

FlexShares ESG & Climate Developed Markets ex-US Core Index Fund

OBJECTIVE

The Fund seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the Northern Trust ESG & Climate Developed Markets ex-US Core IndexSM (the "Underlying Index").

FUND FACTS

| | |
|-----------------------|---|
| Ticker | FEDM |
| Inception | 09/20/2021 |
| CUSIP | 33939L597 |
| Exchange | NYSE Arca |
| Underlying Index | Northern Trust ESG & Climate Developed Markets ex-US Core Index SM |
| Index Ticker | NTDXUECNTR |
| IOPV Ticker | FEDM.IV |
| Estimated Cash Ticker | FEDM.EU |
| Net Assets | \$36,176,564 |
| Shares Outstanding | 800,000 |
| No. of Holdings | 307 |

EXPENSE RATIO (%)

| | |
|---------------------------------|-------|
| Management Fee | 0.12 |
| Acquired Fund Fees and Expenses | 0.00 |
| Other Expenses | 0.01 |
| Gross Expense Ratio | 0.13 |
| Expense Reimbursement | -0.01 |
| Net Expense Ratio | 0.12 |

FUND CHARACTERISTICS

| | |
|-------------------------|----------------|
| Average Market Cap (\$) | 82,609,696,275 |
| Weighted Average Beta | 0.99 |
| Price to Earnings | 23.13 |
| Price to Book | 4.11 |
| SEC Subsidized Yield | 2.89% |
| SEC Unsubsidized Yield | 2.90% |

The **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. The **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.

QUARTER END PERFORMANCE (%)

| | QTD | YTD | 1 Yr. | Since Inception |
|--|------|------|-------|-----------------|
| FEDM NAV Return | 8.28 | 8.28 | -3.27 | -4.21 |
| FEDM Market Return (Bid-Ask Midpoint) | 8.62 | 8.62 | -2.43 | -3.86 |
| Northern Trust ESG & Climate Developed Markets ex-US Core Index SM Return | 8.33 | 8.33 | -3.30 | -4.27 |
| MSCI World ex-US Index Return | 8.02 | 8.02 | -2.74 | -3.74 |

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

Performance data quoted represents past performance and does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed or sold in the secondary market, may be worth more or less than the original cost. Investors will incur usual and customary brokerage commissions when buying or selling shares of the exchange-traded funds ("ETFs") in the secondary market, and that, if reflected, the brokerage commissions would reduce the performance returns. Current performance may be lower or higher than the performance shown. Shares are bought and sold at market price not net asset value ("NAV") and are not individually redeemable from the fund. For the most recent month-end performance, please visit the Fund's website at www.flexshares.com or call 855-353-9383 for more information.

Index performance does not represent FlexShares fund performance. It is not possible to invest directly in an index. All performance figures assume reinvestment of dividend and capital gains at net asset value; actual returns may differ. Performance 1-year and less are cumulative; performance over 1-year are average annualized total returns. Market price performance is determined using the bid/ask midpoint at 4:00pm Eastern time, when the NAV is typically calculated. NAV price performance is determined using the daily calculated NAV. They do not represent the returns you would receive if you traded shares at other times. Performance figures do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or upon redemption or sale of fund shares. The fund inception date is generally several days prior to when the fund begins trading. NAV prices are used to calculate market price performance prior to 09/21/2021, when the fund first traded on an exchange.

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 0.12% until March 1, 2024. Performance would have been lower without fee waivers and expense reimbursements in effect.

The Northern Trust ESG & Climate Developed Markets ex-US Core Index is designed to construct a universe of large and mid-capitalization companies, from Developed Market countries (excluding the United States), that possess environmental, social, and governance (ESG) characteristics.

MSCI AC World ex USA Index captures large and mid-cap representation across 22 of 23 Developed Markets (DM) countries excluding the United States.

TOP FUND HOLDINGS

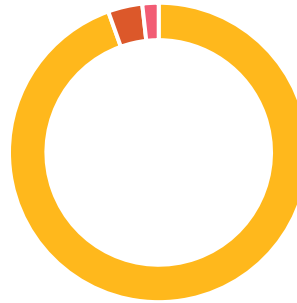
| Name | Weight (%) |
|-------------------------------------|------------|
| 1. NESTLE | 2.16 |
| 2. NOVO NORDISK A/S DKK | 2.04 |
| 3. ASML HOLDING | 1.82 |
| 4. SHELL | 1.56 |
| 5. SAP | 1.56 |
| 6. ASTRAZENECA | 1.53 |
| 7. ROCHE HOLDING | 1.34 |
| 8. ROYAL BANK OF CANADA | 1.28 |
| 9. SCHNEIDER ELECTRIC | 1.26 |
| 10. L'OREAL SA COMMON STOCK EUR 0.2 | 1.14 |
| Total | 15.71 |

SECTOR BREAKDOWN (%)



| | |
|------------------------|-------|
| Financials | 19.60 |
| Industrials | 15.11 |
| Health Care | 12.13 |
| Consumer Discretionary | 10.72 |
| Consumer Staples | 9.84 |
| Information Technology | 8.08 |
| Materials | 7.38 |
| Energy | 5.51 |
| Communication Services | 4.81 |
| Utilities | 2.79 |
| Other | 4.03 |

MARKET CAP BREAKDOWN (%)



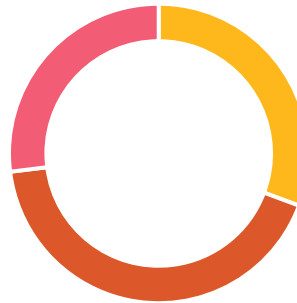
| | |
|-------------------------|-------|
| Large Cap | 94.53 |
| Mid Cap | 3.71 |
| Cash/and or Derivatives | 1.76 |

COUNTRY BREAKDOWN (%)



| | |
|----------------|-------|
| Japan | 18.12 |
| United Kingdom | 14.40 |
| France | 12.23 |
| Canada | 9.33 |
| Switzerland | 9.12 |
| Germany | 8.86 |
| Australia | 7.49 |
| Netherlands | 4.51 |
| Denmark | 3.84 |
| Spain | 2.82 |
| Other | 9.28 |

STYLE BREAKDOWN (%)



| | |
|--------|-------|
| Value | 30.67 |
| Core | 42.38 |
| Growth | 26.95 |

DISCLOSURES

Before investing, carefully consider the FlexShares investment objectives, risks, charges and expenses. This and other information are in the prospectus and summary prospectus, copies of which may be obtained by visiting www.flexshares.com. Read the prospectus carefully before you invest.

Foreside Fund Services, LLC, distributor.

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 are in the prospectus and summary prospectus.

FlexShares ESG & Climate Developed Markets ex-US Core Index Fund (FEDM) is passively managed 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. **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. **Equity Securities Risk** is the risk that the values of the equity securities owned by the Fund may be more volatile and under perform other asset classes and the general securities markets. 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. 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. **Non-Diversification Risk** is the risk that Fund performance may depend on the performance of a small number of issuers because the Fund may invest a large percentage of its assets in securities issued by or representing a small number of issuers. **New Fund Risk** is the risk that the Fund will not grow to or maintain an economically viable size, in which case it may experience greater tracking error to its Underlying Index than it otherwise would at higher asset levels, or it could ultimately liquidate without shareholder approval. **Foreign Securities Risk** is the risk that investing in foreign(non-U.S.) securities may result in the Fund experiencing more rapid and extreme changes in value than a fund that invests exclusively in U.S. securities, due to less liquid markets, tariffs and trade disputes and adverse economic, political, diplomatic, environmental, financial, and regulatory factors. **Currency Risk** is the risk that foreign currencies, securities that trade in or receive revenues in foreign currencies, or derivatives that provide exposure to foreign currencies will fluctuate in value relative to the U.S. dollar, adversely affecting the value of the Fund's investments and its returns. **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.

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.

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.

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