Northern Trust<br>North America<br>Custom ESG<br>Equity Index<br>UCITS FGR<br>Feeder Fund<br>€ |
|--|-------|---|--|--|
|  | Notes |   |  |  |
| <b>Net assets attributable to holders of redeemable participating units at beginning of period</b> | 20    | -   | -  | -  |
| Proceeds from redeemable participating units issued  |       | 290,534,729   | 64,581,499   | 22,894,421   |
| Cost of redemption of redeemable participating units   |       | (7,361,336)   | (2,339,170)  | -  |
| Net increase in net assets from redeemable participating unit transactions                         |       | 283,173,393   | 62,242,329   | 22,894,421   |
| Change in net assets attributable to holders of redeemable participating units                     |       | 5,078,545   | 490,494  | 364,592  |
| <b>Net assets attributable to holders of redeemable participating units at end of period</b>       | 20    | 288,251,938   | 62,732,823   | 23,259,013   |

The accompanying notes form an integral part of these financial statements.



# NORTHERN TRUST UCITS FGR FUND

## STATEMENT OF CASH FLOWS

For the year ended 31 December 2016

|   | Northern Trust<br>North America<br>Equity Index<br>UCITS FGR Fund<br>US\$ | Northern Trust<br>Europe Equity<br>Index UCITS FGR<br>Fund<br>€ | Northern Trust<br>Developed Real<br>Estate Index<br>UCITS FGR Fund<br>US\$ | Northern Trust<br>Emerging Markets<br>Custom ESG<br>Equity Index<br>UCITS FGR Fund<br>€ |
|---|---|---|--|---|
| <b>Cash flows from operating activities</b>                                       |   |   |  |   |
| Change in net assets attributable to holders of<br>redeemable participating units | 87,509,126  | 8,768,801   | (43,617,038)   | 8,353,333   |
| Adjustments for:  |   |   |  |   |
| Net (gains)/losses on investments   | (85,536,822)  | (6,696,344)   | 53,572,059   | (8,299,130)   |
| Increase in debtors   | (1,370,852)   | (2,329,894)   | (5,522,757)  | (535,614)   |
| (Decrease)/increase in creditors and accrued expenses                             | (26,958)  | (173,627)   | 143,968  | 35,039  |
| <b>Cash flows generated from/(used in) operating<br/>activities</b>               | <u>574,494</u>  | <u>(431,064)</u>  | <u>4,576,232</u>   | <u>(446,372)</u>  |
| <b>Cash flows from investing activities</b>                                       |   |   |  |   |
| Purchase of investments   | (677,392,303)   | (716,544,601)   | (2,364,000,668)  | (140,534,523)   |
| Sale of investments   | 474,228,915   | 559,357,535   | 1,372,215,144  | 62,564,767  |
| <b>Cash flows used in investing activities</b>                                    | <u>(203,163,388)</u>  | <u>(157,187,066)</u>  | <u>(991,785,524)</u>   | <u>(77,969,756)</u>   |
| <b>Cash flows from financing activities</b>                                       |   |   |  |   |
| Proceeds from issue of redeemable units   | 436,074,714   | 516,612,737   | 1,040,744,224  | 83,286,456  |
| Payments on redemption of redeemable units  | (232,327,808)   | (358,195,986)   | (52,589,277)   | (6,729,761)   |
| <b>Cash flows generated from financing activities</b>                             | <u>203,746,906</u>  | <u>158,416,751</u>  | <u>988,154,947</u>   | <u>76,556,695</u>   |
| Net increase/(decrease) in cash and cash equivalents                              | 1,158,012   | 798,621   | 945,655  | (1,859,433)   |
| Cash and cash equivalents at beginning of year                                    | <u>(501,018)</u>  | <u>2,461,485</u>  | <u>2,921,575</u>   | <u>2,531,903</u>  |
| <b>Cash and cash equivalents at end of year</b>                                   | <u><u>656,994</u></u>   | <u><u>3,260,106</u></u>   | <u><u>3,867,230</u></u>  | <u><u>672,470</u></u>   |
| <b>Supplementary information</b>  |   |   |  |   |
| Bank interest paid  | (138,391)   | (38,216)  | -  | -   |
| Bank interest received  | -   | -   | 133,212  | 28,997  |
| Dividends received  | 14,449,766  | 39,158,609  | 35,978,601   | 1,427,796   |

The accompanying notes form an integral part of these financial statements.

# NORTHERN TRUST UCITS FGR FUND

## STATEMENT OF CASH FLOWS (continued)

For the year ended 31 December 2016

|  | Northern Trust<br>World Custom<br>ESG Equity Index<br>UCITS FGR<br>Feeder Fund<br>€ | Northern Trust<br>Europe Custom<br>ESG Equity Index<br>UCITS FGR<br>Feeder Fund<br>€ | Northern Trust<br>North America<br>Custom ESG<br>Equity Index<br>UCITS FGR<br>Feeder Fund<br>€ | *Northern Trust<br>Europe<br>Fundamental<br>Index UCITS FGR<br>Feeder Fund<br>€ |
|--|---|--|--|---|
| <b>Cash flows from operating activities</b>                                    |   |  |  |   |
| Change in net assets attributable to holders of redeemable participating units | 99,501,667  | 9,695,503  | 6,863,120  | 53,080,499  |
| Adjustments for:   |   |  |  |   |
| Net gains on investments   | (85,863,634)  | (6,348,830)  | (6,445,084)  | (42,505,520)  |
| Increase in debtors  | (1,482,211)   | (137,342)  | (108,361)  | (638,736)   |
| Increase in creditors and accrued expenses                                     | 4,744   | 2,792  | 7,992  | 25,063  |
| <b>Cash flows generated from operating activities</b>                          | <u>12,160,566</u>   | <u>3,212,123</u>   | <u>317,667</u>   | <u>9,961,306</u>  |
| <b>Cash flows from investing activities</b>                                    |   |  |  |   |
| Purchase of investments  | (556,936,123)   | (120,365,937)  | (59,758,770)   | (318,950,765)   |
| Sale of investments  | 53,143,471  | 12,956,151   | 25,437,635   | 30,350,466  |
| <b>Cash flows used in investing activities</b>                                 | <u>(503,792,652)</u>  | <u>(107,409,786)</u>   | <u>(34,321,135)</u>  | <u>(288,600,299)</u>  |
| <b>Cash flows from financing activities</b>                                    |   |  |  |   |
| Proceeds from issue of redeemable units  | 570,285,158   | 120,364,678  | 59,996,853   | 329,159,565   |
| Payments on redemption of redeemable units                                     | (78,968,821)  | (16,248,812)   | (25,987,499)   | (50,513,714)  |
| <b>Cash flows generated from financing activities</b>                          | <u>491,316,337</u>  | <u>104,115,866</u>   | <u>34,009,354</u>  | <u>278,645,851</u>  |
| Net (decrease)/increase in cash and cash equivalents                           | (315,749)   | (81,797)   | 5,886  | 6,858   |
| Cash and cash equivalents at beginning of year/period                          | <u>321,333</u>  | <u>86,205</u>  | <u>-</u>   | <u>-</u>  |
| <b>Cash and cash equivalents at end of year/period</b>                         | <u><u>5,584</u></u>   | <u><u>4,408</u></u>  | <u><u>5,886</u></u>  | <u><u>6,858</u></u>   |
| <b>Supplementary information</b>   |   |  |  |   |
| Bank interest paid   | -   | (80)   | (136)  | (197)   |
| Bank interest received   | 1,536   | -  | -  | -   |
| Dividends received   | 12,627,377  | 3,361,633  | 360,093  | 10,048,726  |

\*For the period from 15 January 2016 to 31 December 2016.

The accompanying notes form an integral part of these financial statements.

# NORTHERN TRUST UCITS FGR FUND

## STATEMENT OF CASH FLOWS

For the period from 26 November 2014 to 31 December 2015

|   | Northern Trust<br>North America<br>Equity Index<br>UCITS FGR Fund<br>US\$ | Northern Trust<br>Europe Equity<br>Index UCITS FGR<br>Fund<br>€ | Northern Trust<br>Developed Real<br>Estate Index<br>UCITS FGR Fund<br>US\$ | Northern Trust<br>Emerging Markets<br>Custom ESG<br>Equity Index<br>UCITS FGR Fund<br>€ |
|---|---|---|--|---|
| <b>Cash flows from operating activities</b>                                       |   |   |  |   |
| Change in net assets attributable to holders of<br>redeemable participating units | (7,033,001)   | (98,837,638)  | (19,676,346)   | 1,125,977   |
| Adjustments for:  |   |   |  |   |
| Net losses/(gains) on investments   | 11,060,235  | 102,949,243   | 26,262,356   | (961,407)   |
| Increase in debtors   | (2,135,604)   | (3,929,742)   | (4,225,181)  | (350,978)   |
| Increase in creditors and accrued expenses  | 213,928   | 363,867   | 242,703  | 27,222  |
| <b>Cash flows generated from/(used in) operating<br/>activities</b>               | <b>2,105,558</b>  | <b>545,730</b>  | <b>2,603,532</b>   | <b>(159,186)</b>  |
| <b>Cash flows from investing activities</b>                                       |   |   |  |   |
| Purchase of investments   | (895,313,394)   | (1,591,274,029)   | (1,463,527,812)  | (38,559,519)  |
| Sale of investments   | 210,819,063   | 333,907,670   | 764,992,559  | 1,114,467   |
| <b>Cash flows used in investing activities</b>                                    | <b>(684,494,331)</b>  | <b>(1,257,366,359)</b>  | <b>(698,535,253)</b>   | <b>(37,445,052)</b>   |
| <b>Cash flows from financing activities</b>                                       |   |   |  |   |
| Proceeds from issue of redeemable units   | 751,099,921   | 1,381,139,148   | 1,197,551,592  | 40,172,684  |
| Payments on redemption of redeemable units  | (69,212,166)  | (121,857,034)   | (498,698,296)  | (36,543)  |
| <b>Cash flows generated from financing activities</b>                             | <b>681,887,755</b>  | <b>1,259,282,114</b>  | <b>698,853,296</b>   | <b>40,136,141</b>   |
| Net (decrease)/increase in cash and cash equivalents                              | (501,018)   | 2,461,485   | 2,921,575  | 2,531,903   |
| Cash and cash equivalents at beginning of period                                  | -   | -   | -  | -   |
| <b>Cash and cash equivalents at end of period</b>                                 | <b>(501,018)</b>  | <b>2,461,485</b>  | <b>2,921,575</b>   | <b>2,531,903</b>  |
| <b>Supplementary information</b>  |   |   |  |   |
| Bank interest paid  | (164)   | (38,787)  | (3,196)  | -   |
| Dividends received  | 9,193,111   | 30,088,985  | 19,217,654   | 17,865  |

The accompanying notes form an integral part of these financial statements.

**NORTHERN TRUST UCITS FGR FUND**

**STATEMENT OF CASH FLOWS (continued)**

*For the period from 26 November 2014 to 31 December 2015*

|  | <b>Northern Trust<br/>World Custom<br/>ESG Equity Index<br/>UCITS FGR<br/>Feeder Fund<br/>€</b> | <b>Northern Trust<br/>Europe Custom<br/>ESG Equity Index<br/>UCITS FGR<br/>Feeder Fund<br/>€</b> | <b>Northern Trust<br/>North America<br/>Custom ESG<br/>Equity Index<br/>UCITS FGR<br/>Feeder Fund<br/>€</b> |
|--|---|--|---|
| <b>Cash flows from operating activities</b>                                    |   |  |   |
| Change in net assets attributable to holders of redeemable participating units | 5,078,545   | 490,494  | 364,592   |
| Adjustments for:   |   |  |   |
| Net gains on investments   | (4,847,832)   | (454,379)  | (373,308)   |
| Increase in debtors  | (40,207)  | (940)  | (1,768)   |
| Increase in creditors and accrued expenses                                     | 25,357  | 20,598   | 10,499  |
| <b>Cash flows generated from operating activities</b>                          | <b>215,863</b>  | <b>55,773</b>  | <b>15</b>   |
| <b>Cash flows from investing activities</b>                                    |   |  |   |
| Purchase of investments  | (285,245,168)   | (63,558,255)   | (22,894,436)  |
| Sale of investments  | 2,842,210   | 1,739,096  | -   |
| <b>Cash flows used in investing activities</b>                                 | <b>(282,402,958)</b>  | <b>(61,819,159)</b>  | <b>(22,894,436)</b>   |
| <b>Cash flows from financing activities</b>                                    |   |  |   |
| Proceeds from issue of redeemable units  | 289,845,582   | 64,188,731   | 22,894,421  |
| Payments on redemption of redeemable units                                     | (7,337,154)   | (2,339,140)  | -   |
| <b>Cash flows generated from financing activities</b>                          | <b>282,508,428</b>  | <b>61,849,591</b>  | <b>22,894,421</b>   |
| Net increase in cash and cash equivalents                                      | 321,333   | 86,205   | -   |
| Cash and cash equivalents at beginning of period                               | -   | -  | -   |
| <b>Cash and cash equivalents at end of period</b>                              | <b>321,333</b>  | <b>86,205</b>  | <b>-</b>  |
| <b>Supplementary information</b>   |   |  |   |
| Bank interest paid   | (1,794)   | (3)  | -   |
| Dividends received   | 260,867   | 59,381   | -   |

The accompanying notes form an integral part of these financial statements.

## NORTHERN TRUST UCITS FGR FUND

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS

*For the year ended 31 December 2016*

#### 1. General

Northern Trust UCITS FGR Fund (the "Fund") is an investment fund (beleggingsfonds) as referred to in article 1:1 of the Act on Financial Supervision (Wet op het financieel toezicht) (the "AFS"). The Fund is structured as an open-ended umbrella fund with multiple sub-funds for joint account of the unitholders (fonds voor gemene rekening) governed by the laws of the Netherlands. The Fund is not a legal entity, but the aggregate of the assets less an amount equal to all accrued debts, liabilities and obligations of the Fund, in which monies or other assets are called or received for the purpose of collective investment by the unitholders as governed by the Prospectus and the terms and conditions of the agreement entered into between Northern Trust Fund Managers (Ireland) Limited (the "Manager") and Stichting Bewaarder Anchor NL Beleggingsfondsen (the "Legal Titleholder").

The Fund was established on 26 November 2014 as an Undertaking for Collective Investments in Transferable Securities (UCITS) as defined in the AFS, and shall continue to exist for an indefinite period of time.

The Fund's office address is Claude Debussylaan 18A, 1082 MD Amsterdam, the Netherlands.

The Fund is structured as an open-ended umbrella fund with multiple sub-funds. Additional sub-funds may be established from time to time by the Manager. As at 31 December 2016 the Fund comprises of eight Sub-Funds: Northern Trust North America Equity Index UCITS FGR Fund; Northern Trust Europe Equity Index UCITS FGR Fund; Northern Trust Developed Real Estate Index UCITS FGR Fund; Northern Trust Emerging Markets Custom ESG Equity Index UCITS FGR Fund; Northern Trust World Custom ESG Equity Index UCITS FGR Feeder Fund; Northern Trust Europe Custom ESG Equity Index UCITS FGR Feeder Fund; Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund and Northern Trust Europe Fundamental Index UCITS FGR Feeder Fund (the "Sub-Funds").

Northern Trust North America Equity Index UCITS FGR Fund, Northern Trust Europe Equity Index UCITS FGR Fund and Northern Trust Developed Real Estate Index UCITS FGR Fund all commenced operations on 11 March 2015, when the first subscriptions were made. Northern Trust Emerging Markets Custom ESG Equity Index UCITS FGR Fund commenced operations on 15 December 2015, when the first subscriptions were made. Northern Trust World Custom ESG Equity Index UCITS FGR Feeder Fund, Northern Trust Europe Custom ESG Equity Index UCITS FGR Feeder Fund, Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund and Northern Trust Europe Fundamental Index UCITS FGR Feeder Fund commenced operations on 24 September 2015, 9 October 2015, 21 December and 15 January 2016 respectively, when the first subscriptions were made.

The investment objectives of Northern Trust North America Equity Index UCITS FGR Fund, Northern Trust Europe Equity Index UCITS FGR Fund, Northern Trust Developed Real Estate Index UCITS FGR Fund and Northern Trust Emerging Markets Custom ESG Equity Index UCITS FGR Fund are to closely match the risks and returns of the MSCI North America Index, MSCI Europe Index, FTSE EPRA/NAREIT Developed Index and MSCI Emerging Markets Custom ESG Index respectively, with net dividends reinvested.

The investment objectives of Northern Trust World Custom ESG Equity Index UCITS FGR Feeder Fund, Northern Trust Europe Custom ESG Equity Index UCITS FGR Feeder Fund, Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund and Northern Trust Europe Fundamental Index UCITS FGR Feeder Fund (the "Feeder Funds") are to invest at least 85% of their assets in Northern Trust World Custom ESG Equity Index Fund, Northern Trust Europe Custom ESG Equity Index Fund, Northern Trust North America Custom ESG Equity Index Fund and Northern Trust Europe Fundamental Index Fund (the "Master Funds") respectively.

The Master Funds are all sub-funds of Northern Trust UCITS Common Contractual Fund which is authorised in Ireland and regulated by the Central Bank of Ireland. The investment objectives of Northern Trust World Custom ESG Equity Index Fund, Northern Trust Europe Custom ESG Equity Index Fund, Northern Trust North America Custom ESG Equity Index Fund and Northern Trust Europe Fundamental Index Fund are to closely match the risks and returns of the MSCI World Custom ESG Index, MSCI Europe Custom ESG Index, MSCI North America Custom ESG Index and FTSE RAFI Europe Index - QSR respectively, with net dividends reinvested. The most recent annual report and accounts for Northern Trust UCITS Common Contractual Fund is available at the following website: [www.northerntrust.com/pooledfunds](http://www.northerntrust.com/pooledfunds).

Northern Trust International Fund Administration Services (Ireland) Limited (the "Administrator") has been appointed by the Manager to act as administrator, registrar and transfer agent under the terms of an administration agreement which has been entered into on an arm's length basis. Northern Trust Global Services Limited, Amsterdam Branch (the "Depository") has been appointed by the Manager to act as depository responsible for the safekeeping (amongst other responsibilities) of all of the assets of the Fund and each Sub-Fund under the terms of a depository agreement which has been entered into on an arm's length basis. The Manager has appointed Northern Trust Global Investments Limited (the "Investment Manager") to provide discretionary investment management services to the Sub-Funds.

As at 31 December 2016 the Fund had no employees.

#### 2. Basis of Accounting

##### *Statement of Compliance*

These financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS), with Part 9 of Book 2 of the Netherlands Civil Code and with the AFS. The Manager's Report is prepared in accordance with Part 9 of Book 2 of the Netherlands Civil Code and the AFS.

## NORTHERN TRUST UCITS FGR FUND

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2016

#### 2. Basis of Accounting (continued)

##### *Going Concern*

Management has a reasonable expectation that the Sub-Funds have adequate resources to continue in operational existence for the foreseeable future. Therefore the Fund continues to adopt the going concern basis of accounting in preparing its financial statements.

#### 3. Functional and Presentation Currency

The functional currency of each Sub-Fund is the currency of the primary economic environment in which the Sub-Fund operates.

Management considers the functional currency of Northern Trust North America Equity Index UCITS FGR Fund and Northern Trust Developed Real Estate Index UCITS FGR Fund to be the US Dollar (US\$), as the US Dollar most faithfully represents the economic effects of their underlying transactions and events. Management considers the functional currency of Northern Trust Europe Equity Index UCITS FGR Fund, Northern Trust Emerging Markets Custom ESG Equity Index UCITS FGR Fund, Northern Trust World Custom ESG Equity Index UCITS FGR Feeder Fund, Northern Trust Europe Custom ESG Equity Index UCITS FGR Feeder Fund, Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund and Northern Trust Europe Fundamental Index UCITS FGR Feeder Fund to be the Euro (€), as the Euro most faithfully represents the economic effects of their underlying transactions and events. Management has adopted the functional currency for each individual Sub-Fund as its presentation currency.

#### 4. Use of Judgements and Estimates

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results could differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively. Information about significant areas of estimation and critical judgement in applying accounting policies are described in note 5.

#### 5. Significant Accounting Policies

##### *Basis of Measurement*

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of financial assets and financial liabilities (including financial derivative instruments) at fair value through profit or loss. The comparative figures are for the period from 26 September 2014, the date of the Fund's establishment, to 31 December 2015.

The year end valuations were completed as at 30 December 2016, which was the last business day of the year.

##### *New Standards and Interpretations Applicable to Future Reporting Periods*

The Directors of the Manager have considered all the upcoming International Accounting Standards Board standards including those not yet endorsed by the European Union. The below standards are those deemed to have relevance to the Fund and will be adopted from their European Union effective dates:

IFRS 9 *Financial Instruments* published in July 2014, will replace the existing guidance in IAS 39 *Financial Instruments: Recognition and Measurement*. It includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment of financial assets, and the new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. IFRS 9 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted.

Based on initial assessment, adoption of these standards is not expected to have a material impact on the Fund's financial statements.

##### *Income*

Dividend income is recognised in the Statement of Comprehensive Income on an ex-dividend date basis. Dividend income is shown gross of any non-recoverable withholding taxes, which are disclosed separately in the Statement of Comprehensive Income, and net of any tax credits. Bank interest is accounted for on an effective interest rate yield basis.

##### *Fees and Charges*

Investment management fees, management fees, administration fees, depositary fees and other operating expenses are charged to the Statement of Comprehensive Income on an accruals basis as the related services are performed.

## NORTHERN TRUST UCITS FGR FUND

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2016

#### 5. Significant Accounting Policies (continued)

##### *Financial Instruments*

###### *(i) Classification*

In accordance with IAS 39 the Fund classifies investments in equity and derivative financial instruments into the financial assets and financial liabilities at fair value through profit or loss category.

The category of financial assets and financial liabilities at fair value through profit or loss comprises:

- Financial instruments held for trading. These comprise investments in futures contracts and forward currency contracts. These instruments are acquired principally for the purpose of generating a profit from short-term fluctuations in price.
- Financial instruments designated at fair value through profit or loss upon initial recognition. These include investments in equities and investment funds which are not classified as held for trading but are managed, and their performance is evaluated on a fair value basis in accordance with the investment strategies of the Sub-Funds.

Financial assets that are classified as loans and receivables include cash and cash equivalents, margin cash, accounts receivable, receivable for securities sold and other assets.

Financial liabilities that are not at fair value through profit or loss include payable for securities purchased, accounts payable, other liabilities and financial liabilities arising on redeemable participating units.

###### *(ii) Recognition*

The Fund recognises financial assets and liabilities on the trade date, the date the Sub-Funds become party to the contractual provisions of the instrument. From this date any gains or losses arising from changes in fair value of the financial assets or financial liabilities carried at fair value are recorded in the Statement of Comprehensive Income.

###### *(iii) Measurement*

Financial instruments are measured initially at fair value (transaction price) plus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability. Transaction costs on financial assets and financial liabilities at fair value through profit or loss are expensed immediately, while on other financial instruments they are amortised.

Subsequent to initial recognition, all instruments classified at fair value through profit or loss, are measured at fair value with changes in their fair value recognised in the Statement of Comprehensive Income.

Financial assets classified as loans and receivables are carried at amortised cost using the effective interest rate method, less impairment losses, if any.

Financial liabilities, other than those at fair value through profit or loss, are measured at amortised cost using the effective interest rate. The redeemable units issued by the Sub-Funds are carried at the redemption amount representing the investors' right to a residual interest in the Sub-Fund's assets at the year end date.

###### *(iv) Fair value Measurement Principles*

The fair value of financial instruments traded in active markets is based on their quoted market prices at the measurement date. The Fund utilises the last traded market price for both financial assets and financial liabilities where the last traded price falls within the bid-ask spread. In circumstances where the last traded price is not within the bid-ask spread, the Fund determines the point within the bid-ask spread that is most representative of fair value.

If a quoted market price is not available on a recognised stock exchange or from a broker/dealer for non-exchange-traded financial instruments, the fair value of the instrument is estimated using valuation techniques, including use of recent arm's length market transactions, reference to the current fair value of another instrument that is substantially the same, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

Where discounted cash flow techniques are used, estimated future cash flows are based on management's best estimates and the discount rate used is a market rate at the measurement date applicable for an instrument with similar terms and conditions. Where other pricing models are used, inputs are based on market data at the measurement date. Fair values for unquoted equity investments are estimated, if possible, using applicable price/earnings ratios for similar listed companies adjusted to reflect the specific circumstances of the issuer.

The fair value of derivatives that are not exchange traded is estimated at the amount that the Sub-Funds would receive or pay to terminate the contract at the measurement date taking into account the current market conditions (volatility, appropriate yield curve) and the credit worthiness of the counterparties. Specifically, the fair value of any forward contract is determined as a net present value of the estimated future cash flows, discounted at appropriate market rates on the valuation date.

Investment funds are recorded at the net asset value per unit as reported by the administrator of the investment fund at the measurement date which is considered to represent fair value.

## **NORTHERN TRUST UCITS FGR FUND**

### **NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)**

*For the year ended 31 December 2016*

#### **5. Significant Accounting Policies (continued)**

##### ***Financial Instruments (continued)***

###### ***(v) Impairment***

Financial assets that are stated at cost or amortised cost are reviewed at each measurement date to determine whether there is objective evidence of impairment. If any such indication exists, an impairment loss is recognised in the Statement of Comprehensive Income as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

If the amount of an impairment loss recognised on a financial asset carried at amortised cost subsequently decreases and the decrease can be linked objectively to an event occurring after the write-down, the write-down is reversed through the Statement of Comprehensive Income.

###### ***(vi) De-recognition***

A financial asset is derecognised when the Sub-Funds lose control over the contractual rights to the cash flows that comprise that asset. This occurs when the rights are realised, expire or are surrendered and control is not retained. The Fund uses the weighted average cost basis to determine the gain or loss on derecognition. A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

###### ***(vii) Offsetting Financial Instruments***

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when, and only when, there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the assets and settle the liability simultaneously. The Sub-Funds do not have any such financial assets and liabilities. Financial assets and liabilities are presented gross in the Statement of Financial Position.

###### ***(viii) Transaction Costs***

Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or financial liability. An incremental cost is one that would not have been incurred if the Sub-Funds had not acquired, issued or disposed of the financial instrument. Transaction costs are recognised in the Statement of Comprehensive Income, when incurred, as an expense.

##### ***Net Gains and Losses on Investments***

Realised gains or losses on disposal of investments at fair value through profit or loss and unrealised gains or losses on revaluation of investments at fair value through profit or loss at the measurement date are calculated on a weighted average cost basis and recognised in the Statement of Comprehensive Income.

##### ***Redeemable Participating Units***

All redeemable participating units issued by the Sub-Funds provide investors with the right to require redemption for cash at the value proportionate to the investor's share in the Sub-Fund's net assets at the redemption date. In accordance with the Prospectus, the Sub-Funds are contractually obliged to redeem units at the net asset value per unit on the valuation date and the units do not have identical rights. In accordance with IAS 32, such instruments give rise to a financial liability and the Sub-Funds' units, except Northern Trust Europe Fundamental Index UCITS FGR Feeder Fund's, are classified as financial liabilities for the present value of their redemption amount. Northern Trust Europe Fundamental Index UCITS FGR Feeder Fund's units are classified as equity in accordance with IAS 32. The dealing frequency of all units is daily.

##### ***Foreign Currency***

Transactions in foreign currencies are translated at the foreign currency exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency of the Sub-Funds at the closing foreign currency exchange rate at the measurement date. Non-monetary assets and liabilities that are measured at fair value are translated at the foreign currency exchange rates at the dates that the values were determined.

Foreign currency exchange differences relating to investments at fair value through profit or loss are included in net realised and unrealised gains/losses on investments at fair value through profit or loss in the Statement of Comprehensive Income. All other foreign currency exchange differences relating to monetary items, including cash balances, are presented under net realised and unrealised gains/losses on foreign currency in the Statement of Comprehensive Income.

##### ***Forward Currency Contracts***

Unrealised gains or losses on open forward currency contracts, if any, are calculated by reference to the difference between the contracted rate and the rate to close out the contract as at the measurement date. Realised gains or losses include net gains/losses on contracts which have been settled or offset by other contracts.



## NORTHERN TRUST UCITS FGR FUND

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2016

#### 5. Significant Accounting Policies (continued)

##### *Futures Contracts*

For open futures contracts, changes in the value of the contract are recognised as unrealised gains or losses by "marking to market" the value of the contract at the measurement date. When the contract is closed, the difference between the proceeds from (or cost of) the closing transactions and the original transaction are recorded as a realised gain or loss.

##### *Taxation*

The Fund is an open-ended umbrella fund for joint account (fonds voor gemene rekening) within the meaning of article 2(2) of the Corporate Income Tax Act 1969 (Wet vennootschapsbelasting 1969) and has the status of a Fiscal Investment Institution (FBI) within the meaning of article 28 of the Corporate Income Tax Act 1969. As such the Fund is subject to a Dutch corporate income tax rate of 0%. To qualify for and to maintain FBI status, the Fund must, amongst other requirements, distribute its net income as dividends to its investors within eight months following the end of the financial year. If certain conditions are met, the Fund may opt to form a reinvestment reserve. In that case, the positive or negative balance of the Funds' unrealised capital gains on securities are added to, or charged against this reserve. The amounts added to, or charged against, the reinvestment reserve do not form part of the income of the Fund that need to be distributed within eight months following the end of the financial year.

Dividend distributions made by Netherlands resident entities to the Fund may be subject to the 15% Netherlands dividend withholding tax. In addition, withholding tax may be withheld on proceeds derived by the Fund from foreign investments, both on dividends as well as on interest payments made to the Fund.

Under the Dutch Dividend Tax Act 1965 (Wet op de dividendbelasting 1965), dividends distributed by the Fund are in principle subject to a 15% dividend withholding tax. The Fund is required to remit to the Dutch tax authorities the 15% dividend withholding tax that it has withheld on dividend payments. However, insofar as the Fund qualifies as a FBI, the Fund is entitled to the so-called tax rebate (afdrachtsvermindering) of article 11a Dividend Tax Act 1965. As a result of the tax rebate the amount of dividend withholding tax that the Fund is required to remit to the Dutch tax authorities is reduced, if the Fund itself has received dividends and interest that have been subject to a Dutch or foreign withholding tax.

##### *Cash and Cash Equivalents*

Cash comprises current deposits with banks. Cash equivalents are short-term highly liquid instruments that are readily convertible to known amounts of cash, subject to an insignificant risk of changes in value and held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

##### *Margin Cash*

Cash collateral provided by the Sub-Funds to a counterparty in relation to futures contracts is presented in the Statement of Financial Position as margin cash. Margin cash is valued at amortised cost plus accrued interest which approximates fair value.

##### *Structured Entities*

As Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund's investment in its subsidiary, as defined under IFRS 10, is not held for trading, it is presented on an aggregate basis in the financial statements with the "designated at fair value" financial assets, as they are managed together on a fair value basis.

##### *Investments in Master Funds*

##### *Northern Trust Europe Custom ESG Equity Index UCITS FGR Feeder Fund and Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund*

Northern Trust Europe Custom ESG Equity Index UCITS FGR Feeder Fund and Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund meet the definition of an investment entity as defined by IFRS 10 and are required to account for their subsidiaries, Northern Trust Europe Custom ESG Equity Index Fund and Northern Trust North America Custom ESG Equity Index Fund respectively, at fair value through profit or loss. These financial statements are the only financial statements presented by the Feeder Funds.

The Feeder Funds meet the definition of an investment entity per IFRS 10 as the following conditions exist:

- The Feeder Funds have obtained funds for the purpose of providing investors with investment management services;
- The Feeder Funds' business purposes, which are communicated directly to investors, are investing solely for returns from capital appreciation and investment income, through the use of a Master-Feeder structure; and
- The performance of investments made through the Master Funds are measured and evaluated on a fair value basis.

## NORTHERN TRUST UCITS FGR FUND

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2016

#### 5. Significant Accounting Policies (continued)

##### *Structured Entities (continued)*

##### *Investments in Master Funds (continued)*

*Northern Trust World Custom ESG Equity Index UCITS FGR Feeder Fund and Northern Trust Europe Fundamental Index UCITS FGR Feeder Fund*

Northern Trust World Custom ESG Equity Index Fund and Northern Trust Europe Fundamental Index Fund are not considered to be subsidiaries of Northern Trust World Custom ESG Equity Index UCITS FGR Feeder Fund and Northern Trust Europe Fundamental Index UCITS FGR Feeder Fund respectively as the units held by them do not give the holders the current ability to direct the activities that significantly affect the returns of both these Feeder Funds and their respective Master Funds. IFRS 10's single control model states that an entity has control over an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The Manager is satisfied that the above Master Funds do not meet the definition of subsidiaries in accordance with IFRS 10 and meet the definition of structured entities in accordance with IFRS 12.

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. A structured entity often has some or all of the following features or attributes: restricted activities; a narrow and well-defined objective, such as to provide investment opportunities for investors by passing on risks and rewards associated with the assets of the structured entity to investors; and insufficient equity to permit the structured entity to finance its activities without subordinated financial support and financing in the form of multiple contractually linked instruments to investors that create concentrations of credit or other risks.

The Manager has determined that the Feeder Funds' investments in their respective Master Funds represent investments in unconsolidated structured entities. The investment objectives of the Master Funds are detailed in note 1. The Master Funds seek to achieve their investment objectives through investing primarily in a diversified portfolio of transferable equity securities issued by companies in their respective indices.

The investment manager of the Master Funds is Northern Trust Global Investments Limited. The Master Funds finance their operations by issuing redeemable units which are puttable at the holders' option and entitle the holder to a proportional stake in the Master Funds' net assets. The Feeder Funds each hold redeemable units and interests in their respective Master Funds. The holdings of the Feeder Funds in the units of their respective Master Funds as at the Statement of Financial Position date are detailed in note 17. The change in fair value of the Feeder Funds holdings in the Master Funds are included in the Statement of Comprehensive Income within net realised and unrealised gains/losses on investments at fair value through profit or loss.

#### 6. Fees

The fees applicable to Northern Trust North America Equity Index UCITS FGR Fund, Northern Trust Europe Equity Index UCITS FGR Fund, Northern Trust Developed Real Estate Index UCITS FGR Fund and Northern Trust Emerging Markets Custom ESG Equity Index UCITS FGR Fund are as follows:

- The maximum total fees and expenses for each Sub-Fund (excluding rebalancing and transaction fees and expenses) are 1 per cent of the net asset value of the Sub-Fund.
- The maximum total fees and expenses for the Investment Manager, Manager, Administrator and Depositary are 0.6 per cent of the net asset value of each Sub-Fund.
- The maximum fees and expenses of the Investment Manager are 0.2 per cent of the net asset value of each Sub-Fund. The maximum fees and expenses of the Manager are 0.2 per cent of the net asset value of each Sub-Fund. The maximum combined fees and expenses of the Administrator and Depositary are 0.2 per cent of the net asset value of each Sub-Fund.

The fees applicable to Northern Trust World Custom ESG Equity Index UCITS FGR Feeder Fund, Northern Trust Europe Custom ESG Equity Index UCITS FGR Feeder Fund, Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund and Northern Trust Europe Fundamental Index UCITS FGR Feeder Fund are as follows:

- The maximum total fees and expenses for each Sub-Fund are 0.20 per cent of the net asset value of the Sub-Fund.
- The maximum total fees and expenses for the Investment Manager, Manager, Administrator and Depositary are 0.15 per cent of the net asset value of each Sub-Fund.
- The Investment Manager does not charge any fees and expenses to the Sub-Funds. The maximum fees and expenses of the Manager are 0.05 per cent of the net asset value of each Sub-Fund. The maximum combined fees and expenses of the Administrator and Depositary are 0.10 per cent of the net asset value of each Sub-Fund.

All the above fees accrue and are calculated on each dealing day and are payable quarterly in arrears.

## NORTHERN TRUST UCITS FGR FUND

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2016

#### 6. Fees (continued)

The actual fees earned by the Investment Manager, Manager, Administrator and Depositary for the year are disclosed in the Statement of Comprehensive Income.

Transaction costs are costs incurred to acquire or dispose of financial assets or liabilities at fair value through profit or loss. They include fees and commissions paid to agents, brokers and dealers. Transaction costs for the year are disclosed in the Statement of Comprehensive Income.

The expense methodology applied to the actual expenses charged to the Sub-Funds during the year does not differ to the expense methodology as stated in the Prospectus.

The Manager may apply on behalf of the Sub-Funds a subscription charge of up to five per cent of the net asset value per unit and a redemption charge of up to three per cent of the net asset value per unit payable to the Manager or its relevant distributor. The Sub-Funds did not charge any subscription or redemption fees during the year ended 31 December 2016 or during the period ended 31 December 2015.

The costs of establishing the Fund are charged out of the assets of the Sub-Funds on a pro rata basis and shall be amortised over the first five accounting periods of the Fund. The costs of establishing each Sub-Fund are charged out of the assets of the relevant Sub-Fund and shall be amortised by the relevant Sub-Fund over the first five accounting periods of its operation (or such other period as may be determined by the Directors of the Manager at their discretion) and shall be subject to such adjustment following the establishment of new Sub-Funds as the Directors of the Manager may determine.

Audit fees of €76,414 (ex VAT) were incurred in relation to the statutory audit of the financial statements of the Fund for the year end 31 December 2016 (31 December 2015: €57,850).

#### 7. Dilution Adjustment

Units are issued and redeemed at a single issue and redemption price. The net asset value per unit may be adjusted on any dealing day depending on whether or not a Sub-Fund is in a net subscription position or in a net redemption position on such dealing day to arrive at the price. The adjustment relates to costs which impact on the value of the Sub-Fund.

For valuation purposes, the securities are valued as outlined in the Prospectus. When these values are compared with the actual cost of buying or selling assets for a Sub-Fund, differences arise due to dealing charges and spreads from buying and selling of the underlying investments. These costs have an adverse effect on the value of a Sub-Fund and are known as "dilution".

To mitigate the effects of dilution, the Manager may at its discretion make a dilution adjustment as, in its opinion, the existing unitholders, in case of subscriptions, or remaining unitholders, in case of redemptions, are adversely affected.

The dilution adjustment involves adding to, when the Sub-Fund is in a net subscription position, and deducting from, when the Sub-Fund is in a net redemption position, the net asset value per unit such a figure as the Manager considers represents an appropriate figure to meet duties, charges and spreads. When a dilution adjustment is made, it increases the price where the Sub-Fund is in a net subscription position and decreases the price where the Sub-Fund is in a net redemption position.

The net asset value per unit for the Sub-Funds as disclosed in note 20 may exclude a dilution adjustment which is not recognised in the Statement of Financial Position, the Statement of Comprehensive Income or the Statement of Changes in Net Assets. The net asset value per unit for the Sub-Funds did not exclude any dilution adjustment at the year end or prior period end.

#### 8. Distributions

The following distributions were declared and paid during the year ended 31 December 2016.

|  | May 2016    | November 2016 |
|--|-------------|---------------|
| Northern Trust North America Equity Index UCITS FGR Fund: Class A Euro               | €5,177,738  | €6,491,506    |
| Northern Trust North America Equity Index UCITS FGR Fund: Class A US Dollar          | US\$12,198  | US\$11,711    |
| Northern Trust Europe Equity Index UCITS FGR Fund: Class A Euro                      | €14,226,820 | €20,571,259   |
| Northern Trust Europe Equity Index UCITS FGR Fund: Class A US Dollar                 | US\$8,243   | US\$10,758    |
| Northern Trust Developed Real Estate Index UCITS FGR Fund: Class A Euro              | €8,369,690  | €18,191,837   |
| Northern Trust Developed Real Estate Index UCITS FGR Fund: Class A US Dollar         | US\$105,173 | US\$139,338   |
| Northern Trust Emerging Markets Custom ESG Equity Index UCITS FGR Fund: Class A Euro | €148,580    | €864,693      |
| Northern Trust Emerging Markets Custom ESG Equity Index UCITS FGR Fund: Class B Euro | €1,513      | €85,363       |

## NORTHERN TRUST UCITS FGR FUND

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2016

#### 8. Distributions (continued)

|   | February 2016 |
|---|---------------|
| Northern Trust World Custom ESG Equity Index UCITS FGR Feeder Fund: Class A Euro  | €199,222      |
| Northern Trust World Custom ESG Equity Index UCITS FGR Feeder Fund: Class B Euro  | €84,480       |
| Northern Trust Europe Custom ESG Equity Index UCITS FGR Feeder Fund: Class A Euro | €16,001       |
| Northern Trust Europe Custom ESG Equity Index UCITS FGR Feeder Fund: Class B Euro | €42,667       |

Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund and Northern Trust Europe Fundamental Index UCITS FGR Feeder Fund did not declare or pay any distributions during the year ended 31 December 2016.

The following distributions were declared and paid during the period ended 31 December 2015.

|  | May 2015   | November 2015 |
|--|------------|---------------|
| Northern Trust North America Equity Index UCITS FGR Fund: Class A Euro       | €330,226   | €4,763,699    |
| Northern Trust North America Equity Index UCITS FGR Fund: Class A US Dollar  | US\$436    | US\$7,236     |
| Northern Trust Europe Equity Index UCITS FGR Fund: Class A Euro              | €5,149,274 | €18,452,583   |
| Northern Trust Europe Equity Index UCITS FGR Fund: Class A US Dollar         | US\$2,086  | US\$9,900     |
| Northern Trust Developed Real Estate Index UCITS FGR Fund: Class A Euro      | €2,709,802 | €9,869,328    |
| Northern Trust Developed Real Estate Index UCITS FGR Fund: Class A US Dollar | US\$35,706 | US\$113,302   |

Northern Trust Emerging Markets Custom ESG Equity Index UCITS FGR Fund, Northern Trust World Custom ESG Equity Index UCITS FGR Feeder Fund, Northern Trust Europe Custom ESG Equity Index UCITS FGR Feeder Fund and Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund did not declare or pay any distributions during the period ended 31 December 2015.

#### 9. Cash and Cash equivalents and Margin Cash

All cash and overdrafts, if any, are held with The Northern Trust Company. All margin cash is held with the broker, Citigroup Global Markets Ltd.

#### 10. Soft Commission Arrangements

There were no soft commission arrangements entered into during the year ended 31 December 2016 or the period ended 31 December 2015.

#### 11. Transactions with Related Parties and Key Management Personnel

The following transactions were entered into during the year by the Sub-Funds in the ordinary course of business and on normal commercial terms:

The following fees were earned by/payable to Northern Trust Global Investments Limited, as Investment Manager, during/as at the year ended 31 December 2016 and the period ended 31 December 2015.

|  | For the year ended 31<br>December 2016   | As at 31 December 2016 |
|--|--|------------------------|
| Northern Trust North America Equity Index UCITS FGR Fund               | US\$297,448                              | US\$21,390             |
| Northern Trust Europe Equity Index UCITS FGR Fund                      | €432,173                                 | €30,875                |
| Northern Trust Developed Real Estate Index UCITS FGR Fund              | US\$704,332                              | US\$66,590             |
| Northern Trust Emerging Markets Custom ESG Equity Index UCITS FGR Fund | €38,984                                  | €5,006                 |
|  | For the period ended 31<br>December 2015 | As at 31 December 2015 |
| Northern Trust North America Equity Index UCITS FGR Fund               | US\$217,186                              | US\$47,083             |
| Northern Trust Europe Equity Index UCITS FGR Fund                      | €393,466                                 | €82,895                |
| Northern Trust Developed Real Estate Index UCITS FGR Fund              | US\$365,923                              | US\$65,095             |
| Northern Trust Emerging Markets Custom ESG Equity Index UCITS FGR Fund | €1,510                                   | €1,510                 |

# NORTHERN TRUST UCITS FGR FUND

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2016

### 11. Transactions with Related Parties and Key Management Personnel (continued)

There were no investment manager fees charged to Northern Trust World Custom ESG Equity Index UCITS FGR Feeder Fund, Northern Trust Europe Custom ESG Equity Index UCITS FGR Feeder Fund, Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund or Northern Trust Europe Fundamental Index UCITS FGR Feeder Fund during the year ended 31 December 2016 or the period ended 31 December 2015.

The following fees were earned by/payable to Northern Trust Fund Managers (Ireland) Limited, as Manager, during/as at the year ended 31 December 2016 and the period ended 31 December 2015.

|   | For the year ended 31<br>December 2016   | As at 31 December<br>2016 |
|---|--|---------------------------|
| Northern Trust North America Equity Index UCITS FGR Fund  | US\$117,957                              | US\$22,445                |
| Northern Trust Europe Equity Index UCITS FGR Fund         | €169,367                                 | €30,260                   |
| Northern Trust Developed Real Estate Index UCITS FGR Fund | US\$181,007                              | US\$38,836                |
|   | For the period ended<br>31 December 2015 | As at 31 December<br>2015 |
| Northern Trust North America Equity Index UCITS FGR Fund  | US\$81,445                               | US\$8,573                 |
| Northern Trust Europe Equity Index UCITS FGR Fund         | €147,550                                 | €14,791                   |
| Northern Trust Developed Real Estate Index UCITS FGR Fund | US\$91,481                               | US\$8,493                 |

There were no management fees charged to Northern Trust Emerging Markets Custom ESG Equity Index UCITS FGR Fund, Northern Trust World Custom ESG Equity Index UCITS FGR Feeder Fund, Northern Trust Europe Custom ESG Equity Index UCITS FGR Feeder Fund, Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund or Northern Trust Europe Fundamental Index UCITS FGR Feeder Fund during the year ended 31 December 2016 or the period ended 31 December 2015.

The following fees were earned by/payable to Northern Trust International Fund Administration Services (Ireland) Limited, as Administrator, during/as at the year ended 31 December 2016 and the period ended 31 December 2015.

|  | For the year ended 31<br>December 2016   | As at 31 December<br>2016 |
|--|--|---------------------------|
| Northern Trust North America Equity Index UCITS FGR Fund                   | US\$235,915                              | US\$44,729                |
| Northern Trust Europe Equity Index UCITS FGR Fund                          | €338,734                                 | €60,377                   |
| Northern Trust Developed Real Estate Index UCITS FGR Fund                  | US\$421,139                              | US\$89,256                |
| Northern Trust Emerging Markets Custom ESG Equity Index UCITS FGR Fund     | €48,721                                  | €5,649                    |
| Northern Trust World Custom ESG Equity Index UCITS FGR Feeder Fund         | €82,929                                  | €17,036                   |
| Northern Trust Europe Custom ESG Equity Index UCITS FGR Feeder Fund        | €26,341                                  | €6,974                    |
| Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund | €7,807                                   | €2,461                    |
| Northern Trust Europe Fundamental Index UCITS FGR Feeder Fund              | €49,471                                  | €8,933                    |
|  | For the period ended<br>31 December 2015 | As at 31 December<br>2015 |
| Northern Trust North America Equity Index UCITS FGR Fund                   | US\$162,890                              | US\$17,147                |
| Northern Trust Europe Equity Index UCITS FGR Fund                          | €295,099                                 | €29,582                   |
| Northern Trust Developed Real Estate Index UCITS FGR Fund                  | US\$213,455                              | US\$19,817                |
| Northern Trust Emerging Markets Custom ESG Equity Index UCITS FGR Fund     | €1,323                                   | €1,323                    |
| Northern Trust World Custom ESG Equity Index UCITS FGR Feeder Fund         | €5,695                                   | €3,382                    |
| Northern Trust Europe Custom ESG Equity Index UCITS FGR Feeder Fund        | €1,938                                   | €897                      |
| Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund | €128                                     | €128                      |

The following fees were earned by/payable to Northern Trust Global Services Limited, Amsterdam Branch, as Depositary, during/as at the year ended 31 December 2016 and the period ended 31 December 2015.

|  | For the year ended 31<br>December 2016 | As at 31 December<br>2016 |
|--|--|---------------------------|
| Northern Trust North America Equity Index UCITS FGR Fund               | US\$173,135                            | US\$28,950                |
| Northern Trust Europe Equity Index UCITS FGR Fund                      | €252,200                               | €37,322                   |
| Northern Trust Developed Real Estate Index UCITS FGR Fund              | US\$264,366                            | US\$51,333                |
| Northern Trust Emerging Markets Custom ESG Equity Index UCITS FGR Fund | €72,237                                | €14,130                   |

## NORTHERN TRUST UCITS FGR FUND

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2016

#### 11. Transactions with Related Parties and Key Management Personnel (continued)

|  | For the year ended 31<br>December 2016 | As at 31 December<br>2016 |
|--|--|---------------------------|
| Northern Trust World Custom ESG Equity Index UCITS FGR Feeder Fund         | €10,301                                | €275                      |
| Northern Trust Europe Custom ESG Equity Index UCITS FGR Feeder Fund        | €10,253                                | €228                      |
| Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund | €10,154                                | €331                      |
| Northern Trust Europe Fundamental Index UCITS FGR Feeder Fund              | €9,690                                 | €356                      |

|  | For the period ended<br>31 December 2015 | As at 31 December<br>2015 |
|--|--|---------------------------|
| Northern Trust North America Equity Index UCITS FGR Fund                   | US\$108,594                              | US\$108,594               |
| Northern Trust Europe Equity Index UCITS FGR Fund                          | €196,732                                 | €196,732                  |
| Northern Trust Developed Real Estate Index UCITS FGR Fund                  | US\$121,974                              | US\$121,974               |
| Northern Trust Emerging Markets Custom ESG Equity Index UCITS FGR Fund     | €1,470                                   | €1,470                    |
| Northern Trust World Custom ESG Equity Index UCITS FGR Feeder Fund         | €2,403                                   | €2,403                    |
| Northern Trust Europe Custom ESG Equity Index UCITS FGR Feeder Fund        | €2,003                                   | €2,003                    |
| Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund | €250                                     | €250                      |

The following unitholders had significant holdings in the Sub-Funds as at 31 December 2016: ABN AMRO Bank held 99.15% of Northern Trust North America Equity Index UCITS FGR Fund's units (31 December 2015: 99.90%), 99.76% of Northern Trust Europe Equity Index UCITS FGR Fund's units (31 December 2015: 99.78%), 98.85% of Northern Trust Developed Real Estate Index UCITS FGR Fund's units (31 December 2015: 98.75%) and 55.47% of Northern Trust Europe Custom ESG Equity Index UCITS FGR Feeder Fund's units (31 December 2015: 99.54%); Rabobank held 96.52% of Northern Trust Emerging Markets Custom ESG Equity Index UCITS FGR Fund's units (31 December 2015: 100.00%), 79.00% of Northern Trust World Custom ESG Equity Index UCITS FGR Feeder Fund's units (31 December 2015: 78.21%) and 48.44% of Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund's units (31 December 2015: 0.00%); BinckBank held 47.48% of Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund's units (31 December 2015: 0.00%); and F. Van Lanschot Bankiers held 88.80% of Northern Trust Europe Fundamental Index UCITS FGR Feeder Fund's units.

As at 31 December 2016 the Sub-Funds had a net cash balance of €8,244,693 (31 December 2015: €7,629,184) with The Northern Trust Company. During the year ended 31 December 2016 the Sub-Funds earned net bank interest expense of €68,745 in respect of their cash balances held with The Northern Trust Company. During the period ended 31 December 2015 the Sub-Funds paid net bank interest expense of €44,518 in respect of their overdrawn balances held with The Northern Trust Company. Please refer to the Statement of Financial Position and Statement of Comprehensive Income of each Sub-Fund for a breakdown of these amounts.

No remuneration was paid to the Directors of the Manager out of the assets of the Sub-Funds during the year ended 31 December 2016 or the period ended 31 December 2015. Catherine Duffy, Eleanor Fitzgerald, Willem van Ooijen, Hazel McNeillage and James Wright who served as Directors of the Manager during the year are employees of Northern Trust.

As at 31 December 2016 and 31 December 2015 the Sub-Funds were invested in Northern Trust Global Funds plc – Euro Liquidity Fund, Northern Trust Global Funds plc - Sterling Fund and Northern Trust Global Funds plc - US Dollar Fund, which are also managed by Northern Trust Global Investments Limited. Please refer to the Portfolio Statements of each Sub-Fund for details of these investments.

The Feeder Funds invest in sub-funds of Northern Trust UCITS Common Contractual Fund. Total subscriptions and redemptions in Northern Trust World Custom ESG Equity Index Fund by Northern Trust World Custom ESG Equity Index UCITS FGR Feeder Fund during the year ended 31 December 2016 were €561,328,833 (31 December 2015: €285,910,273) and €53,403,707 (31 December 2015: €2,842,210) respectively. Total subscriptions and redemptions in Northern Trust Europe Custom ESG Equity Index Fund by Northern Trust Europe Custom ESG Equity Index UCITS FGR Feeder Fund during the year ended 31 December 2016 were €121,505,451 (31 December 2015: €63,952,357) and €12,885,342 (31 December 2015: €1,739,096) respectively. Total subscriptions and redemptions in Northern Trust North America Custom ESG Equity Index Fund by Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund during the year ended 31 December 2016 were €61,456,298 (31 December 2015: €22,899,015) and €25,493,481 (31 December 2015: €Nil) respectively. Total subscriptions and redemptions in Northern Trust Europe Fundamental Index Fund by Northern Trust Europe Fundamental Index UCITS FGR Feeder Fund during the year ended 31 December 2016 were €318,925,682 and €30,656,671 respectively.

Distributions of €12,627,364 (31 December 2015: €220,660) were paid to Northern Trust World Custom ESG Equity Index UCITS FGR Feeder Fund by Northern Trust World Custom ESG Equity Index Fund during the year ended 31 December 2016. Distributions of €3,361,633 (31 December 2015: €58,442) were paid to Northern Trust Europe Custom ESG Equity Index UCITS FGR Feeder Fund by Northern Trust Europe Custom ESG Equity Index Fund during the year ended 31 December 2016. Distributions of €360,093 (31 December 2015: €Nil) were paid to Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund by Northern Trust North America Custom ESG Equity Index Fund during the year ended 31 December 2016. Distributions of €10,048,726 were paid to Northern Trust Europe Fundamental Index UCITS FGR Feeder Fund by Northern Trust Europe Fundamental Index Fund during the year ended 31 December 2016.

## NORTHERN TRUST UCITS FGR FUND

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2016

#### 12. Financial Instruments and Associated Risks

The investment objectives of the Sub-Funds are detailed in note 1. The Sub-Funds' activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Sub-Funds' overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Sub-Funds' financial performance. Each Sub-Fund may use financial derivative instruments to moderate certain risk exposures.

The Investment Manager assesses the risk profiles of the Sub-Funds on the basis of their investment policies, strategies and their use made of financial derivative instruments. Based on the risk profile, the Investment Manager has determined to calculate global exposure for all Sub-Funds using the commitment approach.

Northern Trust North America Equity Index UCITS FGR Fund, Northern Trust Europe Equity Index UCITS FGR Fund and Northern Trust Emerging Markets Custom ESG Equity Index UCITS FGR Fund seek to achieve their investment objectives through investment primarily in a diversified portfolio of transferable equity securities issued by companies within their respective indices. Northern Trust Developed Real Estate Index UCITS FGR Fund seeks to achieve its investment objective through investment primarily in a diversified portfolio of real estate related securities listed or traded on markets worldwide including listed real estate investment trusts (REITs) and transferable equity securities issued by companies within its index whose principal business is the ownership, management and/or development of income producing and for sale real estate.

Northern Trust North America Equity Index UCITS FGR Fund, Northern Trust Europe Equity Index UCITS FGR Fund, Northern Trust Developed Real Estate Index UCITS FGR Fund and Northern Trust Emerging Markets Custom ESG Equity Index UCITS FGR Fund may also invest up to 10% of their net asset value indirectly in equities securities comprised within their respective indices through holdings in open-ended investment funds with investment objectives which are materially similar to the Sub-Funds'.

In addition to investing at least 85% of their assets in their respective Master Funds, Northern Trust World Custom ESG Equity Index UCITS FGR Feeder Fund, Northern Trust Europe Custom ESG Equity Index UCITS FGR Feeder Fund, Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund and Northern Trust Europe Fundamental Index UCITS FGR Feeder Fund may also invest up to 15% of their assets in aggregate in ancillary liquid assets including cash deposits, cash equivalents, certificates of deposits and money market instruments.

#### **Market Risk**

##### *(i) Price Risk*

Price risk is the risk that the value of an instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market.

The Sub-Funds' investments are susceptible to price risk arising from uncertainties about future prices of these instruments.

The price risk of Northern Trust North America Equity Index UCITS FGR Fund, Northern Trust Europe Equity Index UCITS FGR Fund, Northern Trust Developed Real Estate Index UCITS FGR Fund and Northern Trust Emerging Markets Custom ESG Equity Index UCITS FGR Fund is managed by investing primarily in a diversified portfolio of companies listed or traded on a regulated stock exchange or market.

The Feeder Funds' investments in the Master Funds are subject to the terms and conditions of the Master Funds offering documentation and are susceptible to market price risk arising from uncertainties about future values of the Master Funds. The Master Funds are managed by Northern Trust Global Investments Limited, who is compensated by the respective Master Funds for its services. Such compensation consists of an asset based fee which is reflected in the valuation of the Feeder Funds' investments in their respective Master Funds. The Feeder Funds have the right to request redemption of their investments in the Master Funds on a daily basis.

The Sub-Funds may use the following derivative instruments solely for efficient portfolio management and currency hedging purposes: forward currency contracts and exchange traded futures contracts.

The Sub-Funds' overall market positions are monitored on a daily basis by the Investment Manager.

The following tables detail the concentration of the investments held by the Sub-Funds by asset class as at the Statement of Financial Position date.

**NORTHERN TRUST UCITS FGR FUND**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)**

*For the year ended 31 December 2016*

**12. Financial Instruments and Associated Risks (continued)**

**Market Risk (continued)**

*(i) Price Risk (continued)*

|                  | Northern Trust North<br>America Equity Index<br>UCITS FGR Fund<br>31 December 2016<br>% of Net Assets              | Northern Trust<br>Europe Equity Index<br>UCITS FGR Fund<br>31 December 2016<br>% of Net Assets                      | Northern Trust<br>Developed Real Estate<br>Index UCITS FGR<br>Fund<br>31 December 2016<br>% of Net Assets                  | Northern Trust<br>Emerging Markets<br>Custom ESG Equity<br>Index UCITS FGR<br>Fund<br>31 December 2016<br>% of Net Assets |
|------------------|--|---|--|---|
| Equities         | 98.56  | 98.11   | 98.92  | 94.62   |
| Investment funds | 1.02   | 1.10  | 0.37   | 2.84  |
| Derivatives      | -  | 0.04  | -  | -   |
| <b>Total</b>     | <b>99.58</b>   | <b>99.25</b>  | <b>99.29</b>   | <b>97.46</b>  |
|                  | Northern Trust World<br>Custom ESG Equity<br>Index UCITS FGR<br>Feeder Fund<br>31 December 2016<br>% of Net Assets | Northern Trust<br>Europe Custom ESG<br>Equity Index UCITS<br>FGR Feeder Fund<br>31 December 2016<br>% of Net Assets | Northern Trust North<br>America Custom ESG<br>Equity Index UCITS<br>FGR Feeder Fund<br>31 December 2016<br>% of Net Assets | Northern Trust<br>Europe Fundamental<br>Index UCITS FGR<br>Feeder Fund<br>31 December 2016<br>% of Net Assets             |
| Investment funds | 99.83  | 99.94   | 99.85  | 99.81   |
| <b>Total</b>     | <b>99.83</b>   | <b>99.94</b>  | <b>99.85</b>   | <b>99.81</b>  |
|                  | Northern Trust North<br>America Equity Index<br>UCITS FGR Fund<br>31 December 2015<br>% of Net Assets              | Northern Trust<br>Europe Equity Index<br>UCITS FGR Fund<br>31 December 2015<br>% of Net Assets                      | Northern Trust<br>Developed Real Estate<br>Index UCITS FGR<br>Fund<br>31 December 2015<br>% of Net Assets                  | Northern Trust<br>Emerging Markets<br>Custom ESG Equity<br>Index UCITS FGR<br>Fund<br>31 December 2015<br>% of Net Assets |
| Equities         | 98.34  | 98.71   | 98.88  | 89.04   |
| Investment funds | 1.45   | 0.72  | 0.57   | 3.09  |
| Derivatives      | -  | 0.03  | -  | 0.12  |
| <b>Total</b>     | <b>99.79</b>   | <b>99.46</b>  | <b>99.45</b>   | <b>92.25</b>  |
|                  | Northern Trust World<br>Custom ESG Equity<br>Index UCITS FGR<br>Feeder Fund<br>31 December 2015<br>% of Net Assets | Northern Trust<br>Europe Custom ESG<br>Equity Index UCITS<br>FGR Feeder Fund<br>31 December 2015<br>% of Net Assets | Northern Trust North<br>America Custom ESG<br>Equity Index UCITS<br>FGR Feeder Fund<br>31 December 2015<br>% of Net Assets |   |
| Investment funds | 99.88  | 99.90   | 100.04   |   |
| <b>Total</b>     | <b>99.88</b>   | <b>99.90</b>  | <b>100.04</b>  |   |

The following tables detail the concentration of investments held by the Sub-Funds by geographical location as at the Statement of Financial Position date.



# **NORTHERN TRUST UCITS FGR FUND**

## **NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)**

*For the year ended 31 December 2016*

### **12. Financial Instruments and Associated Risks (continued)**

#### **Market Risk (continued)**

##### **(i) Price Risk (continued)**

#### **Northern Trust North America Equity Index UCITS FGR Fund**

|                 | <b>31 December 2016</b> | <b>31 December 2015</b> |
|-----------------|-------------------------|-------------------------|
|                 | <b>% of Net Assets</b>  | <b>% of Net Assets</b>  |
| United States   | 92.08                   | 93.19                   |
| Canada          | 5.66                    | 4.62                    |
| Other countries | 1.84                    | 1.98                    |
| <b>Total</b>    | <b>99.58</b>            | <b>99.79</b>            |

#### **Northern Trust Europe Equity Index UCITS FGR Fund**

|                 | <b>31 December 2016</b> | <b>31 December 2015</b> |
|-----------------|-------------------------|-------------------------|
|                 | <b>% of Net Assets</b>  | <b>% of Net Assets</b>  |
| United Kingdom  | 27.82                   | 27.74                   |
| France          | 15.50                   | 14.81                   |
| Germany         | 14.47                   | 13.99                   |
| Switzerland     | 14.16                   | 14.74                   |
| Netherlands     | 5.32                    | 5.67                    |
| Other countries | 21.98                   | 22.51                   |
| <b>Total</b>    | <b>99.25</b>            | <b>99.46</b>            |

#### **Northern Trust Developed Real Estate Index UCITS FGR Fund**

|                 | <b>31 December 2016</b> | <b>31 December 2015</b> |
|-----------------|-------------------------|-------------------------|
|                 | <b>% of Net Assets</b>  | <b>% of Net Assets</b>  |
| United States   | 54.80                   | 53.15                   |
| Japan           | 10.92                   | 10.85                   |
| Hong Kong       | 7.01                    | 7.53                    |
| Australia       | 5.83                    | 5.71                    |
| United Kingdom  | 4.48                    | 5.85                    |
| Other countries | 16.25                   | 16.36                   |
| <b>Total</b>    | <b>99.29</b>            | <b>99.45</b>            |

#### **Northern Trust Emerging Markets Custom ESG Equity Index UCITS FGR Fund**

|                            | <b>31 December 2016</b> | <b>31 December 2015</b> |
|----------------------------|-------------------------|-------------------------|
|                            | <b>% of Net Assets</b>  | <b>% of Net Assets</b>  |
| People's Republic of China | 25.95                   | 26.45                   |
| Republic of South Korea    | 14.17                   | 15.60                   |
| Taiwan                     | 12.35                   | 12.59                   |
| India                      | 7.81                    | -                       |
| South Africa               | 7.15                    | 6.61                    |
| Other countries            | 30.03                   | 31.00                   |
| <b>Total</b>               | <b>97.46</b>            | <b>92.25</b>            |

#### **Northern Trust World Custom ESG Equity Index UCITS FGR Feeder Fund**

|              | <b>31 December 2016</b> | <b>31 December 2015</b> |
|--------------|-------------------------|-------------------------|
|              | <b>% of Net Assets</b>  | <b>% of Net Assets</b>  |
| Ireland      | 99.83                   | 99.88                   |
| <b>Total</b> | <b>99.83</b>            | <b>99.88</b>            |

# NORTHERN TRUST UCITS FGR FUND

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2016

### 12. Financial Instruments and Associated Risks (continued)

#### Market Risk (continued)

##### (i) Price Risk (continued)

#### Northern Trust Europe Custom ESG Equity Index UCITS FGR Feeder Fund

|              | 31 December 2016<br>% of Net Assets | 31 December 2015<br>% of Net Assets |
|--------------|-------------------------------------|-------------------------------------|
| Ireland      | 99.94                               | 99.90                               |
| <b>Total</b> | <b>99.94</b>                        | <b>99.90</b>                        |

#### Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund

|              | 31 December 2016<br>% of Net Assets | 31 December 2015<br>% of Net Assets |
|--------------|-------------------------------------|-------------------------------------|
| Ireland      | 99.85                               | 100.04                              |
| <b>Total</b> | <b>99.85</b>                        | <b>100.04</b>                       |

#### Northern Trust Europe Fundamental Index UCITS FGR Feeder Fund

|              | 31 December 2016<br>% of Net Assets |
|--------------|-------------------------------------|
| Ireland      | 99.81                               |
| <b>Total</b> | <b>99.81</b>                        |

The following tables detail the concentration of the investments held by the Master Funds as at the Statement of Financial Position date. The investments by the Sub-Funds in the Master Funds are included in financial assets at fair value through profit or loss in the Statement of Financial Position.

|                  | Northern Trust World<br>Custom ESG Equity<br>Index Fund<br>31 December 2016<br>% of Net Assets | Northern Trust<br>Europe Custom ESG<br>Equity Index Fund<br>31 December 2016<br>% of Net Assets | Northern Trust North<br>America Custom ESG<br>Equity Index Fund<br>31 December 2016<br>% of Net Assets | Northern Trust<br>Europe Fundamental<br>Index Fund<br>31 December 2016<br>% of Net Assets |
|------------------|--|---|--|---|
| Equities         | 98.19  | 98.76   | 95.34  | 99.57   |
| Investment funds | 0.10   | 0.58  | -  | 0.05  |
| Derivatives      | -  | 0.01  | -  | 0.01  |
| <b>Total</b>     | <b>98.29</b>   | <b>99.35</b>  | <b>95.34</b>   | <b>99.63</b>  |

|              | Northern Trust World<br>Custom ESG Equity<br>Index Fund<br>31 December 2015<br>% of Net Assets | Northern Trust<br>Europe Custom ESG<br>Equity Index Fund<br>31 December 2015<br>% of Net Assets | Northern Trust North<br>America Custom ESG<br>Equity Index Fund<br>31 December 2015<br>% of Net Assets |
|--------------|--|---|--|
| Equities     | 98.50  | 98.13   | 99.87  |
| Derivatives  | 0.01   | 0.03  | -  |
| <b>Total</b> | <b>98.51</b>   | <b>98.16</b>  | <b>99.87</b>   |

If the value of the underlying securities held by each Sub-Fund as at 31 December 2016 and 31 December 2015 had increased or decreased by 5%, with all other variables held constant, this would have increased or decreased respectively net assets attributable to holders of redeemable participating units by the amounts shown below. The Manager believes that a movement of 5% is reasonably possible.

|   | 31 December 2016 | 31 December 2015 |
|---|------------------|------------------|
| Northern Trust North America Equity Index UCITS FGR Fund  | US\$48,108,356   | US\$33,183,724   |
| Northern Trust Europe Equity Index UCITS FGR Fund         | €65,900,931      | €57,273,737      |
| Northern Trust Developed Real Estate Index UCITS FGR Fund | US\$80,655,992   | US\$33,580,390   |

# NORTHERN TRUST UCITS FGR FUND

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2016

### 12. Financial Instruments and Associated Risks (continued)

#### Market Risk (continued)

##### (i) Price Risk (continued)

|  | 31 December 2016 | 31 December 2015 |
|--|------------------|------------------|
| Northern Trust Emerging Markets Custom ESG Equity Index UCITS FGR Fund     | €6,233,843       | €1,853,492       |
| Northern Trust World Custom ESG Equity Index UCITS FGR Feeder Fund         | €44,097,768      | €14,395,795      |
| Northern Trust Europe Custom ESG Equity Index UCITS FGR Feeder Fund        | €8,887,946       | €3,133,382       |
| Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund | €3,284,004       | €1,163,387       |
| Northern Trust Europe Fundamental Index UCITS FGR Feeder Fund              | €16,540,153      |                  |

The Feeder Funds maximum exposure to loss from their interests in the Master Funds is equal to the total fair value of their investments in the Master Funds. Once the Feeder Fund has disposed of its units in the Master Fund the Feeder Fund ceases to be exposed to any risk from the Master Fund. The Feeder Funds' strategies entail trading in their respective Master Funds on a regular basis. Total subscriptions and redemptions in the Master Funds by the Feeder Funds during the year ended 31 December 2016 and the period ended 31 December 2015 are detailed in note 11 on page 36. There were no capital commitment obligations as at 31 December 2016 or 31 December 2015. Amounts due from the Feeder Funds for unsettled purchases as at 31 December 2016 and 31 December 2015 are detailed in the Statement of Financial Position.

During the year ended 31 December 2016 net gains on investments in the Master Funds were €85,863,647 for Northern Trust World Custom ESG Equity Index UCITS FGR Feeder Fund (31 December 2015: €4,892,180), €6,348,837 for Northern Trust Europe Custom ESG Equity Index UCITS FGR Feeder Fund (31 December 2015: €525,870), €6,445,095 for Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund (31 December 2015: €373,308) and €42,505,572 for Northern Trust Europe Fundamental Index UCITS FGR Feeder Fund.

##### (ii) Interest Rate Risk

The majority of the Sub-Funds' financial assets and liabilities are non-interest bearing. As a result, the Sub-Funds are not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates. Any excess cash is invested in ancillary liquid assets at short-term market interest rates.

##### (iii) Currency Risk

The Sub-Funds hold financial instruments denominated in currencies other than their functional currencies. They are therefore exposed to currency risk, as the value of the financial assets and liabilities denominated in other currencies will fluctuate due to changes in exchange rates.

The Sub-Funds may enter into currency exchange transactions in an attempt to protect against changes in currency exchange rates between the trade and settlement dates of specific securities transactions or anticipated securities transactions. The Sub-Funds may also enter into forward contracts to hedge against a change in currency exchange rates that would cause a decline in the value of existing investments denominated or principally traded in a currency other than the functional currency of the Sub-Funds. To do this, the Sub-Funds would enter into a forward contract to sell the currency in which the investment is denominated or principally traded in exchange for the functional currency of the Sub-Funds.

The following tables set out the Sub-Funds' financial assets and liabilities exposed to foreign currency risk as at the Statement of Financial Position date.

#### Northern Trust North America Equity Index UCITS FGR Fund

31 December 2016

| All amounts stated in US\$'000's | Total         | Canadian      | Euro      | British  |
|----------------------------------|---------------|---------------|-----------|----------|
|                                  |               | Dollar        |           | Pound    |
| Monetary assets                  | 1,106         | 870           | 235       | 1        |
| Non monetary assets              | 54,820        | 54,451        | 365       | 4        |
| Monetary liabilities             | (503)         | -             | (503)     | -        |
| <b>Net currency exposure</b>     | <b>55,423</b> | <b>55,321</b> | <b>97</b> | <b>5</b> |

**NORTHERN TRUST UCITS FGR FUND**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)**

*For the year ended 31 December 2016*

**12. Financial Instruments and Associated Risks (continued)**

**Market Risk (continued)**

**(iii) Currency Risk (continued)**

**Northern Trust North America Equity Index UCITS FGR Fund (continued)**

**31 December 2015**

| All amounts stated in US\$'000's | Total         | Canadian      | Euro       |
|----------------------------------|---------------|---------------|------------|
|                                  |               | Dollar        |            |
| Monetary assets                  | 557           | 557           | -          |
| Non monetary assets              | 34,124        | 32,724        | 1,400      |
| Monetary liabilities             | (952)         | -             | (952)      |
| <b>Net currency exposure</b>     | <b>33,729</b> | <b>33,281</b> | <b>448</b> |

**Northern Trust Europe Equity Index UCITS FGR Fund**

**31 December 2016**

| All amounts stated in €'000's | Total          | Swiss Franc    | Danish        | British        | Norwegian     | Swedish       | US Dollar    |
|-------------------------------|----------------|----------------|---------------|----------------|---------------|---------------|--------------|
|                               |                |                | Krone         | Pound Sterling |               |               |              |
| Monetary assets               | 7,469          | 3,434          | 616           | 2,117          | 259           | 1,042         | 1            |
| Non monetary assets           | 675,040        | 178,846        | 33,990        | 383,663        | 13,742        | 58,699        | 6,100        |
| Monetary liabilities          | (283)          | -              | -             | (282)          | -             | (1)           | -            |
| <b>Net currency exposure</b>  | <b>682,226</b> | <b>182,280</b> | <b>34,606</b> | <b>385,498</b> | <b>14,001</b> | <b>59,740</b> | <b>6,101</b> |

**31 December 2015**

| All amounts stated in €'000's | Total          | Swiss Franc    | Danish        | British        | Norwegian    | Swedish       | US Dollar    |
|-------------------------------|----------------|----------------|---------------|----------------|--------------|---------------|--------------|
|                               |                |                | Krone         | Pound Sterling |              |               |              |
| Monetary assets               | 4,529          | 2,020          | 366           | 1,359          | 134          | 650           | -            |
| Non monetary assets           | 611,838        | 167,268        | 33,791        | 347,808        | 9,798        | 50,946        | 2,227        |
| <b>Net currency exposure</b>  | <b>616,367</b> | <b>169,288</b> | <b>34,157</b> | <b>349,167</b> | <b>9,932</b> | <b>51,596</b> | <b>2,227</b> |

**Northern Trust Developed Real Estate Index UCITS FGR Fund**

**31 December 2016**

| All amounts stated in US\$'000's | Total          | Australian    | Canadian      | Swiss Franc   | Euro           | British        | Hong Kong      |
|----------------------------------|----------------|---------------|---------------|---------------|----------------|----------------|----------------|
|                                  |                | Dollar        | Dollar        |               |                | Pound Sterling |                |
| Monetary assets                  | 8,750          | 2,063         | 556           | 127           | 1,269          | 618            | 1,315          |
| Non monetary assets              | 710,739        | 94,708        | 45,832        | 14,046        | 138,161        | 76,659         | 105,077        |
| Monetary liabilities             | (2,406)        | (650)         | (83)          | (69)          | (836)          | (194)          | (153)          |
| <b>Net currency exposure</b>     | <b>717,083</b> | <b>96,121</b> | <b>46,305</b> | <b>14,104</b> | <b>138,594</b> | <b>77,083</b>  | <b>106,239</b> |

| All amounts stated in US\$'000's | Israeli      | Japanese       | Norwegian    | New            | Swedish       | Singapore     |
|----------------------------------|--------------|----------------|--------------|----------------|---------------|---------------|
|                                  | Shekel       | Yen            | Krone        | Zealand Dollar |               |               |
| Monetary assets                  | 21           | 2,261          | 9            | 25             | 177           | 309           |
| Non monetary assets              | 2,243        | 177,472        | 1,371        | 1,451          | 19,430        | 34,289        |
| Monetary liabilities             | -            | (284)          | -            | -              | (64)          | (73)          |
| <b>Net currency exposure</b>     | <b>2,264</b> | <b>179,449</b> | <b>1,380</b> | <b>1,476</b>   | <b>19,543</b> | <b>34,525</b> |

**NORTHERN TRUST UCITS FGR FUND**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)**

*For the year ended 31 December 2016*

**12. Financial Instruments and Associated Risks (continued)**

**Market Risk (continued)**

**(iii) Currency Risk (continued)**

**Northern Trust Developed Real Estate Index UCITS FGR Fund (continued)**

**31 December 2015**

|                                  |                | Australian    | Canadian      |              |               | British       |               |
|----------------------------------|----------------|---------------|---------------|--------------|---------------|---------------|---------------|
|                                  | Total          | Dollar        | Dollar        | Swiss Franc  | Euro          | Pound         | Hong Kong     |
| All amounts stated in US\$'000's |                |               |               |              |               | Sterling      | Dollar        |
| Monetary assets                  | 4,577          | 872           | 238           | 40           | 1,851         | 239           | 443           |
| Non monetary assets              | 306,205        | 39,029        | 17,231        | 5,976        | 58,978        | 42,198        | 46,902        |
| Monetary liabilities             | (1,555)        | (233)         | (117)         | (34)         | (310)         | (239)         | (69)          |
| <b>Net currency exposure</b>     | <b>309,227</b> | <b>39,668</b> | <b>17,352</b> | <b>5,982</b> | <b>60,519</b> | <b>42,198</b> | <b>47,276</b> |

|                              | Israeli    | Japanese      | Norwegian  | Swedish      | Singapore     |
|------------------------------|------------|---------------|------------|--------------|---------------|
|                              | Shekel     | Yen           | Krone      | Krona        | Dollar        |
| Monetary assets              | 7          | 711           | 3          | 55           | 118           |
| Non monetary assets          | 768        | 73,860        | 523        | 8,222        | 12,518        |
| Monetary liabilities         | -          | (326)         | (33)       | (104)        | (90)          |
| <b>Net currency exposure</b> | <b>775</b> | <b>74,245</b> | <b>493</b> | <b>8,173</b> | <b>12,546</b> |

**Northern Trust Emerging Markets Custom ESG Equity Index UCITS FGR Fund**

**31 December 2016**

|                               |                | UAE          | Brazilian    | Chilean      | Colombian  | Czech      | Egyptian   |
|-------------------------------|----------------|--------------|--------------|--------------|------------|------------|------------|
|                               | Total          | Dirham       | Real         | Peso         | Peso       | Koruna     | Pound      |
| All amounts stated in €'000's |                |              |              |              |            |            |            |
| Monetary assets               | 3,142          | 5            | 84           | 14           | 4          | 1          | 1          |
| Non monetary assets           | 124,150        | 1,027        | 6,191        | 1,468        | 593        | 228        | 193        |
| <b>Net currency exposure</b>  | <b>127,292</b> | <b>1,032</b> | <b>6,275</b> | <b>1,482</b> | <b>597</b> | <b>229</b> | <b>194</b> |

|                               | British  |               |            |              |               |               |              |
|-------------------------------|----------|---------------|------------|--------------|---------------|---------------|--------------|
|                               | Pound    | Hong Kong     | Hungarian  | Indonesian   | Indian        | Korean        | Mexican      |
|                               | Sterling | Dollar        | Forint     | Rupiah       | Rupee         | Won           | Peso         |
| All amounts stated in €'000's |          |               |            |              |               |               |              |
| Monetary assets               | -        | 101           | 1          | 1            | 126           | 342           | 21           |
| Non monetary assets           | 7        | 26,335        | 404        | 3,253        | 9,995         | 18,126        | 3,707        |
| <b>Net currency exposure</b>  | <b>7</b> | <b>26,436</b> | <b>405</b> | <b>3,254</b> | <b>10,121</b> | <b>18,468</b> | <b>3,728</b> |

|                               | Malaysian    | Philippine   |              |              | Russian      |              | Turkish      |
|-------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
|                               | Ringgit      | Peso         | Polish Zloty | Qatari Rial  | Ruble        | Thai Baht    | Lira         |
| All amounts stated in €'000's |              |              |              |              |              |              |              |
| Monetary assets               | 61           | 1            | 13           | 4            | 14           | 6            | 4            |
| Non monetary assets           | 3,203        | 1,566        | 1,455        | 1,001        | 3,394        | 3,019        | 1,275        |
| <b>Net currency exposure</b>  | <b>3,264</b> | <b>1,567</b> | <b>1,468</b> | <b>1,005</b> | <b>3,408</b> | <b>3,025</b> | <b>1,279</b> |

|                               | Taiwan        |               | South        |
|-------------------------------|---------------|---------------|--------------|
|                               | Dollar        | US Dollar     | African      |
|                               |               |               | Rand         |
| All amounts stated in €'000's |               |               |              |
| Monetary assets               | 140           | 2,161         | 37           |
| Non monetary assets           | 15,803        | 12,668        | 9,239        |
| <b>Net currency exposure</b>  | <b>15,943</b> | <b>14,829</b> | <b>9,276</b> |

# NORTHERN TRUST UCITS FGR FUND

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2016

### 12. Financial Instruments and Associated Risks (continued)

#### Market Risk (continued)

#### (iii) Currency Risk (continued)

#### Northern Trust Emerging Markets Custom ESG Equity Index UCITS FGR Fund (continued)

##### 31 December 2015

| All amounts stated in €'000's | Total         | UAE<br>Dirham | Brazilian<br>Real | Chilean<br>Peso | Colombian<br>Peso | Czech<br>Koruna | Egyptian<br>Pound |
|-------------------------------|---------------|---------------|-------------------|-----------------|-------------------|-----------------|-------------------|
| Monetary assets               | 2,882         | 54            | 260               | -               | -                 | 15              | -                 |
| Non monetary assets           | 37,813        | 337           | 1,216             | 466             | 169               | -               | 80                |
| <b>Net currency exposure</b>  | <b>40,695</b> | <b>391</b>    | <b>1,476</b>      | <b>466</b>      | <b>169</b>        | <b>15</b>       | <b>80</b>         |

| All amounts stated in €'000's | British<br>Pound<br>Sterling | Hong Kong<br>Dollar | Hungarian<br>Forint | Indonesian<br>Rupiah | Indian<br>Rupee | Korean<br>Won | Mexican<br>Peso |
|-------------------------------|------------------------------|---------------------|---------------------|----------------------|-----------------|---------------|-----------------|
| Monetary assets               | -                            | 660                 | 28                  | -                    | -               | 326           | 148             |
| Non monetary assets           | 1                            | 9,965               | 114                 | 1,055                | 3,399           | 6,512         | 1,591           |
| <b>Net currency exposure</b>  | <b>1</b>                     | <b>10,625</b>       | <b>142</b>          | <b>1,055</b>         | <b>3,399</b>    | <b>6,838</b>  | <b>1,739</b>    |

| All amounts stated in €'000's | Malaysian<br>Ringgit | Philippine<br>Peso | Polish Zloty | Qatari Rial | Thai Baht  | Turkish<br>Lira | Taiwan<br>Dollar |
|-------------------------------|----------------------|--------------------|--------------|-------------|------------|-----------------|------------------|
| Monetary assets               | 200                  | -                  | 64           | 468         | 107        | 38              | 195              |
| Non monetary assets           | 1,379                | 646                | 538          | 381         | 839        | 489             | 5,239            |
| <b>Net currency exposure</b>  | <b>1,579</b>         | <b>646</b>         | <b>602</b>   | <b>849</b>  | <b>946</b> | <b>527</b>      | <b>5,434</b>     |

| All amounts stated in €'000's | US Dollar  | South<br>African<br>Rand |
|-------------------------------|------------|--------------------------|
| Monetary assets               | 248        | 71                       |
| Non monetary assets           | 454        | 2,943                    |
| <b>Net currency exposure</b>  | <b>702</b> | <b>3,014</b>             |

#### Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund

Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund had no material exposure to currency risk as at 31 December 2016.

##### 31 December 2015

| All amounts stated in €'000's | Total         | US Dollar     |
|-------------------------------|---------------|---------------|
| Non monetary assets           | 23,268        | 23,268        |
| <b>Net currency exposure</b>  | <b>23,268</b> | <b>23,268</b> |

Northern Trust World Custom ESG Equity Index UCITS FGR Feeder Fund, Northern Trust Europe Custom ESG Equity Index UCITS FGR Feeder Fund and Northern Trust Europe Fundamental Index UCITS FGR Feeder Fund had no material exposure to currency risk as at 31 December 2016 or 31 December 2015.

The values stated above are expressed in the Sub-Funds' functional currency equivalents.

If the exchange rates as at 31 December 2016 and 31 December 2015 between the functional currency of each Sub-Fund and the non-functional currencies to which the Sub-Funds are exposed had increased or decreased by 5%, with all other variables held constant, this would have decreased or increased respectively net assets attributable to holders of redeemable preference units by approximately the amounts shown below. The Manager believes that a movement of 5% is reasonably possible.

|  | 31 December 2016 | 31 December 2015 |
|--|------------------|------------------|
| <b>All amounts stated in '000's</b>                      |                  |                  |
| Northern Trust North America Equity Index UCITS FGR Fund | US\$2,771        | US\$1,686        |
| Northern Trust Europe Equity Index UCITS FGR Fund        | €34,111          | €30,818          |

# NORTHERN TRUST UCITS FGR FUND

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2016

### 12. Financial Instruments and Associated Risks (continued)

#### Market Risk (continued)

##### (iii) Currency Risk (continued)

|  | 31 December 2016 | 31 December 2015 |
|--|------------------|------------------|
| <b>All amounts stated in '000's</b>                                    |                  |                  |
| Northern Trust Developed Real Estate Index UCITS FGR Fund              | US\$35,854       | US\$15,461       |
| Northern Trust Emerging Markets Custom ESG Equity Index UCITS FGR Fund | €5,623           | €2,035           |
| Northern Trust World Custom ESG Equity Index UCITS FGR Feeder Fund     | -                | €1,163           |

In accordance with the Sub-Funds' policies, the Investment Manager monitors the Sub-Funds' currency risk on a daily basis.

#### Credit Risk

The Sub-Funds are exposed to credit risk, which is the risk that a counterparty will fail to discharge an obligation resulting in a financial loss to a Sub-Fund. Impairment provisions are provided for losses that have been incurred by the Statement of Financial Position date, if any. The carrying amounts of financial assets best represent the maximum credit risk exposure as at the Statement of Financial Position date. This relates also to financial assets carried at amortised cost, as they have a short-term to maturity.

The following tables set out the carrying amounts of the Sub-Funds' financial assets exposed to credit risk as at the Statement of Financial Position date.

|                                       | Northern Trust North America Equity Index UCITS FGR Fund<br>31 December 2016<br>US\$ | Northern Trust Europe Equity Index UCITS FGR Fund<br>31 December 2016<br>€ | Northern Trust Developed Real Estate Index UCITS FGR Fund<br>31 December 2016<br>US\$ | Northern Trust Emerging Markets Custom ESG Equity Index UCITS FGR Fund<br>31 December 2016<br>€ |
|---------------------------------------|--|--|---|---|
| Unrealised gains on futures contracts | -  | 506,318  | 94,811  | -   |
| Cash and cash equivalents             | 656,994  | 3,260,106  | 3,867,230   | 672,470   |
| Margin cash                           | 1,730,341  | 2,520,720  | 1,407,738   | 500,855   |
| Dividends receivable                  | 1,086,267  | 1,192,971  | 6,020,492   | 323,418   |
| Receivable for securities sold        | -  | 296,909  | 16,925  | -   |
| Subscriptions receivable              | 1,155,948  | 271,996  | 1,729,890   | 1,999,822   |
| Withholding tax rebate                | 641,395  | 217,409  | 1,922,746   | 61,658  |
| Other assets                          | 48,453   | 2,328,536  | 396,962   | 661   |
| <b>Total</b>                          | <b>5,319,398</b>   | <b>10,594,965</b>  | <b>15,456,794</b>   | <b>3,558,884</b>  |

|                                | Northern Trust World Custom ESG Equity Index UCITS FGR Feeder Fund<br>31 December 2016<br>€ | Northern Trust Europe Custom ESG Equity Index UCITS FGR Feeder Fund<br>31 December 2016<br>€ | Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund<br>31 December 2016<br>€ | Northern Trust Europe Fundamental Index UCITS FGR Feeder Fund<br>31 December 2016<br>€ |
|--------------------------------|---|--|---|--|
| Cash and cash equivalents      | 5,584   | 4,408  | 5,886   | 6,858  |
| Receivable for securities sold | 407,499   | -  | 73,655  | 394,526  |
| Subscriptions receivable       | 6,869,099   | 1,794,821  | 1,810,469   | 736,064  |
| Withholding tax rebate         | 1,507,891   | 127,352  | 110,002   | 625,766  |
| Other assets                   | 14,527  | 10,930   | 127   | 12,970   |
| <b>Total</b>                   | <b>8,804,600</b>  | <b>1,937,511</b>   | <b>2,000,139</b>  | <b>1,776,184</b>   |

# NORTHERN TRUST UCITS FGR FUND

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2016

### 12. Financial Instruments and Associated Risks (continued)

#### Credit Risk (continued)

|   | Northern Trust North<br>America Equity Index<br>UCITS FGR Fund<br>31 December 2015<br>US\$ | Northern Trust<br>Europe Equity Index<br>UCITS FGR Fund<br>31 December 2015<br>€ | Northern Trust<br>Developed Real Estate<br>Index UCITS FGR<br>Fund<br>31 December 2015<br>US\$ | Northern Trust<br>Emerging Markets<br>Custom ESG Equity<br>Index UCITS FGR<br>Fund<br>31 December 2015<br>€ |
|---|--|--|--|---|
| Unrealised gains on futures<br>contracts          | -  | 367,464  | 29,050   | 11,671  |
| Unrealised gains on forward<br>currency contracts | -  | -  | -  | 44,399  |
| Cash and cash equivalents                         | -  | 2,461,485  | 2,921,575  | 2,531,903   |
| Margin cash                                       | 785,108  | 1,215,822  | 643,781  | 241,148   |
| Dividends receivable                              | 771,129  | 1,151,178  | 2,470,513  | 93,311  |
| Receivable for securities sold                    | 6,340  | 212,797  | 105,070  | 17,892  |
| Subscriptions receivable                          | -  | -  | -  | 376,848   |
| Withholding tax rebate                            | 523,923  | 412,485  | 772,473  | 15,459  |
| Other assets                                      | 55,444   | 1,150,257  | 338,414  | 1,060   |
| <b>Total</b>                                      | <b>2,141,944</b>   | <b>6,971,488</b>   | <b>7,280,876</b>   | <b>3,333,691</b>  |

|                           | Northern Trust World<br>Custom ESG Equity<br>Index UCITS FGR<br>Feeder Fund<br>31 December 2015<br>€ | Northern Trust<br>Europe Custom ESG<br>Equity Index UCITS<br>FGR Feeder Fund<br>31 December 2015<br>€ | Northern Trust North<br>America Custom ESG<br>Equity Index UCITS<br>FGR Feeder Fund<br>31 December 2015<br>€ |
|---------------------------|--|---|--|
| Cash and cash equivalents | 321,333  | 86,205  | -  |
| Subscriptions receivable  | 689,147  | 392,768   | -  |
| Withholding tax rebate    | 40,207   | 940   | 1,768  |
| <b>Total</b>              | <b>1,050,687</b>   | <b>479,913</b>  | <b>1,768</b>   |

The Investment Manager analyses credit concentration based on the counterparty, industry and geographical location of the financial assets that the Sub-Funds hold.

Substantially all of the cash assets are held with The Northern Trust Company ("TNTC"). Cash deposited with TNTC is deposited as banker and is held on its Statement of Financial Position. Accordingly, in accordance with usual banking practice, the Bank's liability to the Sub-Funds in respect of such cash deposits shall be that of debtor and the Sub-Funds will rank as a general creditor of TNTC.

The financial instruments held in custody are held with the Depositary, Northern Trust Global Services Limited, Amsterdam Branch. These assets are held distinct and separately from the proprietary assets of the Depositary. Securities are clearly recorded to ensure they are held on behalf of the Sub-Funds. Bankruptcy or insolvency of the Depositary and or one of its agents or affiliates may cause the Sub-Funds' rights with respect to the securities held by the Depositary to be delayed.

Credit risk is managed by monitoring the credit quality and financial positions of the Depositary and counterparty the Sub-Funds use.

Both Northern Trust Global Services Limited, Amsterdam Branch and The Northern Trust Company are wholly owned subsidiaries of Northern Trust Corporation. As at 31 December 2016 Northern Trust Corporation had a long term credit rating from Standard & Poor's of A+ (2015: A+). As at 31 December 2016 Citigroup Global Markets Ltd, the counterparty of the futures contracts, had a credit rating from Standard & Poor's of A+ (31 December 2015: A).

All transactions in equities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation. In accordance with the Sub-Funds' policies, the Investment Manager monitors the Sub-Funds' exposure to credit risk on a daily basis.



# NORTHERN TRUST UCITS FGR FUND

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2016

### 12. Financial Instruments and Associated Risks (continued)

#### Cross Liability Risk

The Fund has segregated liability between its Sub-Funds and accordingly any liability incurred on behalf of or attributable to any Sub-Fund shall be discharged solely out of the assets of that Sub-Fund.

#### Liquidity Risk

The main liability of the Sub-Funds is the redemption of any units that investors wish to sell. The Fund's constitution provides for the daily creation and cancellation of units and the Sub-Funds are therefore exposed to the liquidity risk of meeting unitholder redemptions at any time. The Sub-Fund's financial instruments include investments in equities and investment funds, which can normally be easily liquidated at an amount close to fair value in order to meet liquidity requirements.

The Sub-Funds may, from time to time, invest in derivative contracts traded over-the-counter, which are not traded in an organised market and may be illiquid. As a result, the Sub-Funds may not be able to liquidate quickly their investments in these instruments at an amount close to their fair value in order to meet their liquidity requirements or to respond to specific events such as deterioration in the creditworthiness of any particular issuer.

In accordance with the Sub-Funds' policies, the Investment Manager monitors the Sub-Funds' liquidity risk on a daily basis.

The following tables show the residual contractual maturities of the Sub-Funds' financial liabilities as at the Statement of Financial Position date.

#### Northern Trust North America Equity Index UCITS FGR Fund

31 December 2016

All amounts stated in US\$

|  | Less than 1 month    | 1-3 months       |
|--|----------------------|------------------|
| <i>Financial liabilities</i>   |                      |                  |
| Unrealised losses on futures contracts                               | -                    | (32,810)         |
| Redemptions payable  | (1,076,824)          | -                |
| Dutch tax remittance payable   | -                    | (42,290)         |
| Expenses payable and other liabilities                               | -                    | (144,680)        |
| Net assets attributable to holders of redeemable participating units | (966,189,910)        | -                |
| <b>Total</b>   | <b>(967,266,734)</b> | <b>(219,780)</b> |

31 December 2015

All amounts stated in US\$

|  | Less than 1 month    | 1-3 months       |
|--|----------------------|------------------|
| <i>Financial liabilities</i>   |                      |                  |
| Unrealised losses on futures contracts                               | -                    | (28,569)         |
| Bank overdraft   | (501,018)            | -                |
| Expenses payable and other liabilities                               | -                    | (213,928)        |
| Net assets attributable to holders of redeemable participating units | (674,854,754)        | -                |
| <b>Total</b>   | <b>(675,355,772)</b> | <b>(242,497)</b> |

#### Northern Trust Europe Equity Index UCITS FGR Fund

31 December 2016

All amounts stated in €

|  | Less than 1 month      | 1-3 months       |
|--|------------------------|------------------|
| <i>Financial liabilities</i>   |                        |                  |
| Unrealised losses on futures contracts                               | -                      | (15,004)         |
| Redemptions payable  | (42,002)               | -                |
| Expenses payable and other liabilities                               | -                      | (190,240)        |
| Net assets attributable to holders of redeemable participating units | (1,327,860,022)        | -                |
| <b>Total</b>   | <b>(1,327,902,024)</b> | <b>(205,244)</b> |

# **NORTHERN TRUST UCITS FGR FUND**

## **NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)**

*For the year ended 31 December 2016*

### **12. Financial Instruments and Associated Risks (continued)**

#### ***Liquidity Risk (continued)***

#### **Northern Trust Europe Equity Index UCITS FGR Fund (continued)**

**31 December 2015**

**All amounts stated in €**

*Financial liabilities*

Expenses payable and other liabilities

Net assets attributable to holders of redeemable participating units

**Total**

**Less than 1 month**

**1-3 months**

(363,867)

(1,160,444,476)

(1,160,444,476)

(363,867)

#### **Northern Trust Developed Real Estate Index UCITS FGR Fund**

**31 December 2016**

**All amounts stated in US\$**

*Financial liabilities*

Unrealised losses on futures contracts

Payable for securities purchased

Redemptions payable

Dutch tax remittance payable

Expenses payable and other liabilities

Net assets attributable to holders of redeemable participating units

**Total**

**Less than 1 month**

**1-3 months**

(35,451)

(2,614,953)

(806,779)

(99,806)

(286,865)

(1,624,637,970)

(1,628,059,702)

(422,122)

**31 December 2015**

**All amounts stated in US\$**

*Financial liabilities*

Unrealised losses on futures contracts

Payable for securities purchased

Expenses payable and other liabilities

Net assets attributable to holders of redeemable participating units

**Total**

**Less than 1 month**

**1-3 months**

(30,686)

(3,285,799)

(242,703)

(679,176,950)

(682,462,749)

(273,389)

#### **Northern Trust Emerging Markets Custom ESG Equity Index UCITS FGR Fund**

**31 December 2016**

**All amounts stated in €**

*Financial liabilities*

Unrealised losses on futures contracts

Redemptions payable

Expenses payable and other liabilities

Net assets attributable to holders of redeemable participating units

**Total**

**Less than 1 month**

**1-3 months**

(1,518)

(250,464)

(62,261)

(127,921,504)

(128,171,968)

(63,779)

**31 December 2015**

**All amounts stated in €**

*Financial liabilities*

Unrealised losses on futures contracts

Payable for securities purchased

Redemptions payable

Expenses payable and other liabilities

**Total**

**Less than 1 month**

**1-3 months**

(9,505)

(15,705)

(7,881)

(27,222)

(23,586)

(36,727)

# NORTHERN TRUST UCITS FGR FUND

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2016

### 12. Financial Instruments and Associated Risks (continued)

#### Liquidity Risk (continued)

##### Northern Trust World Custom ESG Equity Index UCITS FGR Feeder Fund

31 December 2016

All amounts stated in €

|  | Less than 1 month    | 1-3 months      |
|--|----------------------|-----------------|
| <i>Financial liabilities</i>   |                      |                 |
| Payable for securities purchased                                     | (5,455,791)          | -               |
| Redemptions payable  | (1,820,738)          | -               |
| Expenses payable and other liabilities                               | -                    | (30,101)        |
| Net assets attributable to holders of redeemable participating units | (883,453,338)        | -               |
| <b>Total</b>   | <b>(890,729,867)</b> | <b>(30,101)</b> |

31 December 2015

All amounts stated in €

|  | Less than 1 month    | 1-3 months      |
|--|----------------------|-----------------|
| <i>Financial liabilities</i>   |                      |                 |
| Payable for securities purchased                                     | (665,105)            | -               |
| Redemptions payable  | (24,182)             | -               |
| Expenses payable and other liabilities                               | -                    | (25,357)        |
| Net assets attributable to holders of redeemable participating units | (288,251,938)        | -               |
| <b>Total</b>   | <b>(288,941,225)</b> | <b>(25,357)</b> |

##### Northern Trust Europe Custom ESG Equity Index UCITS FGR Feeder Fund

31 December 2016

All amounts stated in €

|  | Less than 1 month    | 1-3 months      |
|--|----------------------|-----------------|
| <i>Financial liabilities</i>   |                      |                 |
| Payable for securities purchased                                     | (1,726,765)          | -               |
| Redemptions payable  | (69,583)             | -               |
| Expenses payable and other liabilities                               | -                    | (23,390)        |
| Net assets attributable to holders of redeemable participating units | (177,876,692)        | -               |
| <b>Total</b>   | <b>(179,673,040)</b> | <b>(23,390)</b> |

31 December 2015

All amounts stated in €

|  | Less than 1 month   | 1-3 months      |
|--|---------------------|-----------------|
| <i>Financial liabilities</i>   |                     |                 |
| Payable for securities purchased                                     | (394,102)           | -               |
| Redemptions payable  | (30)                | -               |
| Expenses payable and other liabilities                               | -                   | (20,598)        |
| Net assets attributable to holders of redeemable participating units | (62,732,823)        | -               |
| <b>Total</b>   | <b>(63,126,955)</b> | <b>(20,598)</b> |

##### Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund

31 December 2016

All amounts stated in €

|  | Less than 1 month   | 1-3 months      |
|--|---------------------|-----------------|
| <i>Financial liabilities</i>   |                     |                 |
| Payable for securities purchased                                     | (1,719,778)         | -               |
| Redemptions payable  | (164,351)           | -               |
| Expenses payable and other liabilities                               | -                   | (18,491)        |
| Net assets attributable to holders of redeemable participating units | (65,777,605)        | -               |
| <b>Total</b>   | <b>(67,661,734)</b> | <b>(18,491)</b> |

## NORTHERN TRUST UCITS FGR FUND

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2016

#### 12. Financial Instruments and Associated Risks (continued)

##### Liquidity Risk (continued)

##### Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund (continued)

31 December 2015

All amounts stated in €

Financial liabilities

Expenses payable and other liabilities

Total

Less than 1 month

1-3 months

|   |          |
|---|----------|
| - | (10,499) |
| - | (10,499) |

##### Northern Trust Europe Fundamental Index UCITS FGR Feeder Fund

31 December 2016

All amounts stated in €

Financial liabilities

Payable for securities purchased

Redemptions payable

Expenses payable and other liabilities

Total

Less than 1 month

1-3 months

|             |          |
|-------------|----------|
| (91,769)    | -        |
| (1,037,877) | -        |
| -           | (25,063) |
| (1,129,646) | (25,063) |

Net assets attributable to holders of redeemable participating units above have been classified based on the earliest redemption option.

#### 13. Fair Value Measurement

IFRS 13 requires the Fund to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1: Inputs that are quoted prices for identical instruments in active markets;
- Level 2: Inputs that are quoted prices for similar instruments in active markets and model-derived valuations whose significant value drivers are observable; and
- Level 3: Inputs that are unobservable.

Broadly, the framework requires fair value to be determined based on the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants.

For financial assets and liabilities, fair value is the price the Sub-Funds would receive to sell an asset or pay to transfer a liability in an orderly transaction with a market participant at the measurement date. In the absence of active markets for the identical assets and liabilities, such measurements involve developing assumptions based on market observable data and, in the absence of such data, internal information that is consistent with what market participants would use in a hypothetical transaction occurring at the measurement date.

The determination of what constitutes observable may require judgement by management. Observable inputs reflect market data obtained from independent sources, while unobservable inputs reflect management's market assumptions. Preference is given to observable inputs.

The objective of the valuation techniques is to arrive at fair value measurement that reflects the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of the units held by the Feeder Funds in the Master Funds is based on the latest redemption price of each unit multiplied by the number of units held and adjusted to reflect the impact of changes in fair value of the underlying investments of the Master Funds between the latest redemption date and the measurement date.

The following tables analyse within the fair value hierarchy the Sub-Funds' financial assets and liabilities (by class) measured at fair value through profit or loss at the Statement of Financial Position date.

# NORTHERN TRUST UCITS FGR FUND

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2016

### 13. Fair Value Measurement (continued)

#### Northern Trust North America Equity Index UCITS FGR Fund

##### 31 December 2016

|  | Level 1<br>US\$    | Level 2<br>US\$ | Level 3<br>US\$ | Total<br>US\$      |
|--|--------------------|-----------------|-----------------|--------------------|
| <i>Financial assets at fair value through profit or loss:</i>      |                    |                 |                 |                    |
| Equities   | 952,326,424        | -               | -               | 952,326,424        |
| Investment funds   | 9,840,692          | -               | -               | 9,840,692          |
| <b>Total</b>   | <b>962,167,116</b> | <b>-</b>        | <b>-</b>        | <b>962,167,116</b> |
| <i>Financial liabilities at fair value through profit or loss:</i> |                    |                 |                 |                    |
| Unrealised losses on futures contracts                             | (32,810)           | -               | -               | (32,810)           |
| <b>Total</b>   | <b>(32,810)</b>    | <b>-</b>        | <b>-</b>        | <b>(32,810)</b>    |

##### 31 December 2015

|  | Level 1<br>US\$    | Level 2<br>US\$ | Level 3<br>US\$ | Total<br>US\$      |
|--|--------------------|-----------------|-----------------|--------------------|
| <i>Financial assets at fair value through profit or loss:</i>      |                    |                 |                 |                    |
| Equities   | 663,674,470        | -               | -               | 663,674,470        |
| Investment funds   | 9,781,855          | -               | -               | 9,781,855          |
| <b>Total</b>   | <b>673,456,325</b> | <b>-</b>        | <b>-</b>        | <b>673,456,325</b> |
| <i>Financial liabilities at fair value through profit or loss:</i> |                    |                 |                 |                    |
| Unrealised losses on futures contracts                             | (28,569)           | -               | -               | (28,569)           |
| <b>Total</b>   | <b>(28,569)</b>    | <b>-</b>        | <b>-</b>        | <b>(28,569)</b>    |

#### Northern Trust Europe Equity Index UCITS FGR Fund

##### 31 December 2016

|  | Level 1<br>€         | Level 2<br>€ | Level 3<br>€ | Total<br>€           |
|--|----------------------|--------------|--------------|----------------------|
| <i>Financial assets at fair value through profit or loss:</i>      |                      |              |              |                      |
| Equities   | 1,302,796,181        | -            | -            | 1,302,796,181        |
| Investment funds   | 14,716,122           | -            | -            | 14,716,122           |
| Unrealised gains on futures contracts                              | 506,318              | -            | -            | 506,318              |
| <b>Total</b>   | <b>1,318,018,621</b> | <b>-</b>     | <b>-</b>     | <b>1,318,018,621</b> |
| <i>Financial liabilities at fair value through profit or loss:</i> |                      |              |              |                      |
| Unrealised losses on futures contracts                             | (15,004)             | -            | -            | (15,004)             |
| <b>Total</b>   | <b>(15,004)</b>      | <b>-</b>     | <b>-</b>     | <b>(15,004)</b>      |

##### 31 December 2015

|   | Level 1<br>€         | Level 2<br>€ | Level 3<br>€ | Total<br>€           |
|---|----------------------|--------------|--------------|----------------------|
| <i>Financial assets at fair value through profit or loss:</i> |                      |              |              |                      |
| Equities  | 1,145,474,739        | -            | -            | 1,145,474,739        |
| Investment funds  | 8,362,116            | -            | -            | 8,362,116            |
| Unrealised gains on futures contracts                         | 367,464              | -            | -            | 367,464              |
| <b>Total</b>  | <b>1,154,204,319</b> | <b>-</b>     | <b>-</b>     | <b>1,154,204,319</b> |

**NORTHERN TRUST UCITS FGR FUND**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)**

*For the year ended 31 December 2016*

**13. Fair Value Measurement (continued)**

**Northern Trust Developed Real Estate Index UCITS FGR Fund**

**31 December 2016**

|  | Level 1<br>US\$      | Level 2<br>US\$ | Level 3<br>US\$ | Total<br>US\$        |
|--|----------------------|-----------------|-----------------|----------------------|
| <i>Financial assets at fair value through profit or loss:</i>      |                      |                 |                 |                      |
| Equities   | 1,607,016,320        | -               | -               | 1,607,016,320        |
| Investment funds   | 6,008,710            | -               | -               | 6,008,710            |
| Unrealised gains on futures contracts                              | 94,811               | -               | -               | 94,811               |
| <b>Total</b>   | <b>1,613,119,841</b> | <b>-</b>        | <b>-</b>        | <b>1,613,119,841</b> |
| <i>Financial liabilities at fair value through profit or loss:</i> |                      |                 |                 |                      |
| Unrealised losses on futures contracts                             | (35,451)             | -               | -               | (35,451)             |
| <b>Total</b>   | <b>(35,451)</b>      | <b>-</b>        | <b>-</b>        | <b>(35,451)</b>      |

**31 December 2015**

|  | Level 1<br>US\$    | Level 2<br>US\$ | Level 3<br>US\$ | Total<br>US\$      |
|--|--------------------|-----------------|-----------------|--------------------|
| <i>Financial assets at fair value through profit or loss:</i>      |                    |                 |                 |                    |
| Equities   | 671,607,795        | -               | -               | 671,607,795        |
| Investment funds   | 3,847,467          | -               | -               | 3,847,467          |
| Unrealised gains on futures contracts                              | 29,050             | -               | -               | 29,050             |
| <b>Total</b>   | <b>675,484,312</b> | <b>-</b>        | <b>-</b>        | <b>675,484,312</b> |
| <i>Financial liabilities at fair value through profit or loss:</i> |                    |                 |                 |                    |
| Unrealised losses on futures contracts                             | (30,686)           | -               | -               | (30,686)           |
| <b>Total</b>   | <b>(30,686)</b>    | <b>-</b>        | <b>-</b>        | <b>(30,686)</b>    |

**Northern Trust Emerging Markets Custom ESG Equity Index UCITS FGR Fund**

**31 December 2016**

|  | Level 1<br>€       | Level 2<br>€ | Level 3<br>€ | Total<br>€         |
|--|--------------------|--------------|--------------|--------------------|
| <i>Financial assets at fair value through profit or loss:</i>      |                    |              |              |                    |
| Equities   | 121,045,148        | -            | -            | 121,045,148        |
| Investment funds   | 3,631,715          | -            | -            | 3,631,715          |
| <b>Total</b>   | <b>124,676,863</b> | <b>-</b>     | <b>-</b>     | <b>124,676,863</b> |
| <i>Financial liabilities at fair value through profit or loss:</i> |                    |              |              |                    |
| Unrealised losses on futures contracts                             | (1,518)            | -            | -            | (1,518)            |
| <b>Total</b>   | <b>(1,518)</b>     | <b>-</b>     | <b>-</b>     | <b>(1,518)</b>     |

**31 December 2015**

|  | Level 1<br>€      | Level 2<br>€  | Level 3<br>€ | Total<br>€        |
|--|-------------------|---------------|--------------|-------------------|
| <i>Financial assets at fair value through profit or loss:</i>      |                   |               |              |                   |
| Equities   | 37,069,831        | -             | -            | 37,069,831        |
| Investment funds   | 1,287,876         | -             | -            | 1,287,876         |
| Unrealised gains on futures contracts                              | 11,671            | -             | -            | 11,671            |
| Unrealised gains on forward currency contracts                     | -                 | 44,399        | -            | 44,399            |
| <b>Total</b>   | <b>38,369,378</b> | <b>44,399</b> | <b>-</b>     | <b>38,413,777</b> |
| <i>Financial liabilities at fair value through profit or loss:</i> |                   |               |              |                   |
| Unrealised losses on futures contracts                             | (9,505)           | -             | -            | (9,505)           |
| <b>Total</b>   | <b>(9,505)</b>    | <b>-</b>      | <b>-</b>     | <b>(9,505)</b>    |

# NORTHERN TRUST UCITS FGR FUND

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2016

### 13. Fair Value Measurement (continued)

#### Northern Trust World Custom ESG Equity Index UCITS FGR Feeder Fund

31 December 2016

|   | Level 1<br>€   | Level 2<br>€       | Level 3<br>€ | Total<br>€         |
|---|----------------|--------------------|--------------|--------------------|
| <i>Financial assets at fair value through profit or loss:</i> |                |                    |              |                    |
| Investment funds  | 250,700        | 881,704,668        | -            | 881,955,368        |
| <b>Total</b>  | <u>250,700</u> | <u>881,704,668</u> | <u>-</u>     | <u>881,955,368</u> |

31 December 2015

|   | Level 1<br>€ | Level 2<br>€       | Level 3<br>€ | Total<br>€         |
|---|--------------|--------------------|--------------|--------------------|
| <i>Financial assets at fair value through profit or loss:</i> |              |                    |              |                    |
| Investment funds  | -            | 287,915,895        | -            | 287,915,895        |
| <b>Total</b>  | <u>-</u>     | <u>287,915,895</u> | <u>-</u>     | <u>287,915,895</u> |

#### Northern Trust Europe Custom ESG Equity Index UCITS FGR Feeder Fund

31 December 2016

|   | Level 1<br>€   | Level 2<br>€       | Level 3<br>€ | Total<br>€         |
|---|----------------|--------------------|--------------|--------------------|
| <i>Financial assets at fair value through profit or loss:</i> |                |                    |              |                    |
| Investment funds  | 122,332        | 177,636,587        | -            | 177,758,919        |
| <b>Total</b>  | <u>122,332</u> | <u>177,636,587</u> | <u>-</u>     | <u>177,758,919</u> |

31 December 2015

|   | Level 1<br>€ | Level 2<br>€      | Level 3<br>€ | Total<br>€        |
|---|--------------|-------------------|--------------|-------------------|
| <i>Financial assets at fair value through profit or loss:</i> |              |                   |              |                   |
| Investment funds  | -            | 62,667,640        | -            | 62,667,640        |
| <b>Total</b>  | <u>-</u>     | <u>62,667,640</u> | <u>-</u>     | <u>62,667,640</u> |

#### Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund

31 December 2016

|   | Level 1<br>€ | Level 2<br>€      | Level 3<br>€ | Total<br>€        |
|---|--------------|-------------------|--------------|-------------------|
| <i>Financial assets at fair value through profit or loss:</i> |              |                   |              |                   |
| Investment funds  | 4,429        | 65,675,657        | -            | 65,680,086        |
| <b>Total</b>  | <u>4,429</u> | <u>65,675,657</u> | <u>-</u>     | <u>65,680,086</u> |

31 December 2015

|   | Level 1<br>€ | Level 2<br>€      | Level 3<br>€ | Total<br>€        |
|---|--------------|-------------------|--------------|-------------------|
| <i>Financial assets at fair value through profit or loss:</i> |              |                   |              |                   |
| Investment funds  | -            | 23,267,744        | -            | 23,267,744        |
| <b>Total</b>  | <u>-</u>     | <u>23,267,744</u> | <u>-</u>     | <u>23,267,744</u> |

#### Northern Trust Europe Fundamental Index UCITS FGR Feeder Fund

31 December 2016

|   | Level 1<br>€  | Level 2<br>€       | Level 3<br>€ | Total<br>€         |
|---|---------------|--------------------|--------------|--------------------|
| <i>Financial assets at fair value through profit or loss:</i> |               |                    |              |                    |
| Investment funds  | 28,478        | 330,774,584        | -            | 330,803,062        |
| <b>Total</b>  | <u>28,478</u> | <u>330,774,584</u> | <u>-</u>     | <u>330,803,062</u> |

## NORTHERN TRUST UCITS FGR FUND

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2016

#### 13. Fair Value Measurement (continued)

Financial instruments, whose values are based on quoted market prices in active markets, and therefore are classified within Level 1, include active listed equities and investment funds and exchange traded derivatives. The Fund does not adjust the quoted price for these instruments.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. These include over-the-counter derivatives. As Level 2 instruments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

As at the Statement of Financial Position date the fair value measurement of units held by the Feeder Funds in the Master Funds are categorised into Level 2.

There were no financial instruments classified as Level 3 as at 31 December 2016 or 31 December 2015.

There were no transfers between levels during the year ended December 2016 or the period ended 31 December 2015.

Most of the Sub-Funds' financial instruments are carried at fair value on the Statement of Financial Position. Usually the fair value of the financial instruments can be reliably determined within a reasonable range of estimates. For certain other financial instruments the carrying amounts approximate fair value due to the immediate or short-term nature of these financial instruments. The carrying value of all the Sub-Funds' financial assets and liabilities at the Statement of Financial Position date approximated their fair values.

For each class of the Sub-Funds' assets and liabilities not measured at fair value in the Statement of Financial Position but for which fair value is disclosed, the Fund is required to disclose the level within the fair value hierarchy which the fair value measurement would be categorised.

For the year ended December 2016 and the period ended 31 December 2015, cash and cash equivalents and bank overdraft, whose carrying amount approximate to fair value, were classified as Level 1. Margin cash, receivables, other assets, payables and other liabilities, whose carrying amount approximate to fair value, were classified as Level 2.

#### 14. Units Outstanding

The following tables set out the movements in the Sub-Funds' units during the year ended December 2016.

|   | Units in issue<br>1 January 2016 | Units subscribed<br>during the year | Units redeemed<br>during the year | Units in issue<br>31 December 2016 |
|---|----------------------------------|-------------------------------------|-----------------------------------|------------------------------------|
| <b>Northern Trust North America Equity Index UCITS FGR Fund</b>               |                                  |                                     |                                   |                                    |
| Class A Euro  | 64,302,209                       | 40,393,104                          | (21,098,423)                      | 83,596,890                         |
| Class A US Dollar   | 63,669                           | 185,562                             | (95,719)                          | 153,512                            |
| <b>Northern Trust Europe Equity Index UCITS FGR Fund</b>                      |                                  |                                     |                                   |                                    |
| Class A Euro  | 125,642,676                      | 59,828,361                          | (40,907,623)                      | 144,563,414                        |
| Class A US Dollar   | 67,000                           | 18,776                              | (32,500)                          | 53,276                             |
| <b>Northern Trust Developed Real Estate Index UCITS FGR Fund</b>              |                                  |                                     |                                   |                                    |
| Class A Euro  | 65,287,920                       | 92,162,633                          | (4,481,925)                       | 152,968,628                        |
| Class A US Dollar   | 686,159                          | 1,173,333                           | (743,601)                         | 1,115,891                          |
| <b>Northern Trust Emerging Markets Custom ESG Equity Index UCITS FGR Fund</b> |                                  |                                     |                                   |                                    |
| Class A Euro  | 4,048,034                        | 6,835,501                           | (533,332)                         | 10,350,203                         |
| Class B Euro  | -                                | 97                                  | (11)                              | 86                                 |
| <b>Northern Trust World Custom ESG Equity Index UCITS FGR Feeder Fund</b>     |                                  |                                     |                                   |                                    |
| Class A Euro  | 21,962,473                       | 49,098,860                          | (5,974,687)                       | 65,086,646                         |
| Class B Euro  | 462                              | 543                                 | (132)                             | 873                                |



# NORTHERN TRUST UCITS FGR FUND

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2016

### 14. Units Outstanding (continued)

|   | Units in issue<br>1 January 2016 | Units subscribed<br>during the year | Units redeemed<br>during the year | Units in issue<br>31 December 2016 |
|---|----------------------------------|-------------------------------------|-----------------------------------|------------------------------------|
| <b>Northern Trust Europe Custom ESG Equity<br/>Index UCITS FGR Feeder Fund</b>        |                                  |                                     |                                   |                                    |
| Class A Euro  | 2,311,106                        | 8,785,915                           | (434,862)                         | 10,662,159                         |
| Class B Euro  | 390                              | 403                                 | (126)                             | 667                                |
| <b>Northern Trust North America Custom ESG<br/>Equity Index UCITS FGR Feeder Fund</b> |                                  |                                     |                                   |                                    |
| Class A Euro  | 2,289,442                        | 5,153,978                           | (2,538,962)                       | 4,904,458                          |
| Class B Euro  | -                                | 73                                  | -                                 | 73                                 |
| <b>Northern Trust Europe Fundamental Index<br/>UCITS FGR Feeder Fund</b>              |                                  |                                     |                                   |                                    |
| Class A Euro  | -                                | 32,428,974                          | (4,739,946)                       | 27,689,028                         |

The following table set out the movements in the Sub-Funds' units during the period ended 31 December 2015.

|   | Units in issue<br>26 November 2014 | Units subscribed<br>during the period | Units redeemed<br>during the period | Units in issue<br>31 December 2015 |
|---|------------------------------------|---------------------------------------|-------------------------------------|------------------------------------|
| <b>Northern Trust North America Equity Index<br/>UCITS FGR Fund</b>                   |                                    |                                       |                                     |                                    |
| Class A Euro  | -                                  | 70,375,468                            | (6,073,259)                         | 64,302,209                         |
| Class A US Dollar   | -                                  | 105,377                               | (41,708)                            | 63,669                             |
| <b>Northern Trust Europe Equity Index UCITS<br/>FGR Fund</b>                          |                                    |                                       |                                     |                                    |
| Class A Euro  | -                                  | 138,057,348                           | (12,414,672)                        | 125,642,676                        |
| Class A US Dollar   | -                                  | 74,500                                | (7,500)                             | 67,000                             |
| <b>Northern Trust Developed Real Estate Index<br/>UCITS FGR Fund</b>                  |                                    |                                       |                                     |                                    |
| Class A Euro  | -                                  | 111,831,722                           | (46,543,802)                        | 65,287,920                         |
| Class A US Dollar   | -                                  | 1,617,446                             | (931,287)                           | 686,159                            |
| <b>Northern Trust Emerging Markets Custom<br/>ESG Equity Index UCITS FGR Fund</b>     |                                    |                                       |                                     |                                    |
| Class A Euro  | -                                  | 4,052,350                             | (4,316)                             | 4,048,034                          |
| <b>Northern Trust World Custom ESG Equity<br/>Index UCITS FGR Feeder Fund</b>         |                                    |                                       |                                     |                                    |
| Class A Euro  | -                                  | 22,151,528                            | (189,055)                           | 21,962,473                         |
| Class B Euro  | -                                  | 513                                   | (51)                                | 462                                |
| <b>Northern Trust Europe Custom ESG Equity<br/>Index UCITS FGR Feeder Fund</b>        |                                    |                                       |                                     |                                    |
| Class A Euro  | -                                  | 2,351,502                             | (40,396)                            | 2,311,106                          |
| Class B Euro  | -                                  | 409                                   | (19)                                | 390                                |
| <b>Northern Trust North America Custom ESG<br/>Equity Index UCITS FGR Feeder Fund</b> |                                    |                                       |                                     |                                    |
| Class A Euro  | -                                  | 2,289,442                             | -                                   | 2,289,442                          |

# **NORTHERN TRUST UCITS FGR FUND**

## **NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)**

*For the year ended 31 December 2016*

### **15. Ongoing Charges Figure**

The Ongoing Charges Figure (OCF) is an annualised ratio of the recurring operational costs to the average net assets of each Sub-Fund. The OCF includes the cost of management, investment management and administration of the Sub-Funds plus other running costs, such as depositary, audit and regulatory fees. Transaction costs and interest expenses are excluded from the calculation. The OCF is calculated twice yearly.

The following table sets out the Sub-Funds' OCF for the year ended December 2016 and the period ended 31 December 2015.

|   | 31 December 2016 | 31 December 2015 |
|---|------------------|------------------|
| <b>Northern Trust North America Equity Index UCITS FGR Fund</b>                   |                  |                  |
| Class A Euro  | 0.11%            | 0.11%            |
| Class A US Dollar   | 0.11%            | 0.11%            |
| <b>Northern Trust Europe Equity Index UCITS FGR Fund</b>                          |                  |                  |
| Class A Euro  | 0.11%            | 0.11%            |
| Class A US Dollar   | 0.11%            | 0.11%            |
| <b>Northern Trust Developed Real Estate Index UCITS FGR Fund</b>                  |                  |                  |
| Class A Euro  | 0.14%            | 0.14%            |
| Class A US Dollar   | 0.14%            | 0.14%            |
| <b>Northern Trust Emerging Markets Custom ESG Equity Index UCITS FGR Fund</b>     |                  |                  |
| Class A Euro  | 0.28%            |                  |
| Class B Euro  | 0.28%            |                  |
| <b>Northern Trust World Custom ESG Equity Index UCITS FGR Feeder Fund</b>         |                  |                  |
| Class A Euro  | 0.03%            |                  |
| Class B Euro  | 0.03%            |                  |
| <b>Northern Trust Europe Custom ESG Equity Index UCITS FGR Feeder Fund</b>        |                  |                  |
| Class A Euro  | 0.07%            |                  |
| Class B Euro  | 0.07%            |                  |
| <b>Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund</b> |                  |                  |
| Class A Euro  | 0.14%            |                  |
| Class B Euro  | 0.14%            |                  |
| <b>Northern Trust Europe Fundamental Index UCITS FGR Feeder Fund</b>              |                  |                  |
| Class A Euro  | 0.04%            |                  |

The OCF of Northern Trust Emerging Markets Custom ESG Equity Index UCITS FGR Fund, Northern Trust World Custom ESG Equity Index UCITS FGR Feeder Fund, Northern Trust Europe Custom ESG Equity Index UCITS FGR Feeder Fund, Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund and Northern Trust Europe Fundamental Index UCITS FGR Feeder Fund wasn't calculated for the period ended December 2015.

### **16. Schedule of Movement in Investments**

The following tables show a reconciliation of the movements in fair value of the Sub-Funds' investments during the year ended 31 December 2016 and the period ended 31 December 2015.

|   |                         |                         |
|---|-------------------------|-------------------------|
| <b>Northern Trust North America Equity Index UCITS FGR Fund</b> | <b>31 December 2016</b> | <b>31 December 2016</b> |
|   | <b>Equities</b>         | <b>Investment Funds</b> |
|   | <b>US\$</b>             | <b>US\$</b>             |
| <b>Balance at beginning of year</b>                             | 663,674,470             | 9,781,855               |
| Purchases   | 446,235,156             | 231,157,147             |
| Sales   | (243,452,997)           | (230,769,579)           |
| Net gains/(losses)  | 85,869,795              | (328,731)               |
| <b>Balance at end of year</b>                                   | <b>952,326,424</b>      | <b>9,840,692</b>        |

# NORTHERN TRUST UCITS FGR FUND

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2016

### 16. Schedule of Movement in Investments (continued)

#### Northern Trust North America Equity Index UCITS FGR Fund (continued)

|                                | 31 December 2015<br>Equities<br>US\$ | 31 December 2015<br>Investment Funds<br>US\$ |
|--------------------------------|--------------------------------------|--|
| Balance at beginning of period | -                                    | -  |
| Purchases                      | 740,911,447                          | 154,401,947                                  |
| Sales                          | (66,336,427)                         | (144,488,976)                                |
| Net losses                     | (10,900,550)                         | (131,116)                                    |
| Balance at end of period       | <u>663,674,470</u>                   | <u>9,781,855</u>                             |

#### Northern Trust Europe Equity Index UCITS FGR Fund

|                              | 31 December 2016<br>Equities<br>€ | 31 December 2016<br>Investment Funds<br>€ |
|------------------------------|-----------------------------------|---|
| Balance at beginning of year | 1,145,474,739                     | 8,362,116                                 |
| Purchases                    | 485,906,758                       | 230,637,843                               |
| Sales                        | (335,476,609)                     | (223,965,037)                             |
| Net gains/(losses)           | 6,891,293                         | (318,800)                                 |
| Balance at end of year       | <u>1,302,796,181</u>              | <u>14,716,122</u>                         |

|                                | 31 December 2015<br>Equities<br>€ | 31 December 2015<br>Investment Funds<br>€ |
|--------------------------------|-----------------------------------|---|
| Balance at beginning of period | -                                 | -   |
| Purchases                      | 1,378,405,736                     | 212,438,774                               |
| Sales                          | (130,266,381)                     | (203,854,087)                             |
| Net losses                     | (102,664,616)                     | (222,571)                                 |
| Balance at end of period       | <u>1,145,474,739</u>              | <u>8,362,116</u>                          |

#### Northern Trust Developed Real Estate Index UCITS FGR Fund

|                              | 31 December 2016<br>Equities<br>US\$ | 31 December 2016<br>Investment Funds<br>US\$ |
|------------------------------|--------------------------------------|--|
| Balance at beginning of year | 671,607,795                          | 3,847,467                                    |
| Purchases                    | 2,131,477,999                        | 231,851,823                                  |
| Sales                        | (1,143,171,636)                      | (228,955,363)                                |
| Net losses                   | (52,897,838)                         | (735,217)                                    |
| Balance at end of year       | <u>1,607,016,320</u>                 | <u>6,008,710</u>                             |

|                                | 31 December 2015<br>Equities<br>US\$ | 31 December 2015<br>Investment Funds<br>US\$ |
|--------------------------------|--------------------------------------|--|
| Balance at beginning of period | -                                    | -  |
| Purchases                      | 1,216,482,612                        | 250,136,783                                  |
| Sales                          | (519,076,165)                        | (246,021,464)                                |
| Net losses                     | (25,798,652)                         | (267,852)                                    |
| Balance at end of period       | <u>671,607,795</u>                   | <u>3,847,467</u>                             |

**NORTHERN TRUST UCITS FGR FUND**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)**

*For the year ended 31 December 2016*

**16. Schedule of Movement in Investments (continued)**

**Northern Trust Emerging Markets Custom ESG Equity Index UCITS FGR Fund**

|                                     | <b>31 December 2016</b> | <b>31 December 2016</b> |
|-------------------------------------|-------------------------|-------------------------|
|                                     | <b>Equities</b>         | <b>Investment Funds</b> |
|                                     | <b>€</b>                | <b>€</b>                |
| <b>Balance at beginning of year</b> | 37,069,831              | 1,287,876               |
| Purchases                           | 79,865,218              | 60,653,600              |
| Sales                               | (4,044,929)             | (58,501,947)            |
| Net gains                           | 8,155,028               | 192,186                 |
| <b>Balance at end of year</b>       | <b>121,045,148</b>      | <b>3,631,715</b>        |

|                                       | <b>31 December 2015</b> | <b>31 December 2015</b> |
|---------------------------------------|-------------------------|-------------------------|
|                                       | <b>Equities</b>         | <b>Investment Funds</b> |
|                                       | <b>€</b>                | <b>€</b>                |
| <b>Balance at beginning of period</b> | -                       | -                       |
| Purchases                             | 36,288,879              | 2,286,345               |
| Sales                                 | (33,140)                | (1,000,593)             |
| Net gains                             | 814,092                 | 2,124                   |
| <b>Balance at end of period</b>       | <b>37,069,831</b>       | <b>1,287,876</b>        |

**Northern Trust World Custom ESG Equity Index UCITS FGR Feeder Fund**

|                                     | <b>31 December 2016</b> |
|-------------------------------------|-------------------------|
|                                     | <b>Investment Funds</b> |
|                                     | <b>€</b>                |
| <b>Balance at beginning of year</b> | 287,915,895             |
| Purchases                           | 561,726,808             |
| Sales                               | (53,550,969)            |
| Net gains                           | 85,863,634              |
| <b>Balance at end of year</b>       | <b>881,955,368</b>      |

|                                       | <b>31 December 2015</b> |
|---------------------------------------|-------------------------|
|                                       | <b>Investment Funds</b> |
|                                       | <b>€</b>                |
| <b>Balance at beginning of period</b> | -                       |
| Purchases                             | 285,910,273             |
| Sales                                 | (2,842,210)             |
| Net gains                             | 4,847,832               |
| <b>Balance at end of period</b>       | <b>287,915,895</b>      |

**Northern Trust Europe Custom ESG Equity Index UCITS FGR Feeder Fund**

|                                     | <b>31 December 2016</b> |
|-------------------------------------|-------------------------|
|                                     | <b>Investment Funds</b> |
|                                     | <b>€</b>                |
| <b>Balance at beginning of year</b> | 62,667,640              |
| Purchases                           | 121,698,600             |
| Sales                               | (12,956,151)            |
| Net gains                           | 6,348,830               |
| <b>Balance at end of year</b>       | <b>177,758,919</b>      |

# NORTHERN TRUST UCITS FGR FUND

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2016

### 16. Schedule of Movement in Investments (continued)

#### Northern Trust Europe Custom ESG Equity Index UCITS FGR Feeder (continued)

|                                | 31 December 2015<br>Investment Funds<br>€ |
|--------------------------------|---|
| Balance at beginning of period | -   |
| Purchases                      | 63,952,357                                |
| Sales                          | (1,739,096)                               |
| Net gains                      | 454,379                                   |
| Balance at end of period       | <u>62,667,640</u>                         |

#### Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund

|                              | 31 December 2016<br>Investment Funds<br>€ |
|------------------------------|---|
| Balance at beginning of year | 23,267,744                                |
| Purchases                    | 61,478,548                                |
| Sales                        | (25,511,290)                              |
| Net gains                    | 6,445,084                                 |
| Balance at end of year       | <u>65,680,086</u>                         |

|                                | 31 December 2015<br>Investment Funds<br>€ |
|--------------------------------|---|
| Balance at beginning of period | -   |
| Purchases                      | 22,899,015                                |
| Sales                          | -   |
| Net gains                      | 368,729                                   |
| Balance at end of period       | <u>23,267,744</u>                         |

#### Northern Trust Europe Fundamental Index UCITS FGR Feeder Fund

|                              | 31 December 2016<br>Investment Funds<br>€ |
|------------------------------|---|
| Balance at beginning of year | -   |
| Purchases                    | 319,042,534                               |
| Sales                        | (30,744,992)                              |
| Net gains                    | 42,505,520                                |
| Balance at end of year       | <u>330,803,062</u>                        |

### 17. Investment in Master Funds

The following table shows the holdings of the Feeder Funds in the units of their respective Master Funds as at the Statement of Financial Position date.

|  | 31 December 2016<br>% of Units | 31 December 2015<br>% of Units |
|--|--------------------------------|--------------------------------|
| Northern Trust World Custom ESG Equity Index UCITS FGR Feeder Fund         | 47.88                          | 34.71                          |
| Northern Trust Europe Custom ESG Equity Index UCITS FGR Feeder Fund        | 91.74                          | 79.53                          |
| Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund | 100.00                         | 100.00                         |
| Northern Trust Europe Fundamental Index UCITS FGR Feeder Fund              | 44.48                          |                                |

# NORTHERN TRUST UCITS FGR FUND

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2016

### 17. Investment in Master Funds (continued)

The investment performance of the Master Funds for the year ended 31 December 2016 was: 7.23% for Northern Trust World Custom ESG Equity Index Fund (31 December 2015: -0.44%); 1.67% for Northern Trust Europe Custom ESG Equity Index Fund (31 December 2015: 5.63%); 12.29% for Northern Trust North America Custom ESG Equity Index Fund (31 December 2015: 1.13%); and 2.78% for Northern Trust Europe Fundamental Index Fund.

The following table shows net assets attributable to holders of redeemable participating units of the Master Funds as at the Statement of Financial Position date.

|   | 31 December 2016  | 31 December 2015 |
|---|-------------------|------------------|
| Northern Trust World Custom ESG Equity Index Fund         | US\$2,005,749,714 | US\$957,946,194  |
| Northern Trust Europe Custom ESG Equity Index Fund        | €197,555,150      | €82,931,512      |
| Northern Trust North America Custom ESG Equity Index Fund | US\$69,271,399    | US\$25,275,750   |
| Northern Trust Europe Fundamental Index Fund              | €687,597,853      |                  |

The investments held by the Master Funds as at the Statement of Financial Position date are detailed in note 12 on page 40.

The following tables show a reconciliation of the movements in fair value of the Master Funds' investments during the year ended 31 December 2016 and the period ended 31 December 2015.

#### Northern Trust World Custom ESG Equity Index Fund

|                              | 31 December 2016 | 31 December 2016 |
|------------------------------|------------------|------------------|
|                              | Equities         | Investment Funds |
|                              | US\$             | US\$             |
| Balance at beginning of year | 943,587,084      | -                |
| Purchases                    | 1,002,694,967    | 44,332,316       |
| Sales                        | (71,793,991)     | (42,353,731)     |
| Net gains/(losses)           | 94,826,402       | (2,879)          |
| Balance at end of year       | 1,969,314,462    | 1,975,706        |

|                              | 31 December 2015 |
|------------------------------|------------------|
|                              | Equities         |
|                              | US\$             |
| Balance at beginning of year | 258,488,470      |
| Purchases                    | 746,297,447      |
| Sales                        | (47,482,812)     |
| Net gains/(losses)           | (13,716,021)     |
| Balance at end of year       | 943,587,084      |

#### Northern Trust Europe Custom ESG Equity Index Fund

|                              | 31 December 2016 | 31 December 2016 |
|------------------------------|------------------|------------------|
|                              | Equities         | Investment Funds |
|                              | €                | €                |
| Balance at beginning of year | 81,388,971       | -                |
| Purchases                    | 121,607,308      | 13,413,181       |
| Sales                        | (13,800,925)     | (12,261,412)     |
| Net gains/(losses)           | 5,904,082        | (1,204)          |
| Balance at end of year       | 195,099,436      | 1,150,565        |

|                              | 31 December 2015 |
|------------------------------|------------------|
|                              | Equities         |
|                              | €                |
| Balance at beginning of year | 128,240,987      |
| Purchases                    | 74,137,819       |
| Sales                        | (123,768,033)    |
| Net gains/(losses)           | 2,778,198        |
| Balance at end of year       | 81,388,971       |

# NORTHERN TRUST UCITS FGR FUND

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2016

### 17. Investment in Master Funds (continued)

#### Northern Trust North America Custom ESG Equity Index Fund

|                              | 31 December 2016  | 31 December 2016 |
|------------------------------|-------------------|------------------|
|                              | Equities          | Investment Funds |
|                              | US\$              | US\$             |
| Balance at beginning of year | 25,241,589        | -                |
| Purchases                    | 64,594,953        | 1,271,698        |
| Sales                        | (27,852,839)      | (1,268,467)      |
| Net gains/(losses)           | 4,059,862         | (3,040)          |
| Balance at end of year       | <u>66,043,565</u> | <u>191</u>       |

|                              | 31 December 2015  |
|------------------------------|-------------------|
|                              | Equities          |
|                              | US\$              |
| Balance at beginning of year | -                 |
| Purchases                    | 24,999,715        |
| Sales                        | (23,515)          |
| Net gains/(losses)           | 265,389           |
| Balance at end of year       | <u>25,241,589</u> |

#### Northern Trust Europe Fundamental Index Fund

|                              | 31 December 2016   | 31 December 2016 |
|------------------------------|--------------------|------------------|
|                              | Equities           | Investment Funds |
|                              | €                  | €                |
| Balance at beginning of year | 251,999,959        | -                |
| Purchases                    | 513,115,966        | 41,614,738       |
| Sales                        | (141,866,730)      | (41,270,009)     |
| Net gains/(losses)           | 61,383,932         | (4,516)          |
| Balance at end of year       | <u>684,633,127</u> | <u>340,213</u>   |

The following table sets out the Master Funds' OCF for the year ended December 2016 and the period ended 31 December 2015.

|  | 31 December 2016 | 31 December 2015 |
|--|------------------|------------------|
| Northern Trust World Custom ESG Equity Index Fund: Class F         | 0.12%            | 0.12%            |
| Northern Trust Europe Custom ESG Equity Index Fund: Class F        | 0.11%            | 0.11%            |
| Northern Trust North America Custom ESG Equity Index Fund: Class F | 0.17%            |                  |
| Northern Trust Europe Fundamental Index Fund: Class F              | 0.19%            |                  |

The OCF of Northern Trust North America Custom ESG Equity Index Fund and Northern Trust Europe Fundamental Index Fund wasn't calculated for the period ended December 2015.

### 18. Efficient Portfolio Management

The purpose of Efficient Portfolio Management (EPM) is to achieve one or more of the following: the reduction of risk, the reduction of costs and the generation of additional capital or income for the Sub-Funds with an acceptably low level of risk. The Sub-Funds may use the following instruments for EPM: currency forwards and exchange traded futures.

### 19. Commitments and Contingencies

The Sub-Funds had no significant commitments or contingencies at 31 December 2016 or 31 December 2015.

# **NORTHERN TRUST UCITS FGR FUND**

## **NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)**

*For the year ended 31 December 2016*

### **20. Net Assets Attributable to Holders of Redeemable Participating Units**

The following tables detail the net assets attributable to holders of redeemable participating units in the Sub-Funds as at the Statement of Financial Position date. The net asset value per unit is calculated by determining the proportion of the net asset value of each Sub-Fund attributable to each of its unit classes and dividing this amount by the number of units of that class in issue.

|   | Net Asset Value<br>31 December 2016 | Units in Issue<br>31 December 2016 | Net Asset Value<br>per Unit<br>31 December 2016 |
|---|-------------------------------------|------------------------------------|---|
| <b>Northern Trust North America Equity Index UCITS FGR Fund</b>                   |                                     |                                    |   |
| Class A Euro  | €914,488,662                        | 83,596,890                         | €10.94  |
| Class A US Dollar   | US\$1,633,029                       | 153,512                            | US\$10.64                                       |
| <b>Northern Trust Europe Equity Index UCITS FGR Fund</b>                          |                                     |                                    |   |
| Class A Euro  | €1,327,420,628                      | 144,563,414                        | €9.18   |
| Class A US Dollar   | US\$463,451                         | 53,276                             | US\$8.70  |
| <b>Northern Trust Developed Real Estate Index UCITS FGR Fund</b>                  |                                     |                                    |   |
| Class A Euro  | €1,530,096,567                      | 152,968,628                        | €10.00  |
| Class A US Dollar   | US\$10,768,675                      | 1,115,891                          | US\$9.65  |
| <b>Northern Trust Emerging Markets Custom ESG Equity Index UCITS FGR Fund</b>     |                                     |                                    |   |
| Class A Euro  | €118,563,747                        | 10,350,203                         | €11.46  |
| Class B Euro  | €9,357,757                          | 86                                 | €108,811.13                                     |
| <b>Northern Trust World Custom ESG Equity Index UCITS FGR Feeder Fund</b>         |                                     |                                    |   |
| Class A Euro  | €778,682,968                        | 65,086,646                         | €11.96  |
| Class B Euro  | €104,770,370                        | 873                                | €119,982.41                                     |
| <b>Northern Trust Europe Custom ESG Equity Index UCITS FGR Feeder Fund</b>        |                                     |                                    |   |
| Class A Euro  | €109,591,377                        | 10,662,159                         | €10.28  |
| Class B Euro  | €68,285,315                         | 667                                | €102,430.53                                     |
| <b>Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund</b> |                                     |                                    |   |
| Class A Euro  | €57,173,490                         | 4,904,458                          | €11.66  |
| Class B Euro  | €8,604,115                          | 73                                 | €117,864.60                                     |
| <b>Northern Trust Europe Fundamental Index UCITS FGR Feeder</b>                   |                                     |                                    |   |
| Class A Euro  | €331,424,537                        | 27,689,028                         | €11.97  |
|   | Net Asset Value<br>31 December 2015 | Units in Issue<br>31 December 2015 | Net Asset Value<br>per Unit<br>31 December 2015 |
| <b>Northern Trust North America Equity Index UCITS FGR Fund</b>                   |                                     |                                    |   |
| Class A Euro  | €620,674,990                        | 64,302,209                         | €9.65   |
| Class A US Dollar   | US\$615,501                         | 63,669                             | US\$9.67  |
| <b>Northern Trust Europe Equity Index UCITS FGR Fund</b>                          |                                     |                                    |   |
| Class A Euro  | €1,159,888,924                      | 125,642,676                        | €9.23   |
| Class A US Dollar   | US\$603,496                         | 67,000                             | US\$9.01  |



# NORTHERN TRUST UCITS FGR FUND

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2016

### 20. Net Assets Attributable to Holders of Redeemable Participating Units (continued)

|   | Net Asset Value<br>31 December 2015 | Units in Issue<br>31 December 2015 | Net Asset Value<br>per Unit<br>31 December 2015 |
|---|-------------------------------------|------------------------------------|---|
| <b>Northern Trust Developed Real Estate Index UCITS FGR Fund</b>                  |                                     |                                    |   |
| Class A Euro  | €619,267,289                        | 65,287,920                         | €9.49   |
| Class A US Dollar   | US\$6,466,882                       | 686,159                            | US\$9.42  |
| <b>Northern Trust Emerging Markets Custom ESG Equity Index UCITS FGR Fund</b>     |                                     |                                    |   |
| Class A Euro  | €41,631,085                         | 4,048,034                          | €10.28  |
| <b>Northern Trust World Custom ESG Equity Index UCITS FGR Feeder Fund</b>         |                                     |                                    |   |
| Class A Euro  | €237,853,946                        | 21,962,473                         | €10.83  |
| Class B Euro  | €50,397,992                         | 462                                | €109,062.96                                     |
| <b>Northern Trust Europe Custom ESG Equity Index UCITS FGR Feeder Fund</b>        |                                     |                                    |   |
| Class A Euro  | €23,342,358                         | 2,311,106                          | €10.10  |
| Class B Euro  | €39,390,465                         | 390                                | €100,985.66                                     |
| <b>Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund</b> |                                     |                                    |   |
| Class A Euro  | \$23,259,013                        | 2,289,442                          | €10.16  |

### 21. Portfolio Turnover Rate

Transaction costs are incurred when the Sub-Funds deal in securities. The Portfolio Turnover Rate (PTR) reflects the volume of trading by a Sub-Fund other than investing in/disposing of securities due to subscriptions in/redemptions by the Sub-Fund. It is calculated using a prescribed formula: ((purchases of securities plus sales of securities) minus (subscriptions of units plus redemptions of units)) divided by average net asset value.

The following tables set out the Sub-Funds' PTR during the year ended December 2016 and the period ended 31 December 2015. A PTR of one means that the average net asset value has been traded one time during the period under review. A PTR of Nil means that the volume of trading is completely related to purchases and sales of securities due to subscriptions and redemptions.

|                                | Northern Trust North<br>America Equity Index<br>UCITS FGR Fund<br>31 December 2016 | Northern Trust<br>Europe Equity Index<br>UCITS FGR Fund<br>31 December 2016 | Northern Trust<br>Developed Real Estate<br>Index UCITS FGR<br>Fund<br>31 December 2016 | Northern Trust<br>Emerging Markets<br>Custom ESG Equity<br>Index UCITS FGR<br>Fund<br>31 December 2016 |
|--------------------------------|--|---|--|--|
|                                | US\$   | €   | US\$   | €  |
| Purchases                      | 673,456,325  | 716,544,601   | 2,363,329,822  | 140,518,818  |
| Sales                          | 474,222,576  | 559,441,646   | 1,372,126,999  | 62,546,876   |
| <b>Total 1</b>                 | <b>1,147,678,901</b>   | <b>1,275,986,247</b>  | <b>3,735,456,821</b>   | <b>203,065,694</b>   |
| Subscriptions                  | 437,230,662  | 516,884,733   | 1,042,474,114  | 84,909,430   |
| Redemptions                    | 233,404,632  | 358,237,988   | 53,396,056   | 6,972,344  |
| <b>Total 2</b>                 | <b>670,635,294</b>   | <b>875,122,721</b>  | <b>1,095,870,170</b>   | <b>91,881,774</b>  |
| <b>Total 1 less total 2</b>    | <b>477,043,607</b>   | <b>400,863,526</b>  | <b>2,639,586,651</b>   | <b>111,183,920</b>   |
| Average net asset value        | 789,765,150  | 1,131,391,092   | 1,218,399,089  | 72,832,569   |
| <b>Portfolio Turnover Rate</b> | <b>0.60 times</b>  | <b>0.35 times</b>   | <b>2.17 times</b>  | <b>1.53 times</b>  |

**NORTHERN TRUST UCITS FGR FUND**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)**

*For the year ended 31 December 2016*

**21. Portfolio Turnover Rate (continued)**

|                                | <b>Northern Trust World<br/>Custom ESG Equity<br/>Index UCITS FGR<br/>Feeder Fund<br/>31 December 2016<br/>€</b> | <b>Northern Trust<br/>Europe Custom ESG<br/>Equity Index UCITS<br/>FGR Feeder Fund<br/>31 December 2016<br/>€</b> | <b>Northern Trust North<br/>America Custom ESG<br/>Equity Index UCITS<br/>FGR Feeder Fund<br/>31 December 2016<br/>€</b> | <b>Northern Trust<br/>Europe Fundamental<br/>Index UCITS FGR<br/>Feeder Fund<br/>31 December 2016<br/>€</b> |
|--------------------------------|--|---|--|---|
| Purchases                      | 561,726,808  | 121,698,600   | 61,478,548   | 319,042,534   |
| Sales                          | 53,550,969   | 12,956,151  | 25,511,290   | 30,744,992  |
| <b>Total 1</b>                 | <b>615,277,777</b>   | <b>134,654,751</b>  | <b>86,989,838</b>  | <b>349,787,526</b>  |
| Subscriptions                  | 576,465,110  | 121,766,731   | 61,807,322   | 329,895,629   |
| Redemptions                    | 80,765,377   | 16,318,365  | 26,151,850   | 51,551,591  |
| <b>Total 2</b>                 | <b>657,230,487</b>   | <b>138,085,096</b>  | <b>87,959,172</b>  | <b>381,447,220</b>  |
| <b>Total 1 less total 2</b>    | <b>(41,952,710)</b>  | <b>(3,430,345)</b>  | <b>(969,334)</b>   | <b>(31,659,694)</b>   |
| Average net asset value        | 607,319,449  | 116,633,513   | 35,377,446   | 288,685,589   |
| <b>Portfolio Turnover Rate</b> | 0.07 times   | 0.03 times  | 0.03 times   | 0.11 times  |

|                                | <b>Northern Trust North<br/>America Equity Index<br/>UCITS FGR Fund<br/>31 December 2015<br/>US\$</b> | <b>Northern Trust<br/>Europe Equity Index<br/>UCITS FGR Fund<br/>31 December 2015<br/>€</b> | <b>Northern Trust<br/>Developed Real Estate<br/>Index UCITS FGR<br/>Fund<br/>31 December 2015<br/>US\$</b> | <b>Northern Trust<br/>Emerging Markets<br/>Custom ESG Equity<br/>Index UCITS FGR<br/>Fund<br/>31 December 2015<br/>€</b> |
|--------------------------------|---|---|--|--|
| Purchases                      | 895,313,394   | 1,590,844,510   | 1,466,619,395  | 38,575,224   |
| Sales                          | 210,825,403   | 334,120,467   | 765,097,629  | 1,114,467  |
| <b>Total 1</b>                 | <b>1,106,138,797</b>  | <b>1,924,964,977</b>  | <b>2,231,717,024</b>   | <b>39,689,691</b>  |
| Subscriptions                  | 751,099,921   | 1,381,139,148   | 1,197,551,592  | 40,549,532   |
| Redemptions                    | 69,212,166  | 121,857,034   | 498,698,296  | 44,424   |
| <b>Total 2</b>                 | <b>820,312,087</b>  | <b>1,502,996,182</b>  | <b>1,696,249,888</b>   | <b>40,593,956</b>  |
| <b>Total 1 less total 2</b>    | <b>285,826,710</b>  | <b>421,968,795</b>  | <b>535,467,136</b>   | <b>(904,265)</b>   |
| Average net asset value        | 671,804,487   | 1,217,074,121   | 754,585,934  | 41,072,828   |
| <b>Portfolio Turnover Rate</b> | 0.43 times  | 0.35 times  | 0.71 times   | 0.02 times   |

# NORTHERN TRUST UCITS FGR FUND

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)

For the year ended 31 December 2016

### 21. Portfolio Turnover Rate (continued)

|                                | Northern Trust World<br>Custom ESG Equity<br>Index UCITS FGR<br>Feeder Fund<br>31 December 2015<br>€ | Northern Trust<br>Europe Custom ESG<br>Equity Index UCITS<br>FGR Feeder Fund<br>31 December 2015<br>€ | Northern Trust North<br>America Custom ESG<br>Equity Index UCITS<br>FGR Feeder Fund<br>31 December 2015<br>€ |
|--------------------------------|--|---|--|
| Purchases                      | 285,910,273  | 63,952,357  | 22,899,015   |
| Sales                          | 2,842,210  | 1,739,096   | -  |
| <b>Total 1</b>                 | <b>288,752,483</b>   | <b>65,691,453</b>   | <b>22,899,015</b>  |
| Subscriptions                  | 290,534,729  | 64,581,499  | 22,894,421   |
| Redemptions                    | 7,361,336  | 2,339,170   | -  |
| <b>Total 2</b>                 | <b>297,896,065</b>   | <b>66,920,669</b>   | <b>22,894,421</b>  |
| <b>Total 1 less total 2</b>    | <b>(9,143,582)</b>   | <b>(1,229,216)</b>  | <b>4,594</b>   |
| Average net asset value        | 108,719,533  | 42,228,079  | 23,361,515   |
| <b>Portfolio Turnover Rate</b> | <b>0.08 times</b>  | <b>0.03 times</b>   | <b>0.00 times</b>  |

### 22. Exchange Rates

The following exchange rates were used to convert assets and liabilities denominated in foreign currencies to Euro as at the Statement of Financial Position date.

#### 31 December 2016

|                        |             |                    |         |
|------------------------|-------------|--------------------|---------|
| Brazilian Real         | 3.4329      | Norwegian Krone    | 9.0790  |
| British Pound Sterling | 0.8536      | Philippine Peso    | 52.4343 |
| Chilean Peso           | 706.4557    | Polish Zloty       | 4.4028  |
| Colombian Peso         | 3,166.3594  | Qatari Rial        | 3.8408  |
| Czech Koruna           | 27.0205     | Russian Ruble      | 64.3859 |
| Danish Krone           | 7.4355      | South African Rand | 14.4237 |
| Egyptian Pound         | 19.1226     | Swedish Krona      | 9.5820  |
| Hong Kong Dollar       | 8.1776      | Swiss Franc        | 1.0720  |
| Hungarian Forint       | 308.8651    | Taiwan Dollar      | 33.9935 |
| Indonesian Rupiah      | 14,210.1188 | Thai Baht          | 37.7711 |
| Indian Rupee           | 71.5859     | Turkish Lira       | 3.7102  |
| Korean Won             | 1,273.9270  | UAE Dirham         | 3.8740  |
| Malaysian Ringgit      | 4.7316      | US Dollar          | 1.0548  |
| Mexican Peso           | 21.7294     |                    |         |

#### 31 December 2015

|                        |             |                    |            |
|------------------------|-------------|--------------------|------------|
| Brazilian Real         | 4.2977      | Norwegian Krone    | 9.6152     |
| British Pound Sterling | 0.7370      | Philippine Peso    | 51.1158    |
| Colombian Peso         | 3,448.4594  | South African Rand | 16.8328    |
| Danish Krone           | 7.4627      | Korean Won         | 1,273.7411 |
| Egyptian Pound         | 8.5058      | Swedish Krona      | 9.1582     |
| Hong Kong Dollar       | 8.4190      | Swiss Franc        | 1.0874     |
| Indonesian Rupiah      | 14,974.6458 | Turkish Lira       | 3.1707     |
| Malaysian Ringgit      | 4.6640      | US Dollar          | 1.0863     |
| Mexican Peso           | 18.7617     |                    |            |

## NORTHERN TRUST UCITS FGR FUND

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS (continued)

*For the year ended 31 December 2016*

#### 22. Exchange Rates (continued)

The following exchange rates were used to convert assets and liabilities denominated in foreign currencies to US Dollar as at the Statement of Financial Position date.

##### 31 December 2016

|                        |        |                    |          |
|------------------------|--------|--------------------|----------|
| Australian Dollar      | 1.3810 | Japanese Yen       | 116.6350 |
| British Pound Sterling | 0.8093 | New Zealand Dollar | 1.4341   |
| Canadian Dollar        | 1.3411 | Norwegian Krone    | 8.6078   |
| Euro                   | 0.9481 | Singapore Dollar   | 1.4447   |
| Hong Kong Dollar       | 7.7532 | Swedish Krona      | 9.0846   |
| Israeli Shekel         | 3.8487 | Swiss Franc        | 1.0164   |

##### 31 December 2015

|                        |        |                    |          |
|------------------------|--------|--------------------|----------|
| Australian Dollar      | 1.3745 | Japanese Yen       | 120.2950 |
| British Pound Sterling | 0.6785 | New Zealand Dollar | 1.4607   |
| Canadian Dollar        | 1.3891 | Norwegian Krone    | 8.8514   |
| Danish Krone           | 6.8698 | Singapore Dollar   | 1.4187   |
| Euro                   | 0.9206 | Swedish Krona      | 8.4306   |
| Hong Kong Dollar       | 7.7502 | Swiss Franc        | 1.0010   |
| Israeli Shekel         | 3.8911 |                    |          |

#### 23. Significant Events during the Year

Northern Trust Europe Fundamental Index UCITS FGR Feeder Fund commenced operations on 15 January 2016.

The following unit classes launched during the year: Class B Euro of Northern Trust Emerging Markets Custom ESG Equity Index UCITS FGR Fund; Class B Euro of Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund; and Class A Euro of Northern Trust Europe Fundamental Index UCITS FGR Feeder Fund.

Effective 29 August 2016, Catherine Duffy and Willem van Ooijen resigned as Directors of the Manager. Effective 29 August 2016 and 20 October 2016 respectively, Hazel McNeilage and James Wright were appointed as Directors of the Manager.

There were no other significant events during the year

#### 24. Events Since the Year End

Northern Trust World Custom ESG Minimum Volatility Equity Index UCITS FGR Fund commenced operations on 10 January 2017.

Effective 21 April 2017, Eleanor Fitzgerald resigned as a Director of the Manager.

There have been no other significant events affecting the Fund subsequent to the year end.

#### 25. Approval of Financial Statements

The financial statements were approved by the Directors of the Manager on 25 April 2017.

## **NORTHERN TRUST UCITS FGR FUND**

### **OTHER INFORMATION**

*For the year ended 31 December 2016*

#### **Allocation of Results for the Year**

Distributions declared and paid during the year are stated in note 8 on pages 33 and 34 of the financial statements. The results for the year are stated in the Statement of Comprehensive Income on pages 17 and 18 of the financial statements and are included in the net assets attributable to holders of redeemable participating units.

#### **Distribution Policy**

The profit distribution dates, the dates at which profit distributions are declared and paid, are in May and November of each year for Northern Trust North America Equity Index UCITS FGR Fund, Northern Trust Europe Equity Index UCITS FGR Fund, Northern Trust Developed Real Estate Index UCITS FGR Fund and Northern Trust Emerging Markets Custom ESG Equity Index UCITS FGR Fund and in February of each year for Northern Trust World Custom ESG Equity Index UCITS FGR Feeder Fund, Northern Trust Europe Custom ESG Equity Index UCITS FGR Feeder Fund, Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund and Northern Trust Europe Fundamental Index UCITS FGR Feeder Fund.

#### **Directors' Interests**

In accordance with article 122 paragraph 2 of the Decree on Conduct of Business of Financial Institutions AFS (Besluit Gedragstoezicht financiële ondernemingen Wft) the Fund is required to list the total holdings in securities held by the Directors of the Manager in investments which are also held by the Sub-Funds as of the Statement of Financial Position date.

As of 31 December 2016 the Directors of the Manager held 2,090 shares in Northern Trust Corporation (31 December 2015: 3,818 shares) and 81 shares in JPMorgan Chase (31 December 2015: 78 shares). There were no other holdings in securities by the Directors of the Manager in investments held by the Sub-Funds as at that date.

## INDEPENDENT AUDITOR'S REPORT

To: the Meeting of Unitholders of Northern Trust North America Equity Index UCITS FGR Fund, Northern Trust Europe Equity Index UCITS FGR Fund, Northern Trust Developed Real Estate Index UCITS FGR Fund, Northern Trust Emerging Markets Custom ESG Equity Index UCITS FGR Fund, Northern Trust World Custom ESG Equity Index UCITS FGR Feeder Fund, Northern Trust Europe Custom ESG Equity Index UCITS FGR Feeder Fund, Northern Trust North America Custom ESG Equity Index UCITS FGR Feeder Fund and Northern Trust Europe Fundamental Index UCITS FGR Feeder Fund ('the Sub-Funds')

### Report on the Accompanying Financial Statements

#### *Our opinion*

We have audited the financial statements 2016 of the Sub-Funds based in Amsterdam.

In our opinion the accompanying financial statements give a true and fair view of the financial position of the Sub-Funds as at 31 December 2016, and of their results and cash flows 2016 and for Northern Trust Europe Fundamental Index UCITS FGR Feeder Fund of its result and its cash flows for the period 15 January 2016 up to and including 31 December 2016 in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Netherlands Civil Code and the requirements set with regard to the financial statements by or pursuant to the Dutch Financial Supervision Act).

The financial statements for all the Sub-Funds mentioned above, except for Northern Trust Europe Fundamental Index UCITS FGR Feeder Fund comprise:

1. the statement of financial position as at 31 December 2016;
2. the statement of comprehensive income;
3. the statement of changes in net assets;
4. the statement of cash flows; and
5. the notes comprising a summary of the accounting policies and other explanatory information.

For Northern Trust Europe Fundamental Index UCITS FGR Feeder Fund the statements mentioned under 2-4 cover the period 15 January 2016 up to and including 31 December 2016.

#### *Basis for our opinion*

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of the Sub-Funds in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Report on the other Information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- manager's report;
- other information pursuant to Part 9 of Book 2 of the Netherlands Civil Code;
- management and other information;
- investment review;
- appendix 1; unaudited portfolio statements;
- appendix 2; unaudited remuneration disclosures.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains the information as required by Part 9 of Book 2 of the Netherlands Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Netherlands Civil Code and the Dutch Standard 720. The scope of the procedures performed is less than the scope of those performed in our audit of the financial statements.

The directors are responsible for the preparation of the other information, including the management board's report in accordance with Part 9 of Book 2 of the Netherlands Civil Code and other information pursuant to Part 9 of Book 2 of the Netherlands Civil Code.

## **INDEPENDENT AUDITOR'S REPORT (continued)**

### **Description of the responsibilities for the financial statements**

#### ***Responsibilities of the directors for the financial statements***

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Netherlands Civil Code and the requirements set with regard to the financial statements by or pursuant to the Dutch Financial Supervision Act. Furthermore, the directors are responsible for such internal control as the directors determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to errors or fraud.

As part of the preparation of the financial statements, the directors are responsible for assessing the Sub-Funds' ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the directors should prepare the financial statements using the going concern basis of accounting unless the directors either intend to liquidate the Sub-Funds or to cease operations, or has no realistic alternative but to do so. The directors should disclose events and circumstances that may cast significant doubt on the Sub-Funds' ability to continue as a going concern in the financial statements.

#### ***Our responsibilities for the audit of the financial statements***

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not have detected all material errors and fraud during our audit.

Misstatements can arise from fraud or errors and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included e.g.:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to errors or fraud, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from errors, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Sub-Funds' internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors;
- concluding on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Sub-Funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Sub-Funds ceasing to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Amstelveen, 25 April 2017

KPMG Accountants N.V.

W.L.L. Paulissen RA

**NORTHERN TRUST UCITS FGR FUND**  
**NORTHERN TRUST NORTH AMERICA EQUITY INDEX UCITS FGR FUND**

**APPENDIX 1: UNAUDITED PORTFOLIO STATEMENT**

*As at 31 December 2016*

| <b>Holdings</b>                                    | <b>Financial Assets at Fair Value through Profit or Loss</b> | <b>Fair Value<br/>US\$</b> | <b>% of<br/>Net Assets</b> |
|--|--|----------------------------|----------------------------|
| <b>Equities: 98.56% (31 December 2015: 98.34%)</b> |  |                            |                            |
| <b>Canada: 5.66% (31 December 2015: 4.62%)</b>     |  |                            |                            |
| 9,150  | Agnico-Eagle Mines   | 385,159                    | 0.04                       |
| 5,599  | Agrium   | 563,470                    | 0.06                       |
| 18,190   | Alimentation Couche-Tard                                     | 825,776                    | 0.08                       |
| 7,631  | AltaGas  | 192,902                    | 0.02                       |
| 16,455   | ARC Resources  | 283,565                    | 0.03                       |
| 3,464  | Atco   | 115,359                    | 0.01                       |
| 29,330   | Bank of Montreal   | 2,112,075                  | 0.22                       |
| 54,227   | Bank of Nova Scotia  | 3,023,012                  | 0.31                       |
| 49,286   | Barrick Gold   | 789,796                    | 0.08                       |
| 6,672  | BCE  | 288,711                    | 0.03                       |
| 25,317   | BlackBerry   | 174,437                    | 0.02                       |
| 97,112   | Bombardier   | 156,416                    | 0.02                       |
| 39,701   | Brookfield Asset Management                                  | 1,311,476                  | 0.14                       |
| 12,181   | CAE  | 170,582                    | 0.02                       |
| 18,911   | Cameco   | 197,987                    | 0.02                       |
| 18,113   | Canadian Imperial Bank of Commerce                           | 1,479,781                  | 0.15                       |
| 35,072   | Canadian National Railway                                    | 2,363,153                  | 0.24                       |
| 50,265   | Canadian Natural Resources                                   | 1,603,847                  | 0.17                       |
| 6,032  | Canadian Pacific Railway                                     | 861,631                    | 0.09                       |
| 3,501  | Canadian Tire  | 363,584                    | 0.04                       |
| 5,838  | Canadian Utilities   | 157,546                    | 0.02                       |
| 1,311  | CCL Industries   | 257,889                    | 0.03                       |
| 35,270   | Cenovus Energy   | 533,896                    | 0.05                       |
| 8,956  | CGI  | 430,353                    | 0.04                       |
| 11,984   | CI Financial   | 257,990                    | 0.03                       |
| 813  | Constellation Software                                       | 369,880                    | 0.04                       |
| 23,593   | Crescent Point Energy  | 321,071                    | 0.03                       |
| 5,639  | Dollarama  | 413,679                    | 0.04                       |
| 27,391   | Eldorado Gold  | 88,236                     | 0.01                       |
| 19,994   | Element Fleet Management                                     | 185,769                    | 0.02                       |
| 1,359  | Emera Inc  | 45,998                     | -                          |
| 5,769  | Empire   | 67,625                     | 0.01                       |
| 42,917   | Enbridge   | 1,808,157                  | 0.19                       |
| 39,823   | Encana   | 467,999                    | 0.05                       |
| 998  | Fairfax Financial  | 482,609                    | 0.05                       |
| 7,917  | Finning International  | 155,205                    | 0.02                       |
| 5,979  | First Capital Realty   | 92,156                     | 0.01                       |
| 30,017   | First Quantum Minerals                                       | 298,816                    | 0.03                       |
| 18,153   | Fortis   | 561,219                    | 0.06                       |
| 7,399  | Franco-Nevada  | 442,930                    | 0.05                       |
| 2,344  | George Weston  | 198,542                    | 0.02                       |
| 11,494   | Gildan Activewear  | 292,182                    | 0.03                       |
| 35,687   | Goldcorp   | 486,454                    | 0.05                       |
| 12,470   | Great-West Lifeco  | 327,035                    | 0.03                       |
| 6,215  | H&R Real Estate Investment Trust                             | 103,672                    | 0.01                       |
| 13,551   | Husky Energy   | 164,607                    | 0.02                       |
| 8,907  | Hydro One  | 156,614                    | 0.02                       |
| 5,123  | IGM Financial  | 145,929                    | 0.01                       |



**NORTHERN TRUST UCITS FGR FUND**  
**NORTHERN TRUST NORTH AMERICA EQUITY INDEX UCITS FGR FUND**

**APPENDIX 1: UNAUDITED PORTFOLIO STATEMENT (continued)**

*As at 31 December 2016*

| <b>Holdings</b>  | <b>Financial Assets at Fair Value through Profit or Loss</b> | <b>Fair Value<br/>US\$</b> | <b>% of<br/>Net Assets</b> |
|--|--|----------------------------|----------------------------|
| <b>Equities: 98.56% (31 December 2015: 98.34%) (continued)</b> |  |                            |                            |
| <b>Canada: 5.66% (31 December 2015: 4.62%) (continued)</b>     |  |                            |                            |
| 12,682   | Imperial Oil   | 441,726                    | 0.05                       |
| 4,476  | Industrial Alliance Insurance & Financial Services           | 178,199                    | 0.02                       |
| 5,618  | Intact Financial   | 402,587                    | 0.04                       |
| 15,354   | Inter Pipeline   | 339,355                    | 0.03                       |
| 5,086  | Jean Coutu PJC   | 79,340                     | 0.01                       |
| 8,683  | Keyera   | 261,969                    | 0.03                       |
| 44,642   | Kinross Gold   | 139,480                    | 0.01                       |
| 1,808  | Linamar  | 77,778                     | 0.01                       |
| 10,125   | Loblaw Cos   | 534,846                    | 0.05                       |
| 4,593  | Lululemon Athletica  | 298,499                    | 0.03                       |
| 16,314   | Magna International  | 709,225                    | 0.07                       |
| 84,975   | Manulife Financial   | 1,515,046                  | 0.16                       |
| 4,178  | Methanex   | 183,470                    | 0.02                       |
| 10,121   | Metro  | 303,090                    | 0.03                       |
| 14,020   | National Bank of Canada                                      | 570,084                    | 0.06                       |
| 3,530  | Onex   | 240,536                    | 0.02                       |
| 5,468  | Open Text  | 338,098                    | 0.03                       |
| 16,286   | Pembina Pipeline   | 509,571                    | 0.05                       |
| 8,162  | Peyto Exploration & Development                              | 202,125                    | 0.02                       |
| 35,522   | Potash Corp of Saskatchewan                                  | 643,398                    | 0.07                       |
| 15,826   | Power Corporation of Canada                                  | 354,626                    | 0.04                       |
| 10,845   | Power Financial  | 271,398                    | 0.03                       |
| 9,100  | PrairieSky Royalty   | 216,736                    | 0.02                       |
| 9,306  | Restaurant Brands International                              | 443,771                    | 0.05                       |
| 7,956  | RioCan Real Estate Investment Trust                          | 157,987                    | 0.02                       |
| 15,004   | Rogers Communications  | 579,439                    | 0.06                       |
| 66,621   | Royal Bank of Canada   | 4,514,261                  | 0.47                       |
| 10,766   | Saputo   | 381,412                    | 0.04                       |
| 9,665  | Seven Generations Energy                                     | 225,652                    | 0.02                       |
| 17,978   | Shaw Communications  | 361,155                    | 0.04                       |
| 19,383   | Silver Wheaton   | 374,926                    | 0.04                       |
| 2,440  | Smart Real Estate Investment Trust                           | 58,751                     | 0.01                       |
| 6,352  | SNC-Lavalin  | 273,727                    | 0.03                       |
| 28,413   | Sun Life Financial   | 1,092,197                  | 0.11                       |
| 75,325   | Suncor Energy  | 2,465,805                  | 0.25                       |
| 24,240   | Teck Resources   | 485,686                    | 0.05                       |
| 8,429  | Telus Corporation  | 268,700                    | 0.03                       |
| 83,288   | Toronto-Dominion Bank  | 4,112,696                  | 0.43                       |
| 8,386  | Tourmaline Oil   | 224,556                    | 0.02                       |
| 38,991   | TransCanada  | 1,760,199                  | 0.18                       |
| 53,477   | Turquoise Hill Resources                                     | 171,870                    | 0.02                       |
| 16,055   | Valeant Pharmaceuticals International                        | 233,094                    | 0.02                       |
| 11,690   | Veresen  | 114,281                    | 0.01                       |
| 5,156  | Vermilion Energy   | 217,190                    | 0.02                       |
| 7,524  | Waste Connections  | 591,311                    | 0.06                       |
| 3,418  | West Fraser Timber   | 122,365                    | 0.01                       |
| 34,780   | Yamana Gold  | 97,775                     | 0.01                       |
|  | <b>Total Canada</b>  | <b>54,716,765</b>          | <b>5.66</b>                |

**NORTHERN TRUST UCITS FGR FUND**  
**NORTHERN TRUST NORTH AMERICA EQUITY INDEX UCITS FGR FUND**

**APPENDIX 1: UNAUDITED PORTFOLIO STATEMENT (continued)**

*As at 31 December 2016*

| Holdings   | Financial Assets at Fair Value through Profit or Loss | Fair Value<br>US \$ | % of<br>Net Assets |
|--|---|---------------------|--------------------|
| <b>Equities: 98.56% (31 December 2015: 98.34%) (continued)</b> |   |                     |                    |
| <b>Ireland: 0.09% (31 December 2015: 0.06%)</b>                |   |                     |                    |
| 7,387  | Pentair   | 414,189             | 0.04               |
| 12,388   | XL Group  | 461,577             | 0.05               |
|  | <b>Total Ireland</b>                                  | <b>875,766</b>      | <b>0.09</b>        |
| <b>Switzerland: 0.11% (31 December 2015: 0.13%)</b>            |   |                     |                    |
| 15,585   | TE Connectivity                                       | 1,079,729           | 0.11               |
|  | <b>Total Switzerland</b>                              | <b>1,079,729</b>    | <b>0.11</b>        |
| <b>Singapore: 0.36% (31 December 2015: 0.00%)</b>              |   |                     |                    |
| 17,545   | Broadcom  | 3,101,430           | 0.32               |
| 24,423   | Flex  | 350,959             | 0.04               |
|  | <b>Total Singapore</b>                                | <b>3,452,389</b>    | <b>0.36</b>        |
| <b>Sweden: 0.04% (31 December 2015: 0.00%)</b>                 |   |                     |                    |
| 3,924  | Autoliv   | 444,001             | 0.04               |
|  | <b>Total Sweden</b>                                   | <b>444,001</b>      | <b>0.04</b>        |
| <b>United Kingdom: 0.22% (31 December 2015: 0.34%)</b>         |   |                     |                    |
| 12,284   | Delphi Automotive                                     | 827,327             | 0.09               |
| 11,055   | Liberty Global Class A                                | 338,172             | 0.04               |
| 26,529   | Liberty Global Class C                                | 787,911             | 0.08               |
| 4,914  | Liberty Global LiLAC Class C                          | 104,029             | 0.01               |
|  | <b>Total United Kingdom</b>                           | <b>2,057,439</b>    | <b>0.22</b>        |
| <b>United States: 92.08% (31 December 2015: 93.19%)</b>        |   |                     |                    |
| 26,777   | 3M  | 4,781,569           | 0.49               |
| 65,264   | Abbott Laboratories                                   | 2,506,790           | 0.26               |
| 72,167   | AbbVie  | 4,519,098           | 0.47               |
| 27,629   | Accenture   | 3,236,185           | 0.33               |
| 26,320   | Activision Blizzard                                   | 950,415             | 0.10               |
| 1,935  | Acuity Brands   | 446,714             | 0.05               |
| 22,078   | Adobe Systems   | 2,272,930           | 0.24               |
| 3,210  | Advance Auto Parts                                    | 542,875             | 0.06               |
| 27,809   | AES   | 323,141             | 0.03               |
| 15,588   | Aetna   | 1,933,068           | 0.20               |
| 2,410  | Affiliated Managers                                   | 350,173             | 0.04               |
| 18,332   | Aflac   | 1,275,907           | 0.13               |
| 2,762  | AGCO  | 159,809             | 0.02               |
| 14,052   | Agilent Technologies                                  | 640,209             | 0.07               |
| 15,201   | AGNC Investment Corp                                  | 275,594             | 0.03               |
| 9,195  | Air Products & Chemicals                              | 1,322,425           | 0.14               |
| 7,580  | Akamai Technologies                                   | 505,434             | 0.05               |
| 4,976  | Aibemarle   | 428,334             | 0.04               |
| 3,559  | Alexandria Real Estate Equities                       | 395,512             | 0.04               |
| 9,939  | Alexion Pharmaceuticals                               | 1,216,037           | 0.13               |
| 3,177  | Align Technology Inc                                  | 305,405             | 0.03               |
| 6,946  | Alkermes  | 386,059             | 0.04               |
| 684  | Alleghany   | 415,954             | 0.04               |
| 17,570   | Allergan  | 3,689,876           | 0.38               |
| 2,512  | Alliance Data Systems                                 | 573,992             | 0.06               |
| 9,523  | Alliant Energy  | 360,826             | 0.04               |
| 16,606   | Allstate  | 1,230,837           | 0.13               |

**NORTHERN TRUST UCITS FGR FUND**  
**NORTHERN TRUST NORTH AMERICA EQUITY INDEX UCITS FGR FUND**

**APPENDIX 1: UNAUDITED PORTFOLIO STATEMENT (continued)**

*As at 31 December 2016*

| Holdings  | Financial Assets at Fair Value through Profit or Loss | Fair Value<br>US\$ | % of<br>Net Assets |
|---|---|--------------------|--------------------|
| <b>Equities: 98.56% (31 December 2015: 98.34%) (continued)</b>      |   |                    |                    |
| <b>United States: 92.08% (31 December 2015: 93.19%) (continued)</b> |   |                    |                    |
| 18,869  | Ally Financial  | 358,888            | 0.04               |
| 13,078  | Alphabet Class A                                      | 10,363,661         | 1.07               |
| 13,717  | Alphabet Class C                                      | 10,587,055         | 1.10               |
| 86,622  | Altria  | 5,857,380          | 0.61               |
| 17,875  | Amazon.com  | 13,403,926         | 1.39               |
| 312   | AMERCO  | 115,312            | 0.01               |
| 10,508  | Ameren  | 551,250            | 0.06               |
| 5,471   | American Airlines                                     | 255,441            | 0.03               |
| 21,466  | American Electric Power                               | 1,351,499          | 0.14               |
| 34,826  | American Express                                      | 2,579,910          | 0.27               |
| 47,534  | American International                                | 3,104,446          | 0.32               |
| 18,888  | American Tower  | 1,996,084          | 0.21               |
| 7,818   | American Water Works                                  | 565,710            | 0.06               |
| 7,078   | Ameriprise Financial                                  | 785,233            | 0.08               |
| 8,458   | AmerisourceBergen                                     | 661,331            | 0.07               |
| 10,263  | AMETEK  | 498,782            | 0.05               |
| 33,173  | Amgen   | 4,850,224          | 0.50               |
| 13,657  | Amphenol  | 917,750            | 0.09               |
| 24,591  | Anadarko Petroleum                                    | 1,714,730          | 0.18               |
| 13,615  | Analog Devices  | 988,721            | 0.10               |
| 44,397  | Annaly Capital Management                             | 442,638            | 0.05               |
| 3,944   | ANSYS   | 364,781            | 0.04               |
| 6,037   | Antero Resources                                      | 142,775            | 0.01               |
| 11,701  | Anthem  | 1,682,253          | 0.17               |
| 6,903   | AO Smith  | 326,857            | 0.03               |
| 11,759  | Aon   | 1,311,481          | 0.14               |
| 16,847  | Apache  | 1,069,279          | 0.11               |
| 239,040   | Apple   | 27,685,613         | 2.87               |
| 47,844  | Applied Materials                                     | 1,543,926          | 0.16               |
| 10,290  | Aramark   | 367,559            | 0.04               |
| 5,287   | Arch Capital  | 456,215            | 0.05               |
| 25,990  | Archer-Daniels-Midland                                | 1,186,444          | 0.12               |
| 19,711  | Arconic Inc   | 365,442            | 0.04               |
| 3,926   | Arrow Electronics                                     | 279,924            | 0.03               |
| 8,200   | Arthur J Gallagher                                    | 426,072            | 0.04               |
| 2,760   | Ashland Global Holdings Inc                           | 301,640            | 0.03               |
| 2,568   | Assurant  | 238,464            | 0.02               |
| 272,976   | AT&T  | 11,609,669         | 1.20               |
| 4,831   | Atmos Energy  | 358,219            | 0.04               |
| 8,622   | Autodesk  | 638,114            | 0.07               |
| 20,225  | Automatic Data Processing                             | 2,078,725          | 0.21               |
| 2,910   | AutoNation  | 141,572            | 0.01               |
| 1,304   | AutoZone  | 1,029,886          | 0.11               |
| 6,111   | AvalonBay Communities                                 | 1,082,564          | 0.11               |
| 4,033   | Avery Dennison  | 283,197            | 0.03               |
| 5,523   | Avnet   | 262,950            | 0.03               |
| 8,775   | Axalta Coating Systems                                | 238,680            | 0.02               |
| 3,745   | Axis Capital  | 244,436            | 0.03               |
| 4,215   | B/E Aerospace   | 253,701            | 0.03               |
| 17,755  | Baker Hughes  | 1,153,542          | 0.12               |

**NORTHERN TRUST UCITS FGR FUND**  
**NORTHERN TRUST NORTH AMERICA EQUITY INDEX UCITS FGR FUND**

**APPENDIX 1: UNAUDITED PORTFOLIO STATEMENT (continued)**

*As at 31 December 2016*

| <b>Holdings</b>   | <b>Financial Assets at Fair Value through Profit or Loss</b> | <b>Fair Value<br/>US\$</b> | <b>% of<br/>Net Assets</b> |
|---|--|----------------------------|----------------------------|
| <b>Equities: 98.56% (31 December 2015: 98.34%) (continued)</b>      |  |                            |                            |
| <b>United States: 92.08% (31 December 2015: 93.19%) (continued)</b> |  |                            |                            |
| 7,281   | Ball   | 546,585                    | 0.06                       |
| 452,904   | Bank of America  | 10,009,178                 | 1.04                       |
| 47,359  | Bank of New York Mellon                                      | 2,243,869                  | 0.23                       |
| 21,998  | Baxter International   | 975,391                    | 0.10                       |
| 36,138  | BB&T   | 1,699,209                  | 0.18                       |
| 9,446   | Becton Dickinson   | 1,563,785                  | 0.16                       |
| 6,889   | Bed Bath & Beyond  | 279,969                    | 0.03                       |
| 53,995  | Berkshire Hathaway   | 8,800,105                  | 0.91                       |
| 13,316  | Best Buy   | 568,194                    | 0.06                       |
| 9,713   | Biogen   | 2,754,413                  | 0.28                       |
| 7,544   | BioMarin Pharmaceutical                                      | 624,945                    | 0.06                       |
| 5,416   | BlackRock  | 2,061,005                  | 0.21                       |
| 26,338  | Boeing   | 4,100,300                  | 0.42                       |
| 9,302   | BorgWarner   | 366,871                    | 0.04                       |
| 6,861   | Boston Properties Reits                                      | 862,977                    | 0.09                       |
| 60,346  | Boston Scientific  | 1,305,284                  | 0.13                       |
| 74,120  | Bristol-Myers Squibb   | 4,331,573                  | 0.45                       |
| 13,433  | Brixmor Property   | 328,034                    | 0.03                       |
| 5,033   | Broadridge Financial Solutions                               | 333,688                    | 0.03                       |
| 9,634   | Brown-Forman   | 432,759                    | 0.04                       |
| 6,208   | Bunge  | 448,466                    | 0.05                       |
| 13,857  | CA   | 440,237                    | 0.05                       |
| 20,516  | Cabot Oil & Gas  | 479,254                    | 0.05                       |
| 12,640  | Cadence Design Systems                                       | 318,781                    | 0.03                       |
| 14,343  | Calpine  | 163,940                    | 0.02                       |
| 3,678   | Camden Property Trust  | 309,209                    | 0.03                       |
| 8,696   | Campbell Soup  | 525,847                    | 0.05                       |
| 22,492  | Capital One Financial  | 1,962,202                  | 0.20                       |
| 13,935  | Cardinal Health  | 1,002,902                  | 0.10                       |
| 8,395   | CarMax   | 540,554                    | 0.06                       |
| 15,585  | Carnival   | 811,355                    | 0.08                       |
| 25,904  | Caterpillar  | 2,402,337                  | 0.25                       |
| 14,004  | CBRE   | 440,986                    | 0.05                       |
| 17,730  | CBS  | 1,127,983                  | 0.12                       |
| 5,373   | CDK Global   | 320,714                    | 0.03                       |
| 6,725   | CDW  | 350,305                    | 0.04                       |
| 6,475   | Celanese   | 509,842                    | 0.05                       |
| 34,335  | Celgene  | 3,974,276                  | 0.41                       |
| 7,401   | Centene  | 418,231                    | 0.04                       |
| 18,816  | CenterPoint Energy   | 463,626                    | 0.05                       |
| 23,612  | CenturyLink  | 561,493                    | 0.06                       |
| 13,867  | Cerner   | 656,880                    | 0.07                       |
| 10,547  | CF Industries  | 332,020                    | 0.03                       |
| 6,240   | CH Robinson Worldwide  | 457,142                    | 0.05                       |
| 52,766  | Charles Schwab   | 2,082,674                  | 0.22                       |
| 9,624   | Charter Communications                                       | 2,770,942                  | 0.29                       |
| 8,828   | Cheniere Energy  | 365,744                    | 0.04                       |
| 83,731  | Chevron  | 9,855,139                  | 1.02                       |
| 1,277   | Chipotle Mexican Grill                                       | 481,838                    | 0.05                       |
| 20,627  | Chubb  | 2,725,239                  | 0.28                       |

**NORTHERN TRUST UCITS FGR FUND**  
**NORTHERN TRUST NORTH AMERICA EQUITY INDEX UCITS FGR FUND**

**APPENDIX 1: UNAUDITED PORTFOLIO STATEMENT (continued)**

*As at 31 December 2016*

| <b>Holdings</b>   | <b>Financial Assets at Fair Value through Profit or Loss</b> | <b>Fair Value<br/>US\$</b> | <b>% of<br/>Net Assets</b> |
|---|--|----------------------------|----------------------------|
| <b>Equities: 98.56% (31 December 2015: 98.34%) (continued)</b>      |  |                            |                            |
| <b>United States: 92.08% (31 December 2015: 93.19%) (continued)</b> |  |                            |                            |
| 11,243  | Church & Dwight  | 496,828                    | 0.05                       |
| 11,400  | Cigna  | 1,520,646                  | 0.16                       |
| 4,182   | Cimarex Energy   | 568,334                    | 0.06                       |
| 6,780   | Cincinnati Financial   | 513,585                    | 0.05                       |
| 3,766   | Cintas   | 435,199                    | 0.04                       |
| 222,915   | Cisco Systems  | 6,736,491                  | 0.70                       |
| 8,568   | CIT  | 365,682                    | 0.04                       |
| 129,160   | Citigroup  | 7,675,979                  | 0.79                       |
| 22,529  | Citizens Financial   | 802,708                    | 0.08                       |
| 7,042   | Citrix Systems   | 628,921                    | 0.06                       |
| 5,856   | Clorox   | 702,837                    | 0.07                       |
| 14,995  | CME  | 1,729,673                  | 0.18                       |
| 12,223  | CMS Energy   | 508,721                    | 0.05                       |
| 12,753  | Coach  | 446,610                    | 0.05                       |
| 181,827   | Coca-Cola  | 7,538,547                  | 0.78                       |
| 26,930  | Cognizant Technology Solutions                               | 1,508,888                  | 0.16                       |
| 37,609  | Colgate-Palmolive  | 2,461,133                  | 0.25                       |
| 106,629   | Comcast  | 7,362,732                  | 0.76                       |
| 7,668   | Comerica   | 522,267                    | 0.05                       |
| 6,217   | Computer Sciences Corp                                       | 369,414                    | 0.04                       |
| 17,973  | ConAgra Foods  | 710,832                    | 0.07                       |
| 6,302   | Concho Resources   | 835,645                    | 0.09                       |
| 55,028  | ConocoPhillips   | 2,759,104                  | 0.29                       |
| 13,478  | Consolidated Edison  | 993,059                    | 0.10                       |
| 7,844   | Constellation Brands   | 1,202,564                  | 0.12                       |
| 3,974   | Continental Resources  | 204,820                    | 0.02                       |
| 2,270   | Cooper   | 397,091                    | 0.04                       |
| 1,803   | Core Laboratories  | 216,432                    | 0.02                       |
| 46,213  | Corning  | 1,121,590                  | 0.12                       |
| 1,444   | CoStar Group Inc   | 272,180                    | 0.03                       |
| 19,403  | Costco Wholesale   | 3,106,614                  | 0.32                       |
| 21,716  | Coty Inc   | 397,620                    | 0.04                       |
| 3,325   | CR Bard  | 746,995                    | 0.08                       |
| 6,506   | Crown  | 342,020                    | 0.04                       |
| 14,981  | Crown Castle International                                   | 1,299,901                  | 0.13                       |
| 42,076  | CSX  | 1,511,791                  | 0.16                       |
| 7,194   | Cummins  | 983,204                    | 0.10                       |
| 47,289  | CVS Health   | 3,731,575                  | 0.39                       |
| 27,569  | Danaher  | 2,145,971                  | 0.22                       |
| 5,355   | Darden Restaurants   | 389,416                    | 0.04                       |
| 7,310   | DaVita HealthCare Partners                                   | 469,302                    | 0.05                       |
| 11,848  | Deere  | 1,220,818                  | 0.13                       |
| 9,804   | Dell Technologies Inc  | 538,926                    | 0.06                       |
| 8,352   | Delta Air Lines  | 410,835                    | 0.04                       |
| 10,082  | DENTSPLY SIRONA  | 582,034                    | 0.06                       |
| 20,975  | Devon Energy   | 957,928                    | 0.10                       |
| 3,718   | DexCom Inc   | 221,965                    | 0.02                       |
| 3,469   | Diamondback Energy Inc                                       | 350,577                    | 0.04                       |
| 3,817   | Dick's Sporting Goods  | 202,683                    | 0.02                       |

**NORTHERN TRUST UCITS FGR FUND**  
**NORTHERN TRUST NORTH AMERICA EQUITY INDEX UCITS FGR FUND**

**APPENDIX 1: UNAUDITED PORTFOLIO STATEMENT (continued)**

*As at 31 December 2016*

| Holdings  | Financial Assets at Fair Value through Profit or Loss | Fair Value<br>US\$ | % of<br>Net Assets |
|---|---|--------------------|--------------------|
| <b>Equities: 98.56% (31 December 2015: 98.34%) (continued)</b>      |   |                    |                    |
| <b>United States: 92.08% (31 December 2015: 93.19%) (continued)</b> |   |                    |                    |
| 6,897   | Digital Realty Trust                                  | 677,699            | 0.07               |
| 18,121  | Discover Financial Services                           | 1,306,343          | 0.13               |
| 6,549   | Discovery Communications Class A                      | 179,508            | 0.02               |
| 10,479  | Discovery Communications Class C                      | 280,628            | 0.03               |
| 10,349  | DISH Network  | 599,518            | 0.06               |
| 12,645  | Dollar General  | 936,615            | 0.10               |
| 10,506  | Dollar Tree   | 810,853            | 0.08               |
| 27,818  | Dominion Resources                                    | 2,130,581          | 0.22               |
| 2,232   | Domino's Pizza  | 355,424            | 0.04               |
| 6,823   | Dover   | 511,247            | 0.05               |
| 49,985  | Dow Chemical  | 2,860,142          | 0.30               |
| 15,829  | DR Horton   | 432,607            | 0.04               |
| 8,397   | Dr Pepper Snapple                                     | 761,356            | 0.08               |
| 7,740   | DTE Energy  | 762,467            | 0.08               |
| 30,601  | Duke Energy   | 2,375,250          | 0.25               |
| 15,465  | Duke Realty   | 410,750            | 0.04               |
| 1,573   | Dun & Bradstreet                                      | 190,836            | 0.02               |
| 12,085  | E*TRADE Financial                                     | 418,745            | 0.04               |
| 6,480   | Eastman Chemical                                      | 487,361            | 0.05               |
| 20,197  | Eaton   | 1,355,017          | 0.14               |
| 4,928   | Eaton Vance   | 206,385            | 0.02               |
| 48,008  | eBay  | 1,425,358          | 0.15               |
| 11,650  | Ecolab  | 1,365,613          | 0.14               |
| 2,535   | Edgewell Personal Care                                | 185,030            | 0.02               |
| 14,598  | Edison International                                  | 1,050,910          | 0.11               |
| 9,536   | Edwards Lifesciences                                  | 893,523            | 0.09               |
| 38,774  | EI du Pont de Nemours                                 | 2,846,012          | 0.29               |
| 13,372  | Electronic Arts                                       | 1,053,179          | 0.11               |
| 44,060  | Eli Lilly   | 3,240,613          | 0.34               |
| 28,650  | Emerson Electric                                      | 1,597,237          | 0.17               |
| 8,812   | Endo International                                    | 145,134            | 0.01               |
| 8,205   | Entergy   | 602,821            | 0.06               |
| 5,207   | Envision Healthcare Corp                              | 329,576            | 0.03               |
| 25,598  | EOG Resources   | 2,587,958          | 0.27               |
| 7,469   | EQT   | 488,473            | 0.05               |
| 5,437   | Equifax   | 642,817            | 0.07               |
| 3,154   | Equinix   | 1,127,271          | 0.12               |
| 16,272  | Equity Residential                                    | 1,047,266          | 0.11               |
| 2,824   | Essex Property Trust                                  | 656,580            | 0.07               |
| 9,563   | Estee Lauder Companies                                | 731,474            | 0.08               |
| 1,778   | Everest Re  | 384,759            | 0.04               |
| 14,252  | Eversource Energy                                     | 787,138            | 0.08               |
| 40,999  | Exelon  | 1,455,055          | 0.15               |
| 5,542   | Expedia   | 627,798            | 0.06               |
| 7,959   | Expeditors International of Washington                | 421,509            | 0.04               |
| 28,017  | Express Scripts                                       | 1,927,289          | 0.20               |
| 5,634   | Extra Space Storage                                   | 435,170            | 0.04               |
| 184,026   | Exxon Mobil   | 16,610,187         | 1.72               |
| 2,973   | F5 Networks   | 430,253            | 0.04               |
| 103,035   | Facebook  | 11,854,177         | 1.23               |

**NORTHERN TRUST UCITS FGR FUND**  
**NORTHERN TRUST NORTH AMERICA EQUITY INDEX UCITS FGR FUND**

**APPENDIX 1: UNAUDITED PORTFOLIO STATEMENT (continued)**

*As at 31 December 2016*

| <b>Holdings</b>   | <b>Financial Assets at Fair Value through Profit or Loss</b> | <b>Fair Value<br/>US\$</b> | <b>% of<br/>Net Assets</b> |
|---|--|----------------------------|----------------------------|
| <b>Equities: 98.56% (31 December 2015: 98.34%) (continued)</b>      |  |                            |                            |
| <b>United States: 92.08% (31 December 2015: 93.19%) (continued)</b> |  |                            |                            |
| 13,098  | Fastenal   | 615,344                    | 0.06                       |
| 3,204   | Federal Realty Investment Trust                              | 455,320                    | 0.05                       |
| 11,202  | FedEx  | 2,085,812                  | 0.22                       |
| 13,838  | Fidelity National Information Services                       | 1,046,706                  | 0.11                       |
| 34,273  | Fifth Third Bancorp  | 924,343                    | 0.10                       |
| 13,781  | First Data Corp  | 195,552                    | 0.02                       |
| 6,883   | First Republic Bank  | 634,200                    | 0.07                       |
| 19,401  | FirstEnergy  | 600,849                    | 0.06                       |
| 9,851   | Fiserv   | 1,046,964                  | 0.11                       |
| 4,224   | FleetCor Technologies  | 597,780                    | 0.06                       |
| 5,906   | FLIR Systems   | 213,738                    | 0.02                       |
| 5,461   | Flowserve  | 262,401                    | 0.03                       |
| 6,147   | Fluor  | 322,840                    | 0.03                       |
| 5,633   | FMC  | 318,602                    | 0.03                       |
| 10,169  | FMC Technologies   | 361,305                    | 0.04                       |
| 10,908  | FNF  | 370,436                    | 0.04                       |
| 5,971   | Foot Locker  | 423,284                    | 0.04                       |
| 164,698   | Ford Motor   | 1,997,787                  | 0.21                       |
| 6,619   | Fortinet   | 199,364                    | 0.02                       |
| 13,909  | Fortive Corp   | 745,940                    | 0.08                       |
| 6,620   | Fortune Brands Home & Security                               | 353,905                    | 0.04                       |
| 16,646  | Franklin Resources   | 658,849                    | 0.07                       |
| 56,217  | Freeport-McMoRan   | 741,502                    | 0.08                       |
| 55,114  | Frontier Communications                                      | 186,285                    | 0.02                       |
| 9,950   | Gap  | 223,278                    | 0.02                       |
| 4,734   | Garmin   | 229,552                    | 0.02                       |
| 3,748   | Gartner  | 378,810                    | 0.04                       |
| 11,555  | General Dynamics   | 1,995,086                  | 0.21                       |
| 397,510   | General Electric   | 12,561,316                 | 1.30                       |
| 24,994  | General Growth Properties                                    | 624,350                    | 0.06                       |
| 26,755  | General Mills  | 1,652,656                  | 0.17                       |
| 62,058  | General Motors   | 2,162,101                  | 0.22                       |
| 6,491   | Genuine Parts  | 620,150                    | 0.06                       |
| 58,489  | Gilead Sciences  | 4,188,397                  | 0.43                       |
| 6,718   | Global Payments  | 466,296                    | 0.05                       |
| 16,195  | Goldman Sachs Group  | 3,877,893                  | 0.40                       |
| 12,293  | Goodyear Tire & Rubber                                       | 379,485                    | 0.04                       |
| 9,374   | H&R Block  | 215,508                    | 0.02                       |
| 38,068  | Halliburton  | 2,059,098                  | 0.21                       |
| 17,484  | Hanesbrands  | 377,130                    | 0.04                       |
| 7,809   | Harley-Davidson  | 455,577                    | 0.05                       |
| 3,013   | Harman International Industries                              | 334,925                    | 0.03                       |
| 5,429   | Harris   | 556,310                    | 0.06                       |
| 16,822  | Hartford Financial Services                                  | 801,568                    | 0.08                       |
| 5,139   | Hasbro   | 399,763                    | 0.04                       |
| 13,400  | HCA  | 991,868                    | 0.10                       |
| 21,422  | HCP  | 636,662                    | 0.07                       |
| 5,037   | Helmerich & Payne  | 389,864                    | 0.04                       |
| 3,587   | Henry Schein   | 544,184                    | 0.06                       |

**NORTHERN TRUST UCITS FGR FUND**  
**NORTHERN TRUST NORTH AMERICA EQUITY INDEX UCITS FGR FUND**

**APPENDIX 1: UNAUDITED PORTFOLIO STATEMENT (continued)**

*As at 31 December 2016*

| <b>Holdings</b>   | <b>Financial Assets at Fair Value through Profit or Loss</b> | <b>Fair Value<br/>US \$</b> | <b>% of<br/>Net Assets</b> |
|---|--|-----------------------------|----------------------------|
| <b>Equities: 98.56% (31 December 2015: 98.34%) (continued)</b>      |  |                             |                            |
| <b>United States: 92.08% (31 December 2015: 93.19%) (continued)</b> |  |                             |                            |
| 6,322   | Hershey  | 653,884                     | 0.07                       |
| 12,883  | Hess   | 802,482                     | 0.08                       |
| 74,271  | Hewlett Packard Enterprise                                   | 1,718,631                   | 0.18                       |
| 26,835  | Hilton Worldwide   | 729,912                     | 0.08                       |
| 7,102   | HollyFrontier  | 232,662                     | 0.02                       |
| 11,546  | Hologic  | 463,226                     | 0.05                       |
| 54,785  | Home Depot   | 7,345,573                   | 0.76                       |
| 32,051  | Honeywell International                                      | 3,713,108                   | 0.38                       |
| 12,644  | Hormel Foods   | 440,138                     | 0.05                       |
| 32,108  | Host Hotels & Resorts  | 604,915                     | 0.06                       |
| 76,470  | HP   | 1,134,815                   | 0.12                       |
| 6,617   | Humana   | 1,350,067                   | 0.14                       |
| 47,394  | Huntington Bancshares  | 626,549                     | 0.06                       |
| 2,082   | Huntington Ingalls Industries Inc                            | 383,484                     | 0.04                       |
| 3,835   | IDEXX Laboratories   | 449,730                     | 0.05                       |
| 16,443  | IHS Markit Ltd   | 582,247                     | 0.06                       |
| 14,136  | Illinois Tool Works  | 1,731,095                   | 0.18                       |
| 6,586   | Illumina   | 843,271                     | 0.09                       |
| 7,614   | Incyte   | 763,456                     | 0.08                       |
| 11,493  | Ingersoll-Rand   | 862,435                     | 0.09                       |
| 3,134   | Ingredion  | 391,625                     | 0.04                       |
| 209,515   | Intel  | 7,599,109                   | 0.79                       |
| 26,366  | Intercontinental Exchange                                    | 1,487,570                   | 0.15                       |
| 40,298  | International Business Machines                              | 6,689,065                   | 0.69                       |
| 3,512   | International Flavors & Fragrances                           | 413,819                     | 0.04                       |
| 17,412  | International Paper  | 923,881                     | 0.10                       |
| 17,836  | Interpublic  | 417,541                     | 0.04                       |
| 10,747  | Intuit   | 1,231,714                   | 0.13                       |
| 1,705   | Intuitive Surgical   | 1,081,260                   | 0.11                       |
| 17,838  | Invesco  | 541,205                     | 0.06                       |
| 11,056  | Iron Mountain  | 359,099                     | 0.04                       |
| 5,533   | Jacobs Engineering   | 315,381                     | 0.03                       |
| 2,822   | Jazz Pharmaceuticals   | 307,683                     | 0.03                       |
| 3,803   | JB Hunt Transport Services                                   | 369,157                     | 0.04                       |
| 5,093   | JM Smucker   | 652,210                     | 0.07                       |
| 121,336   | Johnson & Johnson  | 13,979,121                  | 1.45                       |
| 41,433  | Johnson Controls International plc                           | 1,706,625                   | 0.18                       |
| 2,135   | Jones Lang LaSalle   | 215,720                     | 0.02                       |
| 160,297   | JP Morgan Chase  | 13,832,028                  | 1.43                       |
| 15,110  | Juniper Networks   | 427,009                     | 0.04                       |
| 4,690   | Kansas City Southern   | 397,947                     | 0.04                       |
| 11,770  | Kellogg  | 867,567                     | 0.09                       |
| 48,448  | Key Corp   | 885,145                     | 0.09                       |
| 15,976  | Kimberly-Clark   | 1,823,181                   | 0.19                       |
| 18,520  | Kimco Realty   | 465,963                     | 0.05                       |
| 84,337  | Kinder Morgan  | 1,746,619                   | 0.18                       |
| 6,701   | KLA-Tencor   | 527,235                     | 0.05                       |
| 7,890   | Kohl's   | 389,608                     | 0.04                       |
| 27,122  | Kraft Heinz  | 2,368,293                   | 0.24                       |
| 39,928  | Kroger   | 1,377,915                   | 0.14                       |



**NORTHERN TRUST UCITS FGR FUND**  
**NORTHERN TRUST NORTH AMERICA EQUITY INDEX UCITS FGR FUND**

**APPENDIX 1: UNAUDITED PORTFOLIO STATEMENT (continued)**

*As at 31 December 2016*

| <b>Holdings</b>   | <b>Financial Assets at Fair Value through Profit or Loss</b> | <b>Fair Value<br/>US\$</b> | <b>% of<br/>Net Assets</b> |
|---|--|----------------------------|----------------------------|
| <b>Equities: 98.56% (31 December 2015: 98.34%) (continued)</b>      |  |                            |                            |
| <b>United States: 92.08% (31 December 2015: 93.19%) (continued)</b> |  |                            |                            |
| 11,007  | L Brands   | 724,701                    | 0.07                       |
| 3,403   | L-3 Communications   | 517,630                    | 0.05                       |
| 4,454   | Laboratory Corporation of America                            | 571,805                    | 0.06                       |
| 7,177   | Lam Research   | 758,824                    | 0.08                       |
| 19,380  | Las Vegas Sands  | 1,035,086                  | 0.11                       |
| 3,216   | Lear   | 425,702                    | 0.04                       |
| 6,283   | Leggett & Platt  | 307,113                    | 0.03                       |
| 8,620   | Lennar   | 370,057                    | 0.04                       |
| 13,509  | Leucadia National  | 314,084                    | 0.03                       |
| 13,699  | Level 3 Communications                                       | 772,076                    | 0.08                       |
| 4,766   | Liberty Broadband Corp                                       | 353,018                    | 0.04                       |
| 19,179  | Liberty Interactive  | 383,196                    | 0.04                       |
| 6,136   | Liberty Property Trust                                       | 242,372                    | 0.02                       |
| 3,749   | Liberty SiriusXM Class A                                     | 129,415                    | 0.01                       |
| 9,411   | Liberty SiriusXM Class C                                     | 319,221                    | 0.03                       |
| 10,192  | Lincoln National   | 675,424                    | 0.07                       |
| 10,797  | Linear Technology  | 673,193                    | 0.07                       |
| 13,567  | LKQ  | 415,829                    | 0.04                       |
| 11,725  | Lockheed Martin  | 2,930,546                  | 0.30                       |
| 12,494  | Loews  | 585,094                    | 0.06                       |
| 39,034  | Lowe's Cos   | 2,776,098                  | 0.29                       |
| 15,480  | LyondellBasell Industries                                    | 1,327,874                  | 0.14                       |
| 6,369   | M&T Bank   | 996,303                    | 0.10                       |
| 5,384   | Macerich   | 381,403                    | 0.04                       |
| 3,488   | Macquarie Infrastructure Corp                                | 284,970                    | 0.03                       |
| 13,320  | Macy's   | 476,989                    | 0.05                       |
| 4,517   | Mallinckrodt   | 225,037                    | 0.02                       |
| 3,011   | Manpower   | 267,588                    | 0.03                       |
| 36,485  | Marathon Oil   | 631,555                    | 0.07                       |
| 23,493  | Marathon Petroleum   | 1,182,873                  | 0.12                       |
| 600   | Markel   | 542,700                    | 0.06                       |
| 14,663  | Marriott International                                       | 1,212,337                  | 0.13                       |
| 22,941  | Marsh & McLennan   | 1,550,582                  | 0.16                       |
| 2,752   | Martin Marietta Materials                                    | 609,651                    | 0.06                       |
| 18,732  | Marvell Technology   | 259,813                    | 0.03                       |
| 14,684  | Masco  | 464,308                    | 0.05                       |
| 43,034  | Mastercard   | 4,443,260                  | 0.46                       |
| 15,023  | Mattel   | 413,884                    | 0.04                       |
| 12,399  | Maxim Integrated Products                                    | 478,229                    | 0.05                       |
| 5,279   | McCormick  | 492,689                    | 0.05                       |
| 37,843  | McDonald's   | 4,606,250                  | 0.48                       |
| 10,025  | McKesson   | 1,408,011                  | 0.15                       |
| 7,944   | Mead Johnson Nutrition                                       | 562,117                    | 0.06                       |
| 4,400   | MEDNAX   | 293,304                    | 0.03                       |
| 61,838  | Medtronic  | 4,404,721                  | 0.46                       |
| 1,760   | MercadoLibre Inc   | 274,806                    | 0.03                       |
| 122,653   | Merck  | 7,220,582                  | 0.75                       |
| 41,458  | MetLife  | 2,234,172                  | 0.23                       |
| 1,182   | Mettler-Toledo International                                 | 494,738                    | 0.05                       |

**NORTHERN TRUST UCITS FGR FUND**  
**NORTHERN TRUST NORTH AMERICA EQUITY INDEX UCITS FGR FUND**

**APPENDIX 1: UNAUDITED PORTFOLIO STATEMENT (continued)**

*As at 31 December 2016*

| <b>Holdings</b>   | <b>Financial Assets at Fair Value through Profit or Loss</b> | <b>Fair Value<br/>US\$</b> | <b>% of<br/>Net Assets</b> |
|---|--|----------------------------|----------------------------|
| <b>Equities: 98.56% (31 December 2015: 98.34%) (continued)</b>      |  |                            |                            |
| <b>United States: 92.08% (31 December 2015: 93.19%) (continued)</b> |  |                            |                            |
| 19,794  | MGM Resorts International                                    | 570,661                    | 0.06                       |
| 7,645   | Michael Kors   | 328,582                    | 0.03                       |
| 9,735   | Microchip Technology   | 624,500                    | 0.06                       |
| 46,291  | Micron Technology  | 1,014,699                  | 0.10                       |
| 328,397   | Microsoft  | 20,406,590                 | 2.11                       |
| 5,258   | Mid-America Apartment Communities                            | 514,863                    | 0.05                       |
| 2,549   | Middleby   | 328,337                    | 0.03                       |
| 2,698   | Mohawk Industries  | 538,737                    | 0.06                       |
| 8,495   | Molson Coors Brewing   | 826,648                    | 0.09                       |
| 69,131  | Mondelez International                                       | 3,064,577                  | 0.32                       |
| 19,406  | Monsanto   | 2,041,705                  | 0.21                       |
| 17,909  | Monster Beverage   | 794,085                    | 0.08                       |
| 7,841   | Moody's  | 739,171                    | 0.08                       |
| 63,684  | Morgan Stanley   | 2,690,649                  | 0.28                       |
| 15,230  | Mosaic   | 446,696                    | 0.05                       |
| 6,738   | Motorola Solutions   | 558,513                    | 0.06                       |
| 3,827   | MSCI   | 301,491                    | 0.03                       |
| 6,863   | Murphy Oil   | 213,645                    | 0.02                       |
| 20,567  | Mylan  | 784,631                    | 0.08                       |
| 5,096   | Nasdaq   | 342,044                    | 0.04                       |
| 17,264  | National Oilwell Varco                                       | 646,364                    | 0.07                       |
| 6,555   | National Retail Properties                                   | 289,731                    | 0.03                       |
| 14,485  | Navient  | 237,989                    | 0.02                       |
| 12,817  | NetApp   | 452,056                    | 0.05                       |
| 19,018  | Netflix  | 2,354,428                  | 0.24                       |
| 21,671  | New York Community Bancorp                                   | 344,786                    | 0.04                       |
| 18,954  | Newell Brands  | 846,296                    | 0.09                       |
| 8,845   | Newfield Exploration   | 358,223                    | 0.04                       |
| 23,943  | Newmont Mining   | 815,738                    | 0.08                       |
| 16,321  | News   | 187,039                    | 0.02                       |
| 20,447  | NextEra Energy   | 2,442,599                  | 0.25                       |
| 15,418  | Nielsen  | 646,785                    | 0.07                       |
| 59,515  | NIKE   | 3,025,147                  | 0.31                       |
| 13,850  | NiSource   | 306,639                    | 0.03                       |
| 19,388  | Noble Energy   | 737,907                    | 0.08                       |
| 6,090   | Nordstrom  | 291,894                    | 0.03                       |
| 13,089  | Norfolk Southern   | 1,414,528                  | 0.15                       |
| 9,367   | Northern Trust   | 834,131                    | 0.09                       |
| 7,542   | Northrop Grumman   | 1,754,118                  | 0.18                       |
| 7,082   | Norwegian Cruise Line  | 301,197                    | 0.03                       |
| 12,878  | Nuance Communications  | 191,882                    | 0.02                       |
| 14,222  | Nucor  | 846,493                    | 0.09                       |
| 23,732  | NVIDIA   | 2,533,154                  | 0.26                       |
| 33,940  | Occidental Petroleum   | 2,417,546                  | 0.25                       |
| 9,435   | OGE Energy   | 315,601                    | 0.03                       |
| 10,582  | Omnicom  | 900,634                    | 0.09                       |
| 9,333   | ONEOK  | 535,808                    | 0.06                       |
| 137,141   | Oracle   | 5,273,071                  | 0.55                       |
| 4,256   | O'Reilly Automotive  | 1,184,913                  | 0.12                       |
| 15,559  | PACCAR   | 994,220                    | 0.10                       |

**NORTHERN TRUST UCITS FGR FUND**  
**NORTHERN TRUST NORTH AMERICA EQUITY INDEX UCITS FGR FUND**

**APPENDIX 1: UNAUDITED PORTFOLIO STATEMENT (continued)**

*As at 31 December 2016*

| Holdings  | Financial Assets at Fair Value through Profit or Loss | Fair Value<br>US\$ | % of<br>Net Assets |
|---|---|--------------------|--------------------|
| <b>Equities: 98.56% (31 December 2015: 98.34%) (continued)</b>      |   |                    |                    |
| <b>United States: 92.08% (31 December 2015: 93.19%) (continued)</b> |   |                    |                    |
| 4,040   | Packaging Corporation of America                      | 342,673            | 0.04               |
| 4,119   | Palo Alto Networks                                    | 515,081            | 0.05               |
| 6,015   | Parker Hannifin                                       | 842,100            | 0.09               |
| 6,783   | Parsley Energy Inc                                    | 239,033            | 0.02               |
| 3,671   | Patterson   | 150,621            | 0.02               |
| 14,614  | Paychex   | 889,700            | 0.09               |
| 48,379  | PayPal  | 1,909,519          | 0.20               |
| 12,719  | People's United Financial                             | 246,240            | 0.03               |
| 63,805  | PepsiCo   | 6,675,917          | 0.69               |
| 6,321   | Perrigo   | 526,097            | 0.05               |
| 269,017   | Pfizer  | 8,737,672          | 0.90               |
| 22,302  | PG&E  | 1,355,293          | 0.14               |
| 68,824  | Philip Morris International                           | 6,296,708          | 0.65               |
| 20,920  | Phillips 66   | 1,807,697          | 0.19               |
| 4,591   | Pinnacle West Capital                                 | 358,236            | 0.04               |
| 7,535   | Pioneer Natural Resources                             | 1,356,827          | 0.14               |
| 3,857   | Plains GP Holdings LP                                 | 133,761            | 0.01               |
| 21,795  | PNC Financial Services                                | 2,549,143          | 0.26               |
| 2,835   | Polaris Industries                                    | 233,576            | 0.02               |
| 11,822  | PPG Industries  | 1,120,253          | 0.12               |
| 30,154  | PPL   | 1,026,744          | 0.11               |
| 12,735  | Praxair   | 1,492,415          | 0.15               |
| 2,193   | Priceline Group                                       | 3,215,070          | 0.33               |
| 13,074  | Principal Financial                                   | 756,462            | 0.08               |
| 113,453   | Procter & Gamble                                      | 9,539,128          | 0.99               |
| 26,317  | Progressive   | 934,254            | 0.10               |
| 23,437  | Prologis  | 1,237,239          | 0.13               |
| 19,401  | Prudential Financial                                  | 2,018,868          | 0.21               |
| 22,545  | Public Service Enterprise                             | 989,275            | 0.10               |
| 6,540   | Public Storage  | 1,461,690          | 0.15               |
| 13,414  | PulteGroup  | 246,549            | 0.03               |
| 3,546   | PVH   | 319,991            | 0.03               |
| 5,711   | Qorvo   | 301,141            | 0.03               |
| 65,372  | QUALCOMM  | 4,262,254          | 0.44               |
| 6,328   | Quest Diagnostics                                     | 581,543            | 0.06               |
| 6,323   | Quintiles Transnational                               | 480,864            | 0.05               |
| 2,580   | Ralph Lauren  | 233,026            | 0.02               |
| 8,275   | Range Resources                                       | 284,329            | 0.03               |
| 5,902   | Raymond James Financial                               | 408,832            | 0.04               |
| 13,112  | Raytheon  | 1,861,904          | 0.19               |
| 11,734  | Realty Income   | 674,470            | 0.07               |
| 8,204   | Red Hat   | 571,819            | 0.06               |
| 4,664   | Regency Centers                                       | 321,583            | 0.03               |
| 3,427   | Regeneron Pharmaceuticals                             | 1,258,017          | 0.13               |
| 56,941  | Regions Financial                                     | 817,673            | 0.08               |
| 2,839   | Reinsurance Group of America Inc                      | 357,231            | 0.04               |
| 1,801   | RenaissanceRe   | 245,332            | 0.03               |
| 10,300  | Republic Services                                     | 587,615            | 0.06               |
| 6,123   | ResMed  | 379,932            | 0.04               |
| 37,995  | Reynolds American                                     | 2,129,240          | 0.22               |

**NORTHERN TRUST UCITS FGR FUND**  
**NORTHERN TRUST NORTH AMERICA EQUITY INDEX UCITS FGR FUND**

**APPENDIX 1: UNAUDITED PORTFOLIO STATEMENT (continued)**

*As at 31 December 2016*

| <b>Holdings</b>   | <b>Financial Assets at Fair Value through Profit or Loss</b> | <b>Fair Value<br/>US\$</b> | <b>% of<br/>Net Assets</b> |
|---|--|----------------------------|----------------------------|
| <b>Equities: 98.56% (31 December 2015: 98.34%) (continued)</b>      |  |                            |                            |
| <b>United States: 92.08% (31 December 2015: 93.19%) (continued)</b> |  |                            |                            |
| 48,262  | Rite Aid   | 397,679                    | 0.04                       |
| 5,926   | Robert Half International                                    | 289,070                    | 0.03                       |
| 5,837   | Rockwell Automation  | 784,493                    | 0.08                       |
| 5,627   | Rockwell Collins   | 521,961                    | 0.05                       |
| 4,582   | Roper Technologies   | 838,873                    | 0.09                       |
| 17,735  | Ross Stores  | 1,163,416                  | 0.12                       |
| 7,488   | Royal Caribbean Cruises                                      | 614,316                    | 0.06                       |
| 11,688  | S&P Global   | 1,256,928                  | 0.13                       |
| 9,420   | Sabre  | 235,029                    | 0.02                       |
| 28,539  | salesforce.com   | 1,953,780                  | 0.20                       |
| 5,356   | SBA Communications   | 553,061                    | 0.06                       |
| 6,278   | SCANA  | 460,052                    | 0.05                       |
| 61,680  | Schlumberger   | 5,178,036                  | 0.54                       |
| 3,703   | Scripps Networks Interactive                                 | 264,283                    | 0.03                       |
| 13,175  | Seagate Technology   | 502,890                    | 0.05                       |
| 8,760   | Sealed Air   | 397,178                    | 0.04                       |
| 4,360   | Seattle Genetics Inc   | 230,077                    | 0.02                       |
| 6,443   | SEI Investments  | 318,026                    | 0.03                       |
| 10,537  | Sempra Energy  | 1,060,444                  | 0.11                       |
| 7,082   | Sensata Technologies   | 275,844                    | 0.03                       |
| 7,175   | ServiceNow   | 533,390                    | 0.06                       |
| 3,506   | Sherwin-Williams   | 942,202                    | 0.10                       |
| 2,278   | Signature Bank   | 342,156                    | 0.04                       |
| 3,306   | Signet Jewelers  | 311,624                    | 0.03                       |
| 13,951  | Simon Property   | 2,478,674                  | 0.26                       |
| 74,576  | Sirius XM  | 331,863                    | 0.03                       |
| 8,102   | Skyworks Solutions   | 604,895                    | 0.06                       |
| 4,311   | SL Green Realty  | 463,648                    | 0.05                       |
| 2,522   | Snap-on  | 431,943                    | 0.04                       |
| 43,354  | Southern   | 2,132,583                  | 0.22                       |
| 6,673   | Southwest Airlines   | 332,582                    | 0.03                       |
| 22,851  | Southwestern Energy  | 247,248                    | 0.03                       |
| 31,126  | Spectra Energy   | 1,278,967                  | 0.13                       |
| 1,193   | Spectrum Brands Holdings Inc                                 | 145,940                    | 0.01                       |
| 5,891   | Splunk   | 301,325                    | 0.03                       |
| 35,441  | Sprint   | 298,413                    | 0.03                       |
| 12,632  | St Jude Medical  | 1,012,960                  | 0.10                       |
| 6,722   | Stanley Black & Decker                                       | 770,946                    | 0.08                       |
| 27,484  | Staples  | 248,730                    | 0.03                       |
| 65,039  | Starbucks  | 3,610,965                  | 0.37                       |
| 17,411  | State Street   | 1,353,183                  | 0.14                       |
| 3,784   | Stericycle   | 291,519                    | 0.03                       |
| 14,941  | Stryker  | 1,790,081                  | 0.19                       |
| 22,168  | SunTrust Banks   | 1,215,915                  | 0.13                       |
| 27,816  | Symantec   | 664,524                    | 0.07                       |
| 36,951  | Synchrony Financial  | 1,340,213                  | 0.14                       |
| 6,595   | Synopsys   | 388,182                    | 0.04                       |
| 23,599  | Sysco  | 1,306,677                  | 0.14                       |
| 11,116  | T Rowe Price   | 836,590                    | 0.09                       |
| 7,419   | Targa Resources Corp   | 415,983                    | 0.04                       |

**NORTHERN TRUST UCITS FGR FUND**  
**NORTHERN TRUST NORTH AMERICA EQUITY INDEX UCITS FGR FUND**

**APPENDIX 1: UNAUDITED PORTFOLIO STATEMENT (continued)**

*As at 31 December 2016*

| <b>Holdings</b>   | <b>Financial Assets at Fair Value through Profit or Loss</b> | <b>Fair Value<br/>US\$</b> | <b>% of<br/>Net Assets</b> |
|---|--|----------------------------|----------------------------|
| <b>Equities: 98.56% (31 December 2015: 98.34%) (continued)</b>      |  |                            |                            |
| <b>United States: 92.08% (31 December 2015: 93.19%) (continued)</b> |  |                            |                            |
| 24,113  | Target   | 1,741,682                  | 0.18                       |
| 11,315  | TD Ameritrade  | 493,334                    | 0.05                       |
| 8,496   | TEGNA  | 181,729                    | 0.02                       |
| 1,954   | Teleflex Inc   | 314,887                    | 0.03                       |
| 5,710   | Tesla Motors   | 1,220,170                  | 0.13                       |
| 5,260   | Tesoro   | 459,987                    | 0.05                       |
| 44,474  | Texas Instruments  | 3,245,268                  | 0.34                       |
| 11,824  | Textron  | 574,173                    | 0.06                       |
| 17,527  | Thermo Fisher Scientific                                     | 2,473,060                  | 0.26                       |
| 14,246  | Thomson Reuters  | 624,209                    | 0.06                       |
| 5,489   | Tiffany  | 425,013                    | 0.04                       |
| 34,525  | Time Warner  | 3,332,698                  | 0.34                       |
| 29,057  | TJX Cos  | 2,183,052                  | 0.23                       |
| 13,121  | T-Mobile US  | 754,589                    | 0.08                       |
| 6,976   | Toll Brothers  | 216,256                    | 0.02                       |
| 4,877   | Torchmark  | 359,728                    | 0.04                       |
| 7,405   | Total System Services  | 363,067                    | 0.04                       |
| 5,851   | Tractor Supply   | 443,564                    | 0.05                       |
| 2,285   | TransDigm  | 568,874                    | 0.06                       |
| 12,855  | Travelers Cos  | 1,573,709                  | 0.16                       |
| 11,713  | Trimble  | 353,147                    | 0.04                       |
| 5,014   | TripAdvisor  | 232,499                    | 0.02                       |
| 46,660  | Twenty-First Century Fox Class A                             | 1,308,346                  | 0.14                       |
| 20,042  | Twenty-First Century Fox Class B                             | 546,145                    | 0.06                       |
| 24,775  | Twitter  | 403,833                    | 0.04                       |
| 12,849  | Tyson Foods  | 792,526                    | 0.08                       |
| 12,015  | UDR  | 438,307                    | 0.05                       |
| 7,811   | UGI  | 359,931                    | 0.04                       |
| 2,697   | Ulta Salon Cosmetics & Fragrance                             | 687,573                    | 0.07                       |
| 8,377   | Under Armour Class A   | 243,352                    | 0.02                       |
| 8,772   | Under Armour Class C   | 220,791                    | 0.02                       |
| 36,994  | Union Pacific  | 3,835,538                  | 0.40                       |
| 3,833   | United Continental   | 279,349                    | 0.03                       |
| 30,720  | United Parcel Service  | 3,521,741                  | 0.36                       |
| 3,983   | United Rentals   | 420,525                    | 0.04                       |
| 35,383  | United Technologies  | 3,878,684                  | 0.40                       |
| 2,041   | United Therapeutics  | 292,741                    | 0.03                       |
| 42,275  | UnitedHealth   | 6,765,691                  | 0.70                       |
| 3,855   | Universal Health Services                                    | 410,095                    | 0.04                       |
| 10,306  | Unum   | 452,743                    | 0.05                       |
| 75,793  | US Bancorp   | 3,893,486                  | 0.40                       |
| 20,720  | Valero Energy  | 1,415,590                  | 0.15                       |
| 3,330   | Valspar Corp   | 345,021                    | 0.04                       |
| 7,223   | Vantiv   | 430,635                    | 0.04                       |
| 3,969   | Varian Medical Systems                                       | 356,337                    | 0.04                       |
| 15,481  | Ventas   | 967,872                    | 0.10                       |
| 41,351  | VEREIT   | 349,829                    | 0.04                       |
| 4,239   | VeriSign   | 322,461                    | 0.03                       |
| 6,913   | Verisk Analytics   | 561,128                    | 0.06                       |

**NORTHERN TRUST UCITS FGR FUND**  
**NORTHERN TRUST NORTH AMERICA EQUITY INDEX UCITS FGR FUND**

**APPENDIX 1: UNAUDITED PORTFOLIO STATEMENT (continued)**

*As at 31 December 2016*

| <b>Holdings</b>   | <b>Financial Assets at Fair Value through Profit or Loss</b> | <b>Fair Value<br/>US\$</b> | <b>% of<br/>Net Assets</b> |
|---|--|----------------------------|----------------------------|
| <b>Equities: 98.56% (31 December 2015: 98.34%) (continued)</b>      |  |                            |                            |
| <b>United States: 92.08% (31 December 2015: 93.19%) (continued)</b> |  |                            |                            |
| 180,873   | Verizon Communications                                       | 9,655,001                  | 1.00                       |
| 11,067  | Vertex Pharmaceuticals                                       | 815,306                    | 0.08                       |
| 15,010  | VF   | 800,784                    | 0.08                       |
| 15,248  | Viacom   | 535,205                    | 0.06                       |
| 83,698  | Vica   | 6,530,118                  | 0.68                       |
| 3,181   | VMware   | 250,440                    | 0.03                       |
| 7,641   | Vornado Realty Trust   | 797,491                    | 0.08                       |
| 9,206   | Voya Financial   | 361,059                    | 0.04                       |
| 6,062   | Vulcan Materials   | 758,659                    | 0.08                       |
| 2,283   | WABCO  | 242,340                    | 0.02                       |
| 3,797   | Wabtec   | 315,227                    | 0.03                       |
| 40,799  | Walgreens Boots Alliance                                     | 3,376,525                  | 0.35                       |
| 68,542  | Wal-Mart Stores  | 4,737,623                  | 0.49                       |
| 67,804  | Walt Disney  | 7,066,533                  | 0.73                       |
| 19,698  | Waste Management   | 1,396,785                  | 0.14                       |
| 3,535   | Waters   | 475,069                    | 0.05                       |
| 43,006  | Weatherford International                                    | 214,600                    | 0.02                       |
| 14,272  | WEC Energy   | 837,053                    | 0.09                       |
| 212,678   | Wells Fargo  | 11,720,685                 | 1.21                       |
| 15,851  | Welltower  | 1,060,907                  | 0.11                       |
| 6,343   | Westar Energy  | 357,428                    | 0.04                       |
| 12,597  | Western Digital  | 855,966                    | 0.09                       |
| 21,008  | Western Union  | 456,294                    | 0.05                       |
| 11,007  | WestRock   | 558,825                    | 0.06                       |
| 33,308  | Weyerhaeuser   | 1,002,238                  | 0.10                       |
| 3,294   | Whirlpool  | 598,750                    | 0.06                       |
| 8,138   | WhiteWave Foods  | 452,473                    | 0.05                       |
| 14,308  | Whole Foods Market   | 440,114                    | 0.05                       |
| 31,763  | Williams Cos   | 989,100                    | 0.10                       |
| 5,944   | Willis Towers Watson   | 726,832                    | 0.08                       |
| 5,232   | Workday  | 345,783                    | 0.04                       |
| 4,171   | WR Berkley   | 277,413                    | 0.03                       |
| 3,063   | WR Grace   | 207,181                    | 0.02                       |
| 2,475   | WW Grainger  | 574,819                    | 0.06                       |
| 4,649   | Wyndham Worldwide  | 355,044                    | 0.04                       |
| 3,777   | Wynn Resorts   | 326,748                    | 0.03                       |
| 22,588  | Xcel Energy  | 919,332                    | 0.09                       |
| 40,085  | Xerox  | 349,942                    | 0.04                       |
| 11,485  | Xilinx   | 693,349                    | 0.07                       |
| 8,322   | Xylem  | 412,105                    | 0.04                       |
| 40,081  | Yahoo!   | 1,549,932                  | 0.16                       |
| 16,317  | Yum! Brands  | 1,033,356                  | 0.11                       |
| 6,978   | Zayo Group Holdings Inc                                      | 229,297                    | 0.02                       |
| 5,560   | Zillow   | 202,773                    | 0.02                       |
| 8,927   | Zimmer Biomet  | 921,266                    | 0.10                       |
| 20,925  | Zoetis   | 1,120,115                  | 0.12                       |
| <b>Total United States</b>  |  | <b>889,700,335</b>         | <b>92.08</b>               |
| <b>Total Equities</b>   |  | <b>952,326,424</b>         | <b>98.56</b>               |
| <b>Total Investments in Transferable Securities</b>                 |  | <b>952,326,424</b>         | <b>98.56</b>               |

**NORTHERN TRUST UCITS FGR FUND**  
**NORTHERN TRUST NORTH AMERICA EQUITY INDEX UCITS FGR FUND**

**APPENDIX 1: UNAUDITED PORTFOLIO STATEMENT (continued)**

*As at 31 December 2016*

| Holdings   | Financial Assets at Fair Value through Profit or Loss | Fair Value<br>US\$ | % of<br>Net Assets |
|--|---|--------------------|--------------------|
| <b>UCITS Investment Funds: 1.02% (31 December 2015: 1.45%)</b> |   |                    |                    |
| <b>Ireland: 1.02% (31 December 2015: 1.45%)</b>                |   |                    |                    |
| 347,953  | Northern Trust Global Funds - Euro Liquidity Fund     | 364,985            | 0.04               |
| 3,000  | Northern Trust Global Funds - Sterling Fund           | 3,707              | -                  |
| 9,472,000  | Northern Trust Global Funds - US Dollar Fund          | 9,472,000          | 0.98               |
|  | <b>Total Ireland</b>                                  | <b>9,840,692</b>   | <b>1.02</b>        |
|  | <b>Total UCITS Investment Funds</b>                   | <b>9,840,692</b>   | <b>1.02</b>        |

**Financial Liabilities at Fair Value through Profit or Loss**

**Futures Contracts - Unrealised Losses: 0.00% (31 December 2015: 0.00%)**

| Counterparty  | Description   | Currency | No. of<br>Contracts |                    |               |
|---|---|----------|---------------------|--------------------|---------------|
| <b>Canada: 0.00% (31 December 2015: 0.00%)</b>        |   |          |                     |                    |               |
| Citigroup   | S&P/TSX 60 March 2017   | CAD      | 7                   | (674)              | -             |
|   | <b>Total Canada</b>   |          |                     | <b>(674)</b>       | <b>-</b>      |
| <b>United States: 0.00% (31 December 2015: 0.00%)</b> |   |          |                     |                    |               |
| Citigroup   | E-mini S&P March 2017   | US\$     | 112                 | (32,136)           | -             |
|   | <b>Total United States</b>  |          |                     | <b>(32,136)</b>    | <b>-</b>      |
|   | <b>Total Futures Contracts - Unrealised Losses</b>                              |          |                     | <b>(32,810)</b>    | <b>-</b>      |
|   | <b>Total Investments (31 December 2015: 99.79%)</b>                             |          |                     | <b>962,134,306</b> | <b>99.58</b>  |
|   | <b>Cash and Cash Equivalents and Margin Cash (31 December 2015: 0.04%)</b>      |          |                     | <b>2,387,335</b>   | <b>0.25</b>   |
|   | <b>Other Net Assets (31 December 2015: 0.17%)</b>                               |          |                     | <b>1,668,269</b>   | <b>0.17</b>   |
|   | <b>Net Assets Attributable to Holders of Redeemable Participating<br/>Units</b> |          |                     | <b>966,189,910</b> | <b>100.00</b> |

|   | % of<br>Total Assets |
|---|----------------------|
| <b>Analysis of Total Assets</b>   |                      |
| Transferable securities admitted to an official stock exchange listing (31 December 2015: 98.23%) | 98.43                |
| UCITS investment funds admitted to an official stock exchange listing (31 December 2015: 1.45%)   | 1.02                 |
| Cash and cash equivalents and margin cash (31 December 2015: 0.12%)                               | 0.25                 |
| Other assets (31 December 2015: 0.20%)  | 0.30                 |
|   | <b>100.00</b>        |

**NORTHERN TRUST UCITS FGR FUND**  
**NORTHERN TRUST EUROPE EQUITY INDEX UCITS FGR FUND**

**APPENDIX 1: UNAUDITED PORTFOLIO STATEMENT**

*As at 31 December 2016*

| Holdings   | Financial Assets at Fair Value through Profit or Loss | Fair Value<br>€   | % of<br>Net Assets |
|--|---|-------------------|--------------------|
| <b>Equities: 98.11% (31 December 2015: 98.71%)</b> |   |                   |                    |
| <b>Austria: 0.31% (31 December 2015: 0.27%)</b>    |   |                   |                    |
| 12,786   | Andritz   | 609,828           | 0.05               |
| 52,937   | Erste Bank  | 1,472,972         | 0.11               |
| 25,663   | OMV   | 861,250           | 0.06               |
| 20,898   | Raiffeisen Bank International                         | 363,207           | 0.03               |
| 19,996   | Voestalpine   | 745,651           | 0.06               |
|  | <b>Total Austria</b>                                  | <b>4,052,908</b>  | <b>0.31</b>        |
| <b>Belgium: 1.83% (31 December 2015: 2.19%)</b>    |   |                   |                    |
| 34,245   | Ageas   | 1,287,954         | 0.10               |
| 135,850  | Anheuser-Busch InBev SA/NV                            | 13,659,718        | 1.03               |
| 12,665   | Colruyt   | 595,318           | 0.04               |
| 15,583   | Groupe Bruxelles Lambert                              | 1,242,277         | 0.09               |
| 45,070   | KBC Groep   | 2,651,468         | 0.20               |
| 26,536   | Proximus  | 726,025           | 0.05               |
| 12,976   | Solvay  | 1,444,878         | 0.11               |
| 9,126  | Telenet   | 481,123           | 0.04               |
| 22,176   | UCB   | 1,350,740         | 0.10               |
| 16,441   | Umicore   | 890,280           | 0.07               |
|  | <b>Total Belgium</b>                                  | <b>24,329,781</b> | <b>1.83</b>        |
| <b>Denmark: 2.55% (31 December 2015: 2.91%)</b>    |   |                   |                    |
| 667  | A P Moller-Maersk - A Shares                          | 957,149           | 0.07               |
| 1,168  | A P Moller-Maersk - B Shares                          | 1,770,337         | 0.13               |
| 19,259   | Carlsberg   | 1,578,689         | 0.12               |
| 17,285   | Chr. Hansen   | 909,172           | 0.07               |
| 21,450   | Coloplast   | 1,374,032         | 0.10               |
| 121,893  | Danske Bank   | 3,511,457         | 0.26               |
| 14,978   | DONG Energy A/S                                       | 539,050           | 0.04               |
| 34,422   | DSV   | 1,454,559         | 0.11               |
| 10,277   | Genmab  | 1,621,263         | 0.12               |
| 28,754   | ISS   | 921,921           | 0.07               |
| 341,062  | Novo Nordisk  | 11,682,919        | 0.88               |
| 40,401   | Novozymes   | 1,323,062         | 0.10               |
| 20,003   | Pandora   | 2,485,743         | 0.19               |
| 140,833  | TDC   | 686,786           | 0.05               |
| 20,186   | Tryg  | 346,681           | 0.03               |
| 39,739   | Vestas Wind Systems                                   | 2,453,120         | 0.18               |
| 22,659   | William Demant  | 374,221           | 0.03               |
|  | <b>Total Denmark</b>                                  | <b>33,990,161</b> | <b>2.55</b>        |
| <b>Finland: 1.49% (31 December 2015: 1.38%)</b>    |   |                   |                    |
| 24,906   | Elisa   | 770,343           | 0.06               |
| 81,194   | Fortum  | 1,182,997         | 0.09               |
| 60,385   | Kone  | 2,570,589         | 0.19               |
| 19,462   | Metso   | 527,420           | 0.04               |
| 22,253   | Neste   | 812,235           | 0.06               |



**NORTHERN TRUST UCITS FGR FUND**  
**NORTHERN TRUST EUROPE EQUITY INDEX UCITS FGR FUND**

**APPENDIX 1: UNAUDITED PORTFOLIO STATEMENT (continued)**

*As at 31 December 2016*

| <b>Holdings</b>  | <b>Financial Assets at Fair Value through Profit or Loss</b> | <b>Fair Value<br/>€</b> | <b>% of<br/>Net Assets</b> |
|--|--|-------------------------|----------------------------|
| <b>Equities: 98.11% (31 December 2015: 98.71%) (continued)</b> |  |                         |                            |
| <b>Finland: 1.49% (31 December 2015: 1.38%) (continued)</b>    |  |                         |                            |
| 1,043,420  | Nokia  | 4,787,211               | 0.36                       |
| 20,136   | Nokian Renkaat   | 713,217                 | 0.05                       |
| 17,869   | Orion  | 755,680                 | 0.06                       |
| 79,731   | Sampo  | 3,395,743               | 0.26                       |
| 96,992   | Stora Enso   | 990,288                 | 0.07                       |
| 96,088   | UPM-Kymmene  | 2,242,694               | 0.17                       |
| 26,029   | Wartsila   | 1,110,918               | 0.08                       |
|  | <b>Total Finland</b>   | <b>19,859,335</b>       | <b>1.49</b>                |
| <b>France: 15.50% (31 December 2015: 14.81%)</b>               |  |                         |                            |
| 29,977   | Accor  | 1,062,085               | 0.08                       |
| 5,157  | Aéroports de Paris   | 524,983                 | 0.04                       |
| 69,462   | Air Liquide  | 7,338,660               | 0.55                       |
| 103,521  | Airbus Group   | 6,505,260               | 0.49                       |
| 27,053   | Alstom   | 708,112                 | 0.05                       |
| 12,377   | Arkema   | 1,150,318               | 0.09                       |
| 15,913   | Atos   | 1,595,278               | 0.12                       |
| 346,327  | AXA  | 8,306,653               | 0.63                       |
| 189,193  | BNP Paribas  | 11,455,636              | 0.86                       |
| 150,780  | Bolloré  | 505,113                 | 0.04                       |
| 890  | Bolloré SA   | 2,910                   | -                          |
| 38,146   | Bouygues   | 1,298,681               | 0.10                       |
| 46,150   | Bureau Veritas   | 849,622                 | 0.06                       |
| 29,497   | Cap Gemini   | 2,364,185               | 0.18                       |
| 103,052  | Carrefour  | 2,358,860               | 0.18                       |
| 9,814  | Casino Guichard Perrachon                                    | 447,420                 | 0.03                       |
| 9,827  | Christian Dior   | 1,958,030               | 0.15                       |
| 89,813   | Cie de Saint-Gobain  | 3,974,674               | 0.30                       |
| 32,761   | Cie Generale des Etablissements Michelin                     | 3,462,838               | 0.26                       |
| 29,753   | CNP Assurances   | 523,653                 | 0.04                       |
| 198,335  | Credit Agricole  | 2,336,386               | 0.18                       |
| 105,702  | Danone   | 6,363,260               | 0.48                       |
| 419  | Dassault Aviation SA   | 444,810                 | 0.03                       |
| 23,170   | Dassault Systemes  | 1,677,276               | 0.13                       |
| 36,437   | Edenred  | 686,291                 | 0.05                       |
| 10,183   | Eiffage  | 674,624                 | 0.05                       |
| 49,743   | Electricite de France  | 481,512                 | 0.04                       |
| 260,917  | Engie  | 3,162,314               | 0.24                       |
| 37,189   | Essilor International  | 3,992,239               | 0.30                       |
| 6,969  | Eurazeo  | 387,337                 | 0.03                       |
| 31,584   | Eutelsat Communications                                      | 580,988                 | 0.04                       |
| 6,499  | Fonciere Des Regions   | 539,027                 | 0.04                       |
| 7,113  | Gecina   | 935,004                 | 0.07                       |
| 82,106   | Groupe Eurotunnel  | 741,746                 | 0.06                       |
| 4,757  | Hermes International   | 1,855,230               | 0.14                       |
| 6,329  | ICADE  | 429,043                 | 0.03                       |
| 4,618  | Iliad  | 843,478                 | 0.06                       |
| 6,165  | Imerys   | 444,312                 | 0.03                       |

**NORTHERN TRUST UCITS FGR FUND**  
**NORTHERN TRUST EUROPE EQUITY INDEX UCITS FGR FUND**

**APPENDIX 1: UNAUDITED PORTFOLIO STATEMENT (continued)**

*As at 31 December 2016*

| <b>Holdings</b>  | <b>Financial Assets at Fair Value through Profit or Loss</b> | <b>Fair Value<br/>€</b> | <b>% of<br/>Net Assets</b> |
|--|--|-------------------------|----------------------------|
| <b>Equities: 98.11% (31 December 2015: 98.71%) (continued)</b> |  |                         |                            |
| <b>France: 15.50% (31 December 2015: 14.81%) (continued)</b>   |  |                         |                            |
| 9,695  | Ingenico   | 735,560                 | 0.06                       |
| 13,147   | JCDecaux   | 367,196                 | 0.03                       |
| 13,526   | Kering   | 2,885,096               | 0.22                       |
| 40,231   | Klepierre  | 1,502,427               | 0.11                       |
| 44,793   | L'Oreal  | 7,767,106               | 0.58                       |
| 20,472   | Lagardere  | 540,358                 | 0.04                       |
| 47,790   | Legrand  | 2,578,271               | 0.19                       |
| 49,760   | LVMH Moet Hennessy Louis Vuitton                             | 9,026,464               | 0.68                       |
| 165,648  | Natixis  | 887,873                 | 0.07                       |
| 356,581  | Orange   | 5,147,247               | 0.39                       |
| 37,687   | Pernod Ricard  | 3,879,877               | 0.29                       |
| 85,141   | Peugeot  | 1,319,260               | 0.10                       |
| 34,087   | Publicis Groupe  | 2,234,403               | 0.17                       |
| 3,746  | Remy Cointreau   | 303,501                 | 0.02                       |
| 34,658   | Renault  | 2,928,948               | 0.22                       |
| 53,132   | Rexel  | 830,719                 | 0.06                       |
| 56,346   | Safran   | 3,855,193               | 0.29                       |
| 206,819  | Sanofi   | 15,904,381              | 1.20                       |
| 100,589  | Schneider Electric   | 6,649,939               | 0.50                       |
| 28,723   | SCOR   | 942,976                 | 0.07                       |
| 4,100  | SEB SA   | 527,875                 | 0.04                       |
| 66,897   | SES Receipt  | 1,399,820               | 0.11                       |
| 15,574   | SFR  | 417,850                 | 0.03                       |
| 5,062  | Societe BIC  | 653,757                 | 0.05                       |
| 137,570  | Societe Generale   | 6,430,710               | 0.49                       |
| 16,374   | Sodexo   | 1,788,041               | 0.13                       |
| 57,014   | Suez   | 799,051                 | 0.06                       |
| 19,215   | Technip  | 1,302,969               | 0.10                       |
| 18,854   | Thales   | 1,737,019               | 0.13                       |
| 396,225  | TOTAL  | 19,304,082              | 1.45                       |
| 17,657   | Unibail-Rodamco  | 4,003,725               | 0.30                       |
| 42,779   | Valeo  | 2,336,161               | 0.18                       |
| 84,934   | Veolia Environnement   | 1,373,807               | 0.10                       |
| 89,860   | Vinci  | 5,813,942               | 0.44                       |
| 185,278  | Vivendi  | 3,345,194               | 0.25                       |
| 4,923  | Wendel   | 563,191                 | 0.04                       |
| 35,212   | Zodiac Aerospace   | 768,150                 | 0.06                       |
|  | <b>Total France</b>  | <b>205,819,987</b>      | <b>15.50</b>               |
| <b>Germany: 14.45% (31 December 2015: 13.98%)</b>              |  |                         |                            |
| 33,553   | Adidas   | 5,037,983               | 0.38                       |
| 81,587   | Allianz  | 12,809,159              | 0.96                       |
| 7,435  | Axel Springer  | 342,977                 | 0.03                       |
| 163,834  | BASF   | 14,468,181              | 1.09                       |
| 147,502  | Bayer  | 14,621,873              | 1.10                       |
| 58,818   | Bayerische Motoren Werke                                     | 5,220,098               | 0.39                       |
| 9,664  | Bayerische Motoren Werke - Preference Shares                 | 702,573                 | 0.05                       |
| 18,372   | Beiersdorf   | 1,480,783               | 0.11                       |
| 27,099   | Brenntag   | 1,430,827               | 0.11                       |

**NORTHERN TRUST UCITS FGR FUND**  
**NORTHERN TRUST EUROPE EQUITY INDEX UCITS FGR FUND**

**APPENDIX 1: UNAUDITED PORTFOLIO STATEMENT (continued)**

*As at 31 December 2016*

| <b>Holdings</b>  | <b>Financial Assets at Fair Value through Profit or Loss</b> | <b>Fair Value<br/>€</b> | <b>% of<br/>Net Assets</b> |
|--|--|-------------------------|----------------------------|
| <b>Equities: 98.11% (31 December 2015: 98.71%) (continued)</b> |  |                         |                            |
| <b>Germany: 14.45% (31 December 2015: 13.98%) (continued)</b>  |  |                         |                            |
| 188,394  | Commerzbank  | 1,365,103               | 0.10                       |
| 19,726   | Continental  | 3,623,666               | 0.27                       |
| 12,356   | Covestro   | 805,364                 | 0.06                       |
| 172,306  | Daimler  | 12,185,480              | 0.92                       |
| 246,606  | Deutsche Bank  | 4,253,954               | 0.32                       |
| 34,592   | Deutsche Boerse AG   | 2,682,264               | 0.20                       |
| 41,471   | Deutsche Lufthansa   | 508,849                 | 0.04                       |
| 173,029  | Deutsche Post  | 5,404,561               | 0.41                       |
| 584,168  | Deutsche Telekom   | 9,554,068               | 0.72                       |
| 61,245   | Deutsche Wohnen  | 1,827,551               | 0.14                       |
| 360,580  | E.ON   | 2,415,886               | 0.18                       |
| 28,988   | Evonik Industries  | 822,679                 | 0.06                       |
| 7,368  | FraportFrankfurt Airport Services Worldwide                  | 413,861                 | 0.03                       |
| 73,535   | Fresenius  | 5,460,709               | 0.41                       |
| 38,303   | Fresenius Medical Care                                       | 3,081,476               | 0.23                       |
| 11,916   | Fuchs Petrolub   | 475,210                 | 0.04                       |
| 32,033   | GEA  | 1,224,622               | 0.09                       |
| 10,534   | Hannover Rueck   | 1,082,895               | 0.08                       |
| 26,370   | HeidelbergCement   | 2,337,173               | 0.18                       |
| 18,736   | Henkel   | 1,854,489               | 0.14                       |
| 31,678   | Henkel - Preference Shares                                   | 3,587,534               | 0.27                       |
| 3,615  | Hochtief   | 480,976                 | 0.04                       |
| 11,864   | Hugo Boss  | 689,654                 | 0.05                       |
| 201,484  | Infineon Technologies  | 3,326,501               | 0.25                       |
| 25,830   | Innogy SE  | 852,648                 | 0.07                       |
| 33,899   | K+S  | 769,168                 | 0.06                       |
| 15,998   | Lanxess  | 997,475                 | 0.08                       |
| 33,328   | Linde  | 5,202,501               | 0.39                       |
| 5,956  | MAN  | 561,829                 | 0.04                       |
| 23,087   | Merck  | 2,289,076               | 0.17                       |
| 31,167   | Metro  | 984,410                 | 0.08                       |
| 28,873   | Muenchener Rueckversicherungs                                | 5,187,034               | 0.39                       |
| 15,557   | Osram Licht  | 775,128                 | 0.06                       |
| 26,941   | Porsche Automobil - Preference Shares                        | 1,393,927               | 0.10                       |
| 41,083   | ProSiebenSat.1 Media   | 1,504,049               | 0.11                       |
| 6,683  | RTL  | 466,006                 | 0.04                       |
| 85,697   | RWE  | 1,012,510               | 0.08                       |
| 175,043  | SAP  | 14,495,311              | 1.09                       |
| 29,585   | Schaeffler - Preference Shares                               | 415,817                 | 0.03                       |
| 136,403  | Siemens  | 15,931,870              | 1.20                       |
| 21,673   | Symrise  | 1,253,350               | 0.09                       |
| 128,093  | Telefonica Deutschland                                       | 521,339                 | 0.04                       |
| 64,486   | ThyssenKrupp   | 1,459,963               | 0.11                       |
| 87,679   | TUI  | 1,194,596               | 0.09                       |
| 21,483   | United Internet  | 796,912                 | 0.06                       |
| 5,723  | Volkswagen   | 782,620                 | 0.06                       |
| 33,032   | Volkswagen - Preference Shares                               | 4,404,817               | 0.33                       |
| 83,698   | Vonovia  | 2,586,687               | 0.19                       |
| 15,440   | Zalando  | 560,318                 | 0.04                       |
|  | <b>Total Germany</b>   | <b>191,978,340</b>      | <b>14.45</b>               |

**NORTHERN TRUST UCITS FGR FUND**  
**NORTHERN TRUST EUROPE EQUITY INDEX UCITS FGR FUND**

**APPENDIX 1: UNAUDITED PORTFOLIO STATEMENT (continued)**

*As at 31 December 2016*

| <b>Holdings</b>  | <b>Financial Assets at Fair Value through Profit or Loss</b> | <b>Fair Value<br/>€</b> | <b>% of<br/>Net Assets</b> |
|--|--|-------------------------|----------------------------|
| <b>Equities: 98.11% (31 December 2015: 98.71%) (continued)</b> |  |                         |                            |
| <b>Ireland: 0.74% (31 December 2015: 1.12%)</b>                |  |                         |                            |
| 4,863,389  | Bank of Ireland  | 1,138,033               | 0.09                       |
| 149,929  | CRH  | 4,940,910               | 0.37                       |
| 29,013   | Kerry  | 1,969,983               | 0.15                       |
| 14,776   | Paddy Power Betfair  | 1,499,764               | 0.11                       |
| 16,653   | Ryanair  | 241,552                 | 0.02                       |
|  | <b>Total Ireland</b>   | <b>9,790,242</b>        | <b>0.74</b>                |
| <b>Italy: 2.85% (31 December 2015: 3.31%)</b>                  |  |                         |                            |
| 211,339  | Assicurazioni Generali                                       | 2,984,107               | 0.23                       |
| 72,895   | Atlantia   | 1,622,643               | 0.12                       |
| 1,367,916  | Enel   | 5,728,832               | 0.43                       |
| 457,640  | Eni  | 7,079,691               | 0.53                       |
| 21,539   | Ferrari  | 1,191,107               | 0.09                       |
| 2,272,055  | Intesa Sanpaolo  | 5,512,005               | 0.42                       |
| 165,880  | Intesa Sanpaolo (Non Convertible)                            | 370,576                 | 0.03                       |
| 70,913   | Leonardo-Finmeccanica  | 945,979                 | 0.07                       |
| 29,758   | Luxottica  | 1,520,634               | 0.11                       |
| 100,991  | Mediobanca   | 783,185                 | 0.06                       |
| 94,108   | Poste Italiane   | 593,351                 | 0.04                       |
| 34,384   | Prysmian   | 838,970                 | 0.06                       |
| 1,147,064  | Saipem   | 613,679                 | 0.05                       |
| 431,635  | Snam   | 1,689,419               | 0.13                       |
| 1,786,816  | Telecom Italia   | 1,495,565               | 0.11                       |
| 1,071,354  | Telecom Italia RSP   | 736,020                 | 0.06                       |
| 263,829  | Terna Rete Elettrica Nazionale                               | 1,148,184               | 0.09                       |
| 925,675  | UniCredit  | 2,530,795               | 0.19                       |
| 199,438  | UnipolSai  | 404,859                 | 0.03                       |
|  | <b>Total Italy</b>   | <b>37,789,601</b>       | <b>2.85</b>                |
| <b>Jersey: 0.09% (31 December 2015: 0.07%)</b>                 |  |                         |                            |
| 16,425   | Randgold Resources   | 1,234,377               | 0.09                       |
|  | <b>Total Jersey</b>  | <b>1,234,377</b>        | <b>0.09</b>                |
| <b>Luxembourg: 0.34% (31 December 2015: 0.12%)</b>             |  |                         |                            |
| 330,249  | ArcelorMittal  | 2,317,027               | 0.17                       |
| 1,939  | Eurofins Scientific SE                                       | 785,295                 | 0.06                       |
| 82,958   | Tenaris  | 1,407,797               | 0.11                       |
|  | <b>Total Luxembourg</b>                                      | <b>4,510,119</b>        | <b>0.34</b>                |
| <b>Netherlands: 5.32% (31 December 2015: 5.67%)</b>            |  |                         |                            |
| 50,338   | ABN AMRO   | 1,059,615               | 0.08                       |
| 321,111  | Aegon  | 1,678,768               | 0.13                       |
| 29,500   | AerCap   | 1,163,778               | 0.09                       |
| 44,737   | Akzo Nobel   | 2,656,930               | 0.20                       |
| 64,823   | Altice Class A   | 1,220,617               | 0.09                       |
| 19,527   | Altice Class B   | 369,646                 | 0.03                       |
| 65,732   | ASML   | 7,010,318               | 0.53                       |
| 179,639  | CNH Industrial   | 1,484,716               | 0.11                       |

**NORTHERN TRUST UCITS FGR FUND**  
**NORTHERN TRUST EUROPE EQUITY INDEX UCITS FGR FUND**

**APPENDIX 1: UNAUDITED PORTFOLIO STATEMENT (continued)**

*As at 31 December 2016*

| Holdings  | Financial Assets at Fair Value through Profit or Loss | Fair Value<br>€   | % of<br>Net Assets |
|---|---|-------------------|--------------------|
| <b>Equities: 98.11% (31 December 2015: 98.71%) (continued)</b>  |   |                   |                    |
| <b>Netherlands: 5.32% (31 December 2015: 5.67%) (continued)</b> |   |                   |                    |
| 19,627  | EXOR NV   | 804,314           | 0.06               |
| 14,165  | Gemalto   | 777,942           | 0.06               |
| 41,377  | Heineken  | 2,948,525         | 0.22               |
| 17,652  | Heineken Holdings                                     | 1,167,503         | 0.09               |
| 692,214   | ING Groep NV  | 9,254,901         | 0.70               |
| 227,742   | Koninklijke Ahold Delhaize NV                         | 4,561,672         | 0.34               |
| 17,373  | Koninklijke Boskalis Westminster                      | 573,135           | 0.04               |
| 32,912  | Koninklijke DSM                                       | 1,874,668         | 0.14               |
| 601,162   | Koninklijke KPN                                       | 1,691,670         | 0.13               |
| 169,874   | Koninklijke Philips Electronics                       | 4,926,346         | 0.37               |
| 12,549  | Koninklijke Vopak                                     | 563,136           | 0.04               |
| 55,661  | NN  | 1,792,006         | 0.13               |
| 52,816  | NXP Semiconductors                                    | 4,907,795         | 0.37               |
| 40,867  | QIAGEN  | 1,090,332         | 0.08               |
| 20,971  | Randstad  | 1,080,636         | 0.08               |
| 178,848   | RELX  | 2,859,780         | 0.22               |
| 289,949   | Unilever  | 11,341,355        | 0.85               |
| 54,871  | Wolters Kluwer  | 1,888,660         | 0.14               |
|   | <b>Total Netherlands</b>                              | <b>70,748,764</b> | <b>5.32</b>        |
| <b>Norway: 1.04% (31 December 2015: 0.84%)</b>                  |   |                   |                    |
| 175,761   | DNB   | 2,485,713         | 0.19               |
| 35,272  | Gjensidige Forsikring                                 | 532,248           | 0.04               |
| 69,940  | Marine Harvest  | 1,199,437         | 0.09               |
| 235,169   | Norsk Hydro   | 1,069,778         | 0.08               |
| 148,213   | Orkla   | 1,276,605         | 0.10               |
| 13,520  | Schibsted Class A                                     | 295,002           | 0.03               |
| 15,913  | Schibsted Class B                                     | 320,750           | 0.02               |
| 201,533   | Statoil   | 3,516,128         | 0.26               |
| 131,314   | Telenor   | 1,865,796         | 0.14               |
| 31,534  | Yara International                                    | 1,180,922         | 0.09               |
|   | <b>Total Norway</b>                                   | <b>13,742,379</b> | <b>1.04</b>        |
| <b>Portugal: 0.24% (31 December 2015: 0.23%)</b>                |   |                   |                    |
| 405,095   | EDP - Energias de Portugal                            | 1,172,345         | 0.09               |
| 90,455  | Galp Energia  | 1,283,556         | 0.10               |
| 43,729  | Jeronimo Martins                                      | 644,565           | 0.05               |
|   | <b>Total Portugal</b>                                 | <b>3,100,466</b>  | <b>0.24</b>        |
| <b>South Africa: 0.09% (31 December 2015: 0.09%)</b>            |   |                   |                    |
| 64,430  | Mondi   | 1,257,503         | 0.09               |
|   | <b>Total South Africa</b>                             | <b>1,257,503</b>  | <b>0.09</b>        |
| <b>Spain: 4.89% (31 December 2015: 4.87%)</b>                   |   |                   |                    |
| 117,301   | Abertis Infraestructuras                              | 1,559,517         | 0.12               |
| 34,122  | ACS Actividades de Construccion y Servicios           | 1,024,342         | 0.08               |
| 12,247  | Aena  | 1,587,824         | 0.12               |
| 78,082  | Amadeus IT  | 3,370,800         | 0.25               |
| 1,176,422   | Banca Bilbao Vizcaya Argentaria                       | 7,545,571         | 0.57               |

**NORTHERN TRUST UCITS FGR FUND**  
**NORTHERN TRUST EUROPE EQUITY INDEX UCITS FGR FUND**

**APPENDIX 1: UNAUDITED PORTFOLIO STATEMENT (continued)**

*As at 31 December 2016*

| <b>Holdings</b>  | <b>Financial Assets at Fair Value through Profit or Loss</b> | <b>Fair Value<br/>€</b> | <b>% of<br/>Net Assets</b> |
|--|--|-------------------------|----------------------------|
| <b>Equities: 98.11% (31 December 2015: 98.71%) (continued)</b> |  |                         |                            |
| <b>Spain: 4.89% (31 December 2015: 4.87%) (continued)</b>      |  |                         |                            |
| 936,165  | Banco de Sabadell  | 1,238,546               | 0.09                       |
| 597,646  | Banco Popular Español  | 548,639                 | 0.04                       |
| 2,609,438  | Banco Santander  | 12,940,203              | 0.97                       |
| 815,830  | Bankia   | 792,171                 | 0.06                       |
| 119,601  | Bankinter  | 880,263                 | 0.07                       |
| 603,308  | CaixaBank  | 1,894,387               | 0.14                       |
| 110,911  | Distribuidora Internacional de Alimentacion                  | 517,400                 | 0.04                       |
| 39,672   | Enagas   | 957,087                 | 0.07                       |
| 56,732   | Endesa   | 1,141,732               | 0.09                       |
| 85,512   | Ferrovial  | 1,453,276               | 0.11                       |
| 61,276   | Gas Natural  | 1,097,453               | 0.08                       |
| 51,624   | Grifols  | 974,661                 | 0.07                       |
| 962,691  | Iberdrola  | 6,001,416               | 0.45                       |
| 194,615  | Inditex  | 6,311,364               | 0.48                       |
| 155,911  | International Consolidated Airlines                          | 799,668                 | 0.06                       |
| 184,987  | Mapfre   | 536,462                 | 0.04                       |
| 78,278   | Red Electrica Corp SA  | 1,403,133               | 0.11                       |
| 194,581  | Repsol   | 2,611,277               | 0.20                       |
| 194,581  | Repsol SA  | 68,493                  | 0.01                       |
| 832,960  | Telefonica   | 7,346,707               | 0.55                       |
| 34,331   | Zardoya Otis   | 275,678                 | 0.02                       |
|  | <b>Total Spain</b>   | <b>64,878,070</b>       | <b>4.89</b>                |
| <b>Sweden: 4.42% (31 December 2015: 4.39%)</b>                 |  |                         |                            |
| 51,867   | Alfa Laval   | 816,276                 | 0.06                       |
| 179,271  | Assa Abloy   | 3,163,722               | 0.24                       |
| 118,601  | Atlas Copco Class A  | 3,434,757               | 0.26                       |
| 70,475   | Atlas Copco Class B  | 1,828,441               | 0.14                       |
| 50,243   | Boliden  | 1,247,426               | 0.09                       |
| 42,126   | Electrolux   | 994,900                 | 0.07                       |
| 36,222   | Getinge  | 552,290                 | 0.04                       |
| 169,724  | Hennes & Mauritz   | 4,488,431               | 0.34                       |
| 45,299   | Hexagon  | 1,538,807               | 0.12                       |
| 71,226   | Husqvarna  | 526,651                 | 0.04                       |
| 13,889   | ICA Gruppen  | 402,814                 | 0.03                       |
| 28,560   | Industrivarden   | 506,105                 | 0.04                       |
| 81,069   | Investor   | 2,880,823               | 0.22                       |
| 41,047   | Kinnevik   | 935,147                 | 0.07                       |
| 7,153  | L E Lundbergforetagen AB                                     | 416,923                 | 0.03                       |
| 33,368   | Lundin Petroleum   | 689,857                 | 0.05                       |
| 11,314   | Millicom International Cellular Receipt                      | 459,669                 | 0.04                       |
| 538,056  | Nordea Bank  | 5,688,288               | 0.43                       |
| 191,343  | Sandvik  | 2,250,511               | 0.17                       |
| 54,954   | Securitas  | 822,419                 | 0.06                       |
| 271,837  | Skandinaviska Enskilda Banken                                | 2,710,715               | 0.20                       |
| 61,818   | Skanska  | 1,387,714               | 0.10                       |
| 69,889   | SKF  | 1,222,440               | 0.09                       |
| 108,576  | Svenska Cellulosa  | 2,915,535               | 0.22                       |
| 270,025  | Svenska Handelsbanken  | 3,567,651               | 0.27                       |

**NORTHERN TRUST UCITS FGR FUND**  
**NORTHERN TRUST EUROPE EQUITY INDEX UCITS FGR FUND**

**APPENDIX 1: UNAUDITED PORTFOLIO STATEMENT (continued)**

*As at 31 December 2016*

| <b>Holdings</b>  | <b>Financial Assets at Fair Value through Profit or Loss</b> | <b>Fair Value<br/>€</b> | <b>% of<br/>Net Assets</b> |
|--|--|-------------------------|----------------------------|
| <b>Equities: 98.11% (31 December 2015: 98.71%) (continued)</b> |  |                         |                            |
| <b>Sweden: 4.42% (31 December 2015: 4.39%) (continued)</b>     |  |                         |                            |
| 162,785  | Swedbank   | 3,742,601               | 0.28                       |
| 34,402   | Swedish Match  | 1,040,463               | 0.08                       |
| 67,322   | Tele2  | 513,242                 | 0.04                       |
| 551,276  | Telefonaktiebolaget LM Ericsson                              | 3,077,992               | 0.23                       |
| 470,626  | Telia  | 1,803,038               | 0.14                       |
| 276,768  | Volvo  | 3,073,280               | 0.23                       |
|  | <b>Total Sweden</b>  | <b>58,698,928</b>       | <b>4.42</b>                |
| <b>Switzerland: 14.15% (31 December 2015: 14.73%)</b>          |  |                         |                            |
| 336,114  | ABB  | 6,734,852               | 0.51                       |
| 17,457   | Actelion   | 3,590,752               | 0.27                       |
| 29,123   | Adecco   | 1,810,687               | 0.14                       |
| 15,393   | Aryzta   | 644,010                 | 0.05                       |
| 8,677  | Baloise  | 1,038,493               | 0.08                       |
| 383  | Barry Callebaut  | 445,168                 | 0.03                       |
| 32,252   | Coca-Cola HBC  | 668,769                 | 0.05                       |
| 93,519   | Compagnie Financiere Richemont                               | 5,884,221               | 0.44                       |
| 355,590  | Credit Suisse  | 4,846,263               | 0.36                       |
| 8,043  | Dufry  | 952,860                 | 0.08                       |
| 1,430  | EMS-Chemie   | 690,325                 | 0.05                       |
| 688  | Galenica   | 737,421                 | 0.06                       |
| 6,587  | Geberit  | 2,508,233               | 0.19                       |
| 1,657  | Givaudan   | 2,884,306               | 0.22                       |
| 2,184,557  | Glencore International                                       | 7,098,024               | 0.53                       |
| 40,833   | Julius Baer  | 1,722,840               | 0.13                       |
| 9,457  | Kuehne + Nagel International                                 | 1,187,424               | 0.09                       |
| 81,335   | LafargeHolcim  | 4,070,562               | 0.31                       |
| 18   | Lindt & Spruengli  | 1,039,370               | 0.08                       |
| 175  | Lindt & Spruengli - Participating Non Cumulative Shares      | 861,128                 | 0.06                       |
| 9,477  | Lonza  | 1,558,585               | 0.12                       |
| 554,394  | Nestle   | 37,778,606              | 2.85                       |
| 397,934  | Novartis   | 27,506,570              | 2.07                       |
| 6,035  | Pargesa  | 373,248                 | 0.03                       |
| 3,131  | Partners   | 1,393,915               | 0.10                       |
| 125,129  | Roche  | 27,150,315              | 2.04                       |
| 3,632  | Schindler  | 602,739                 | 0.05                       |
| 7,342  | Schindler - Participating Non Cumulative Shares              | 1,230,065               | 0.09                       |
| 991  | SGS  | 1,915,449               | 0.14                       |
| 390  | Sika   | 1,779,747               | 0.13                       |
| 9,768  | Sonova   | 1,124,419               | 0.08                       |
| 111,491  | STMicroelectronics   | 1,201,316               | 0.09                       |
| 8,565  | Swatch Group   | 497,364                 | 0.04                       |
| 5,424  | Swatch Group (Bearer)  | 1,602,415               | 0.12                       |
| 5,848  | Swiss Life   | 1,572,203               | 0.12                       |
| 13,093   | Swiss Prime Site   | 1,018,010               | 0.08                       |
| 58,026   | Swiss Re   | 5,223,446               | 0.39                       |
| 4,565  | Swisscom   | 1,942,263               | 0.15                       |
| 16,510   | Syngenta   | 6,198,979               | 0.47                       |

**NORTHERN TRUST UCITS FGR FUND**  
**NORTHERN TRUST EUROPE EQUITY INDEX UCITS FGR FUND**

**APPENDIX 1: UNAUDITED PORTFOLIO STATEMENT (continued)**

*As at 31 December 2016*

| <b>Holdings</b>   | <b>Financial Assets at Fair Value through Profit or Loss</b> | <b>Fair Value<br/>€</b> | <b>% of<br/>Net Assets</b> |
|---|--|-------------------------|----------------------------|
| <b>Equities: 98.11% (31 December 2015: 98.71%) (continued)</b>    |  |                         |                            |
| <b>Switzerland: 14.15% (31 December 2015: 14.73%) (continued)</b> |  |                         |                            |
| 652,434   | UBS  | 9,707,435               | 0.73                       |
| 26,845  | Zurich Insurance   | 7,021,802               | 0.53                       |
|   | <b>Total Switzerland</b>                                     | <b>187,814,599</b>      | <b>14.15</b>               |
| <b>United Kingdom: 27.81% (31 December 2015: 27.73%)</b>          |  |                         |                            |
| 177,684   | 3i Group   | 1,465,436               | 0.11                       |
| 164,766   | Aberdeen Asset Management                                    | 496,653                 | 0.04                       |
| 36,593  | Admiral  | 783,218                 | 0.06                       |
| 249,397   | Anglo American Mining  | 3,389,184               | 0.26                       |
| 69,357  | Antofagasta  | 548,454                 | 0.04                       |
| 88,359  | Ashtead  | 1,635,512               | 0.12                       |
| 64,563  | Associated British Foods                                     | 2,076,213               | 0.16                       |
| 225,707   | AstraZeneca  | 11,733,547              | 0.88                       |
| 175,641   | Auto Trader  | 841,579                 | 0.06                       |
| 722,419   | Aviva  | 4,116,505               | 0.31                       |
| 45,829  | Babcock International  | 511,657                 | 0.04                       |
| 570,535   | BAE Systems  | 3,953,511               | 0.30                       |
| 3,023,173   | Barclays   | 7,913,877               | 0.60                       |
| 176,077   | Barratt Developments   | 953,820                 | 0.07                       |
| 23,209  | Berkeley   | 763,483                 | 0.06                       |
| 377,798   | BHP Billiton   | 5,782,491               | 0.44                       |
| 3,351,784   | BP   | 20,010,198              | 1.51                       |
| 332,387   | British American Tobacco                                     | 17,995,873              | 1.36                       |
| 172,318   | British Land   | 1,270,786               | 0.10                       |
| 1,511,392   | BT   | 6,496,370               | 0.49                       |
| 61,510  | Bunzl  | 1,519,736               | 0.11                       |
| 78,164  | Burberry   | 1,370,801               | 0.10                       |
| 117,712   | Capita   | 732,253                 | 0.06                       |
| 34,733  | Carnival   | 1,678,465               | 0.13                       |
| 973,657   | Centrica   | 2,670,259               | 0.20                       |
| 294,372   | Cobham   | 564,535                 | 0.04                       |
| 38,163  | Coca-Cola European Partners                                  | 1,145,653               | 0.09                       |
| 295,256   | Compass  | 5,191,888               | 0.39                       |
| 23,118  | Croda International  | 865,572                 | 0.07                       |
| 15,639  | DCC  | 1,106,603               | 0.08                       |
| 449,427   | Diageo   | 11,109,322              | 0.84                       |
| 241,473   | Direct Line Insurance  | 1,044,988               | 0.08                       |
| 172,959   | Dixons Carphone  | 718,502                 | 0.05                       |
| 28,696  | easyJet  | 337,857                 | 0.03                       |
| 171,566   | Experian   | 3,163,602               | 0.24                       |
| 159,053   | Fiat Chrysler Automobiles                                    | 1,378,194               | 0.10                       |
| 38,654  | Fresnillo  | 552,912                 | 0.04                       |
| 272,566   | G4S  | 750,387                 | 0.06                       |
| 300,385   | GKN  | 1,167,266               | 0.09                       |
| 869,922   | GlaxoSmithKline  | 15,918,688              | 1.20                       |
| 139,760   | Hammerson  | 938,174                 | 0.07                       |
| 46,257  | Hargreaves Lansdown  | 657,331                 | 0.05                       |
| 25,344  | Hikma Pharmaceuticals  | 562,046                 | 0.04                       |
| 3,549,968   | HSBC   | 27,319,304              | 2.06                       |



**NORTHERN TRUST UCITS FGR FUND**  
**NORTHERN TRUST EUROPE EQUITY INDEX UCITS FGR FUND**

**APPENDIX 1: UNAUDITED PORTFOLIO STATEMENT (continued)**

*As at 31 December 2016*

| <b>Holdings</b>  | <b>Financial Assets at Fair Value through Profit or Loss</b> | <b>Fair Value<br/>€</b> | <b>% of<br/>Net Assets</b> |
|--|--|-------------------------|----------------------------|
| <b>Equities: 98.11% (31 December 2015: 98.71%) (continued)</b>       |  |                         |                            |
| <b>United Kingdom: 27.81% (31 December 2015: 27.73%) (continued)</b> |  |                         |                            |
| 49,083   | IMI  | 598,013                 | 0.05                       |
| 171,127  | Imperial Brands  | 7,101,896               | 0.53                       |
| 80,301   | Inmarsat   | 706,962                 | 0.05                       |
| 32,915   | InterContinental Hotels                                      | 1,402,822               | 0.11                       |
| 28,326   | Intertek   | 1,155,142               | 0.09                       |
| 165,329  | Intu Properties  | 544,835                 | 0.04                       |
| 119,473  | Investec   | 750,206                 | 0.06                       |
| 637,911  | ITV  | 1,542,466               | 0.12                       |
| 288,932  | J Sainsbury  | 843,847                 | 0.06                       |
| 34,015   | Johnson Matthey  | 1,267,992               | 0.10                       |
| 398,034  | Kingfisher   | 1,633,451               | 0.12                       |
| 139,142  | Land Securities  | 1,737,646               | 0.13                       |
| 1,067,279  | Legal & General  | 3,095,812               | 0.23                       |
| 11,476,991   | Lloyds Banking Group   | 8,404,724               | 0.63                       |
| 57,079   | London Stock Exchange  | 1,948,551               | 0.15                       |
| 286,216  | Marks & Spencer  | 1,173,567               | 0.09                       |
| 65,734   | Mediclinic International                                     | 593,732                 | 0.04                       |
| 135,651  | Meggitt  | 728,791                 | 0.05                       |
| 125,839  | Merlin Entertainments  | 661,333                 | 0.05                       |
| 672,212  | National Grid  | 7,493,878               | 0.56                       |
| 1,630  | NEX  | 8,870                   | -                          |
| 24,898   | Next   | 1,453,454               | 0.11                       |
| 891,917  | Old Mutual   | 2,166,056               | 0.16                       |
| 144,273  | Pearson  | 1,383,406               | 0.10                       |
| 54,000   | Persimmon  | 1,123,525               | 0.08                       |
| 45,580   | Petrofac   | 464,024                 | 0.03                       |
| 26,035   | Provident Financial  | 868,952                 | 0.07                       |
| 461,032  | Prudential   | 8,790,185               | 0.66                       |
| 112,861  | Reckitt Benckiser  | 9,104,516               | 0.69                       |
| 195,591  | RELX   | 3,320,192               | 0.25                       |
| 221,189  | Rio Tinto  | 8,184,466               | 0.62                       |
| 329,445  | Rolls-Royce  | 2,578,134               | 0.19                       |
| 619,370  | Royal Bank of Scotland                                       | 1,629,693               | 0.12                       |
| 768,759  | Royal Dutch Shell Class A - England                          | 20,196,150              | 1.52                       |
| 3,773  | Royal Dutch Shell Class A - Netherlands                      | 98,040                  | 0.01                       |
| 668,854  | Royal Dutch Shell Class B                                    | 18,445,215              | 1.39                       |
| 158,468  | Royal Mail   | 857,874                 | 0.06                       |
| 186,873  | RSA Insurance  | 1,282,893               | 0.10                       |
| 196,215  | Sage Group   | 1,505,634               | 0.11                       |
| 23,815   | Schroders  | 836,427                 | 0.06                       |
| 147,004  | Segro  | 788,924                 | 0.05                       |
| 41,241   | Severn Trent   | 1,073,542               | 0.08                       |
| 160,530  | Shire  | 8,808,847               | 0.66                       |
| 181,918  | Sky  | 2,112,007               | 0.16                       |
| 161,326  | Smith & Nephew   | 2,307,629               | 0.17                       |
| 68,923   | Smiths   | 1,143,335               | 0.09                       |
| 179,135  | SSE  | 3,259,101               | 0.25                       |
| 92,252   | St James's Place   | 1,095,872               | 0.08                       |
| 583,637  | Standard Chartered   | 4,537,275               | 0.34                       |

**NORTHERN TRUST UCITS FGR FUND**  
**NORTHERN TRUST EUROPE EQUITY INDEX UCITS FGR FUND**

**APPENDIX 1: UNAUDITED PORTFOLIO STATEMENT (continued)**

*As at 31 December 2016*

| Holdings   | Financial Assets at Fair Value through Profit or Loss | Fair Value<br>€      | % of<br>Net Assets  |
|--|---|----------------------|---------------------|
| <b>Equities: 98.11% (31 December 2015: 98.71%) (continued)</b>               |   |                      |                     |
| <b>United Kingdom: 27.81% (31 December 2015: 27.73%) (continued)</b>         |   |                      |                     |
| 346,916  | Standard Life   | 1,511,866            | 0.11                |
| 81,347   | Tate & Lyle   | 674,239              | 0.05                |
| 573,442  | Taylor Wimpey   | 1,031,202            | 0.08                |
| 1,456,143  | Tesco   | 3,528,625            | 0.26                |
| 1,332  | TP ICAP   | 6,761                | -                   |
| 44,205   | Travis Perkins  | 751,941              | 0.06                |
| 229,086  | Unilever  | 8,836,296            | 0.67                |
| 119,698  | United Utilities                                      | 1,263,449            | 0.10                |
| 4,758,024  | Vodafone  | 11,139,783           | 0.84                |
| 37,416   | Weir Group  | 828,448              | 0.06                |
| 32,257   | Whitbread   | 1,426,928            | 0.11                |
| 153,445  | William Hill  | 521,670              | 0.04                |
| 409,480  | Wm Morrison Supermarkets                              | 1,106,691            | 0.08                |
| 45,745   | Wolseley  | 2,659,171            | 0.20                |
| 317,023  | Worldpay  | 1,002,397            | 0.08                |
| 230,253  | WPP   | 4,898,545            | 0.37                |
| <b>Total United Kingdom</b>  |   | <b>369,200,621</b>   | <b>27.81</b>        |
| <b>Total Equities</b>  |   | <b>1,302,796,181</b> | <b>98.11</b>        |
| <b>Total Investments in Transferable Securities</b>                          |   | <b>1,302,796,181</b> | <b>98.11</b>        |
| <b>UCITS Investment Funds: 1.10% (31 December 2015: 0.72%)</b>               |   |                      |                     |
| <b>Ireland: 1.10% (31 December 2015: 0.72%)</b>                              |   |                      |                     |
| 9,106,316  | Northern Trust Global Funds- Euro Liquidity Fund      | 9,056,231            | 0.68                |
| 4,807,000  | Northern Trust Global Funds - Sterling Fund           | 5,631,448            | 0.42                |
| 30,000   | Northern Trust Global Funds - US Dollar Fund          | 28,443               | -                   |
| <b>Total Ireland</b>   |   | <b>14,716,122</b>    | <b>1.10</b>         |
| <b>Total UCITS Investment Funds</b>  |   | <b>14,716,122</b>    | <b>1.10</b>         |
| <b>Futures Contracts - Unrealised Gains: 0.04% (31 December 2015: 0.03%)</b> |   |                      |                     |
| Counterparty   | Description   | Currency             | No. of<br>Contracts |
| <b>Germany: 0.02% (31 December 2015: 0.01%)</b>                              |   |                      |                     |
| Citigroup  | Euro Stoxx 50 Eux March 2017                          | EUR                  | 306                 |
| <b>Total Germany</b>   |   |                      | <b>246,690</b>      |
| <b>Switzerland: 0.01% (31 December 2015: 0.01%)</b>                          |   |                      |                     |
| Citigroup  | Swiss Market IX March 2017                            | CHF                  | 53                  |
| <b>Total Switzerland</b>   |   |                      | <b>78,311</b>       |
| <b>United Kingdom: 0.01% (31 December 2015: 0.01%)</b>                       |   |                      |                     |
| Citigroup  | FTSE 100 Index March 2017                             | GBP                  | 102                 |
| <b>Total United Kingdom</b>  |   |                      | <b>181,317</b>      |
| <b>Total Futures Contracts - Unrealised Gains</b>                            |   |                      | <b>506,318</b>      |

**NORTHERN TRUST UCITS FGR FUND**  
**NORTHERN TRUST EUROPE EQUITY INDEX UCITS FGR FUND**

**APPENDIX 1: UNAUDITED PORTFOLIO STATEMENT (continued)**

*As at 31 December 2016*

| Financial Liabilities at Fair Value through Profit or Loss  |   |          |                     | Fair Value<br>€ | % of<br>Net Assets   |
|---|---|----------|---------------------|-----------------|----------------------|
| Futures Contracts - Unrealised Losses: 0.00% (31 December 2015: 0.00%)                            |   |          |                     |                 |                      |
| Counterparty  | Description                             | Currency | No. of<br>Contracts |                 |                      |
| Citigroup   | Sweden: 0.00% (31 December 2015: 0.00%) |          |                     |                 |                      |
|   | OMXS 30 Index January 2017              | SEK      | 110                 | (15,004)        | -                    |
|   | Total Sweden                            |          |                     | (15,004)        | -                    |
| Total Futures Contracts - Unrealised Losses   |   |          |                     | (15,004)        | -                    |
| Total Investments (31 December 2015: 99.46%)  |   |          |                     | 1,318,003,617   | 99.25                |
| Cash and Cash Equivalents and Margin Cash (31 December 2015: 0.32%)                               |   |          |                     | 5,780,826       | 0.44                 |
| Other Net Assets (31 December 2015: 0.22%)  |   |          |                     | 4,075,579       | 0.31                 |
| Net Assets Attributable to Holders of Redeemable Participating<br>Units                           |   |          |                     | 1,327,860,022   | 100.00               |
| Analysis of Total Assets  |   |          |                     |                 | % of Total<br>Assets |
| Transferable securities admitted to an official stock exchange listing (31 December 2015: 98.68%) |   |          |                     |                 | 98.09                |
| UCITS investment funds admitted to an official stock exchange listing (31 December 2015: 0.72%)   |   |          |                     |                 | 1.11                 |
| Financial derivative instruments dealt in on a regulated market (31 December 2015: 0.03%)         |   |          |                     |                 | 0.04                 |
| Cash and cash equivalents and margin cash (31 December 2015: 0.32%)                               |   |          |                     |                 | 0.44                 |
| Other assets (31 December 2015: 0.25%)  |   |          |                     |                 | 0.32                 |
|   |   |          |                     |                 | 100.00               |

**NORTHERN TRUST UCITS FGR FUND**

**NORTHERN TRUST DEVELOPED REAL ESTATE INDEX UCITS FGR FUND**

**APPENDIX 1: UNAUDITED PORTFOLIO STATEMENT**

*As at 31 December 2016*

| Holdings   | Financial Assets at Fair Value through Profit or Loss | Fair Value<br>US \$ | % of<br>Net Assets |
|--|---|---------------------|--------------------|
| <b>Equities: 98.92% (31 December 2015: 98.88%)</b> |   |                     |                    |
| <b>Australia: 5.83% (31 December 2015: 5.71%)</b>  |   |                     |                    |
| 580,570  | BWP Trust   | 1,256,968           | 0.08               |
| 391,852  | Charter Hall Retail REIT                              | 1,200,220           | 0.07               |
| 1,744,944  | Cromwell Property                                     | 1,244,561           | 0.08               |
| 1,152,720  | Dexus Property  | 8,029,665           | 0.49               |
| 2,111,246  | Goodman   | 10,900,011          | 0.67               |
| 2,131,358  | GPT   | 7,762,881           | 0.48               |
| 668,690  | Investa Office Fund                                   | 2,285,417           | 0.14               |
| 4,399,533  | Mirvac  | 6,785,545           | 0.42               |
| 6,069,702  | Scentre   | 20,393,131          | 1.25               |
| 874,724  | Shopping Centres Australasia Property                 | 1,399,787           | 0.09               |
| 2,839,949  | Stockland   | 9,418,344           | 0.58               |
| 3,900,869  | Vicinity Centres                                      | 8,445,612           | 0.52               |
| 2,294,698  | Westfield   | 15,585,722          | 0.96               |
|  | <b>Total Australia</b>                                | <b>94,707,864</b>   | <b>5.83</b>        |
| <b>Austria: 0.34% (31 December 2015: 0.29%)</b>    |   |                     |                    |
| 83,294   | Conwert Immobilien Invest                             | 1,419,726           | 0.09               |
| 106,480  | BUWOG   | 2,480,923           | 0.15               |
| 82,683   | CA Immobilien Anlagen                                 | 1,523,121           | 0.09               |
| 5,421  | Conwert Immobilien Invest                             | 92,743              | 0.01               |
|  | <b>Total Austria</b>                                  | <b>5,516,513</b>    | <b>0.34</b>        |
| <b>Belgium: 0.49% (31 December 2015: 0.47%)</b>    |   |                     |                    |
| 15,094   | Aedifica  | 1,131,622           | 0.07               |
| 23,254   | Befimmo   | 1,308,769           | 0.08               |
| 24,159   | Coffinimmo  | 2,768,587           | 0.17               |
| 17,927   | Intervest Offices & Warehouses                        | 451,913             | 0.03               |
| 2,131  | Leasinvest Real Estate                                | 237,129             | 0.01               |
| 19,518   | Warehouses De Pauw                                    | 1,747,597           | 0.11               |
| 2,728  | Wereldhave Belgium                                    | 309,891             | 0.02               |
|  | <b>Total Belgium</b>                                  | <b>7,955,508</b>    | <b>0.49</b>        |
| <b>Canada: 2.74% (31 December 2015: 2.54%)</b>     |   |                     |                    |
| 100,492  | Allied Properties Real Estate Investment Trust        | 2,693,924           | 0.17               |
| 176,791  | Artis Real Estate Investment Trust                    | 1,674,245           | 0.10               |
| 45,365   | Boardwalk Real Estate Investment Trust                | 1,645,731           | 0.10               |
| 161,758  | Canadian Apartment Properties REIT                    | 3,783,862           | 0.23               |
| 85,999   | Canadian Real Estate Investment Trust                 | 2,969,131           | 0.18               |
| 227,919  | Chartwell Retirement Residences                       | 2,489,850           | 0.15               |
| 215,197  | Cominar Real Estate Investment Trust                  | 2,362,104           | 0.15               |
| 102,001  | Crombie Real Estate Investment Trust                  | 1,032,902           | 0.06               |
| 148,055  | Dream Global Real Estate Investment Trust             | 1,043,302           | 0.06               |
| 129,041  | Dream Office Real Estate Investment Trust             | 1,881,176           | 0.12               |
| 113,141  | First Capital Realty                                  | 1,743,876           | 0.11               |
| 55,602   | Granite Real Estate Investment Trust                  | 1,858,721           | 0.12               |
| 337,875  | H&R Real Estate Investment Trust                      | 5,636,079           | 0.35               |
| 76,711   | Killam Apartment Real Estate Investment Trust         | 682,994             | 0.04               |
| 59,275   | Northview Apartment Real Estate Investment Trust      | 887,103             | 0.06               |
| 289,496  | Pure Industrial Real Estate Trust                     | 1,206,728           | 0.07               |