

# FlexShares STOXX® US ESG Select Index Fund

**ESG**

All data as of December 31, 2024

## OBJECTIVE

The Fund seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the STOXX® USA ESG Select KPIs Index (Underlying Index).

## FUND FACTS

Ticker	ESG
Inception	07/13/2016
CUSIP	33939L696
Exchange	CBOE
Underlying Index	STOXX USA ESG Select KPIs Index
Index Ticker	SXEIMUV
IOPV Ticker	ESG.IV
Estimated Cash Ticker	ESG.EU
Net Assets	\$148,195,711
Shares Outstanding	1,075,001
No. of Holdings	265

## FUND INFORMATION

Average Market Cap (\$)	776,148,823,003
Weighted Average Beta	1.05
Price to Earnings	33.00
Price to Book	10.00
SEC Subsidized Yield	1.06%
SEC Unsubsidized Yield	1.05%
<b>EXPENSE RATIO (%)</b>	
Management Fee	0.32
Acquired Fund Fees and Expenses	0.00
Other Expenses	0.01
Gross Expense Ratio	0.33
Expense Reimbursement	-0.01
Net Expense Ratio	0.32

## QUARTER END PERFORMANCE (%) As of December 31, 2024

	QTD	YTD	1 Yr.	3 Yr.	5 Yr.	7 Yr.	Since Inception
ESG NAV Return	1.81	20.28	20.28	7.22	13.87	13.46	14.38
ESG Market Return	1.79	20.18	20.18	7.19	13.86	13.35	14.37
STOXX USA ESG Select KPIs Index Return	1.78	20.13	20.13	7.08	13.68	13.06	13.97
Russell 1000 Index Return	2.75	24.51	24.51	8.41	14.27	13.57	14.39

Index performance returns do not reflect any fees, transaction costs, expenses or taxes.

**Performance is historical and does not guarantee future results. Current performance may be lower or higher than quoted investment returns and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Performance data for the latest month end is available at <https://www.flexshares.com/us/en/individual/funds>. It is not possible to invest directly in an index.**

FlexShares shares are bought and sold at market price (not NAV) and are not individually redeemed from the Fund. Total Returns are calculated using the daily 4:00 pm EST Net Asset Value. Beginning July 1, 2024, market price performance is determined using the closing price on the primary exchange. Prior to July 1, 2024, market price performance was determined using the bid/ask midpoint at 4:00pm EST, when the NAV is typically calculated. Market price returns do not represent the returns you would receive if you traded shares at other times.

Northern Trust Investments, Inc. ("NTI" or the "Adviser") has contractually agreed to reimburse a portion of the operating expenses of the Fund (other than Acquired Fund Fees and Expenses) to the extent the "Total Annual Fund Operating Expenses" exceed 0.32% until March 1, 2025. Performance would have been lower without fee waivers and expense reimbursements in effect.

**30-Day SEC Subsidized Yield** is computed under an SEC standardized formula based on net income earned over the past 30 days. It is a "subsidized" yield, which means it includes contractual expense reimbursements and it would be lower without those reimbursements. It may also include an inflation adjustment that can cause the yield to vary substantially from one month to the next.

**30-Day SEC Unsubsidized Yield** calculation is also computed under the same SEC standardized formula based on net income earned over the past 30 days, but excludes contractual expense reimbursements, resulting in a lower yield. It may also include an inflation adjustment that can cause the yield to vary substantially from one month to the next.

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## TOP FUND HOLDINGS (%)

APPLE	5.10
AMAZON.COM	4.84
MICROSOFT	4.74
META PLATFORMS	4.69
TESLA	3.66
JPMORGAN CHASE	3.31
BERKSHIRE HATHAWAY	2.94
BROADCOM	2.65
EXXON MOBIL	2.32
VISA	2.22
Total	36.47

## SECTOR (%)

Information Technology	24.29
Financials	19.67
Consumer Discretionary	14.85
Health Care	10.72
Consumer Staples	8.55
Communication Services	6.22
Industrials	5.47
Energy	4.03
Cash/and or Derivatives	1.91
Real Estate	1.62
Utilities	1.39
Other	1.28

## MARKET CAP (%)

Large-Cap	91.44
Mid-Cap	6.65
Cash/and or Derivatives	1.91

## STYLE (%)

Value	32.48
Core	50.94
Growth	16.58

## COUNTRY (%)

United States	98.09
Cash/And Or Derivatives	1.91

Holdings are subject to change without notice.

Sectors may include many industries and weights are subject to change without notice.

Country allocations subject to change without notice.

Percentages for some of the tables on this page may not total 100 due to rounding.

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## DEFINITIONS

**ESG Investing** is defined as utilizing environmental, social, and governance (ESG) criteria as a set of standards for a company's operations that socially conscious investors use to screen potential investments.

**Price to Book** is calculated as the market value of all common stock shares of a company divided by the book value of the company.

**Price to Earnings** is calculated as a company's current stock price divided by its earnings per share.

**Weighted Average Beta** is calculated by taking the weight of the stock, which is the amount of money invested in the stock, divided by the total amount invested. Calculating the weighted average beta of a portfolio allows you to potentially measure the overall risk of your portfolio.

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## IMPORTANT INFORMATION

**Before investing, carefully consider the FlexShares investment objectives, risks, charges and expenses. This and other information is in the prospectus and a summary prospectus, copies of which may be obtained by visiting [www.flexshares.com](http://www.flexshares.com). Read the prospectus carefully before you invest.**

**Foreside Fund Services, LLC, distributor. FlexShares and Foreside are not related. Neither FlexShares nor Foreside are related to STOXX.**

An investment in FlexShares is subject to numerous risks, including possible loss of principal. Fund returns may not match the return of the respective indexes. A full description of risks is in the prospectus. They do not typically grow at an even rate of return and may experience negative growth. As with any type of portfolio structuring, attempting to reduce risk and increase return could, at certain times, unintentionally reduce returns.

FlexShares STOXX US ESG Select Index Fund (ESG) is a passively managed fund that invests in United States equities and uses a representative sampling strategy to track its underlying index. Use of a representative sampling strategy creates **Tracking Risk** where the Fund's performance could vary substantially from the performance of the underlying index along with the risk of high portfolio turnover. Northern Trust does not attempt to take defensive positions in any market conditions, including declining markets.

The STOXX USA ESG Select KPIs Index is the intellectual property (including registered trademarks) of STOXX Limited, Zurich, Switzerland and/or its licensors ("Licensors"), which is used under license. The securities based on the Index are in no way sponsored, endorsed, sold or promoted by STOXX and its Licensors and neither of the Licensors shall have any liability with respect thereto.

**STOXX USA ESG Select KPIs Index** offers exposure to a set of U.S. companies that is tilted towards companies scoring better with respect to a select set of ESG key performance indicators (KPIs).

**Russell 1000 Index** is an index of approximately 1,000 of the largest companies in the U.S. equity market.

All data provided by: Northern Trust, J.P. Morgan, Rimes, Morningstar and Refinitiv.

**ESG Investment Risk** is the risk that because the Index Provider includes and excludes issuers and assigns weights to issuers in the Underlying Index by applying non-financial factors, the Fund may underperform the broader equity market or other funds that do or do not use ESG investment criteria. Although the Underlying Index is designed to measure a portfolio of companies with certain ESG characteristics, there is no assurance that the Underlying Index or Fund will be comprised of such securities or that companies that have historically exhibited such characteristics will continue to exhibit such characteristics. **Concentration Risk** is the risk that, to the extent the Fund's investments are concentrated in the securities of issuers in a particular region, country, market, industry, sector or asset class, the Fund may be subject to increased price volatility. **Information Technology Sector Risk** is the risk that securities of technology companies may be subject to greater price volatility than securities of companies in other sectors. These securities may fall in and out of favor with investors rapidly, which may cause sudden selling and dramatically lower market prices. Technology securities also may be affected adversely by changes in technology, consumer and business purchasing patterns, government regulation and/or obsolete products or services. **Authorized Participant Concentration Risk** is the risk that the Fund may be adversely affected because it has a limited number of institutions that act as authorized participants.

**Derivatives Risk** is the risk that the use of futures and options on futures may pose risks in addition to and greater than those associated with investing directly in securities and other instruments, may be illiquid or less liquid, more volatile, more difficult to value and leveraged so that small changes in the value of the underlying instrument may produce disproportionate losses to the Fund. **Equity Securities Risk** is the risk that the values of the equity securities owned by the Funds may be more volatile and under perform other asset classes and the general securities markets. **Tracking Error Risk** is the risk that the Fund's performance may vary substantially from the performance of the Underlying Index. The Fund's performance may vary from the performance of the Underlying Index for a number of reasons including that the Fund incurs operating expenses that the Underlying Index does not and that the Fund accepts custom baskets. **Market Trading Risk** is the risk that the Fund faces because its shares are listed on a securities exchange, including the potential lack of an active market for Fund shares, losses from trading in secondary markets, periods of high volatility and disruption in the creation/redemption process of the Fund. ANY OF THESE FACTORS MAY LEAD TO THE FUND'S SHARES TRADING AT A PREMIUM OR DISCOUNT TO NAV.