

# Introducing FlexShares ESG & Climate Emerging Markets Core Index Fund

FLEXSHARES EXCHANGE TRADED FUNDS

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The FlexShares ESG & Climate Emerging Markets Core Index Fund — FEEM — is part of a suite of Equity ETFs designed to provide exposure to core equity market cap benchmarks typically used as building blocks of a portfolio.

But there's more to it than that. This suite of products distinguishes itself by incorporating a comprehensive risk assessment across financially material Environmental, Social, and Governance issues — with an intentional emphasis on reducing climate transition related risks.

The result is a fund that seeks to achieve ESG and climate related improvements — all while maintaining market-like exposure relative to the MSCI Emerging Markets Index.

We build the FEEM fund through a four-step process which seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the Northern Trust ESG & Climate Emerging Markets Core Index.

First, we determine the Starting Universe of emerging market fund by using the Northern Trust Emerging Markets Large Cap Index.

Next, we eliminate securities that do not meet sustainability criteria as defined by Northern Trust's ESG Exclusion Flag.

We then assign and rank the securities according to the Northern Trust ESG Vector Score.

Finally, we optimize the portfolio to improve ESG and Climate Transition Risk to reduce Carbon Emissions Intensity. The fund is rebalanced quarterly with diversification controls to reduce index tracking error and maintain sector, style, country, and region neutrality.

Want to reduce your portfolio's global climate footprint?

Learn more by visiting [FlexShares.com/funds/FEEM](https://www.flexshares.com/funds/FEEM)

***Investors should consider the investment objectives, risks, charges and expenses carefully before investing. For a prospectus or summary prospectus with this and other information about the Fund, visit our website at [www.flexshares.com](https://www.flexshares.com). Read the prospectus or summary prospectus carefully before investing.***

FlexShares funds are distributed by Foreside Fund Services, LLC.

*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.*

*MSCI Emerging Markets Index is used to measure the financial performance of mid-cap and large-cap stocks in 25 countries in fast-growing economies around the world.*

Northern Trust Emerging Markets Large Cap Index is a sub-index of the Northern Trust Global Index. The sub-index is formed by selecting all of the securities from the Northern Trust Global Index that are assigned to Emerging Markets countries, and are large-mid capitalization, per Northern Trust's proprietary methodology.