

## FlexShares Global Quality Real Estate Index Fund

### OBJECTIVE

FlexShares Global Quality Real Estate Index Fund seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the Northern Trust Global Quality Real Estate Index<sup>SM</sup> (Underlying Index).

### FUND FACTS

Ticker	GQRE
Inception	11/05/2013
CUSIP	33939L787
Exchange	NYSE Arca
Underlying Index	Northern Trust Global Quality Real Estate Index <sup>SM</sup>
Index Ticker	NTGQRENT
IOPV Ticker	GQRE.IV
Estimated Cash Ticker	GQRE.EU
Net Assets	\$326,511,653
Shares Outstanding	6,150,001
No. of Holdings	175

### EXPENSE RATIO (%)

Management Fee	0.45
Acquired Fund Fees and Expenses	0.00
Other Expenses	0.01
Gross Expense Ratio	0.46
Expense Reimbursement	-0.01
Net Expense Ratio	0.45

### FUND CHARACTERISTICS

Average Market Cap (\$)	22,855,098,884
Weighted Average Beta	1.01
Price to Earnings	23.09
Price to Book	3.84
SEC Subsidized Yield	3.71%
SEC Unsubsidized Yield	3.71%

### QUARTER END PERFORMANCE (%)

As of March 31, 2023

	QTD	YTD	1 Yr.	3 Yr.	5 Yr.	7 Yr.	Since Inception
GQRE NAV Return	1.05	1.05	-22.46	6.53	0.44	1.40	3.50
GQRE Market Return (Bid-Ask Midpoint)	0.88	0.88	-22.39	6.48	0.30	1.38	3.49
Northern Trust Global Quality Real Estate Index <sup>SM</sup> Return	0.96	0.96	-22.98	6.20	0.24	1.26	3.37
FTSE EPRA/NAREIT Developed Index Return	0.78	0.78	-21.40	6.61	0.85	1.26	2.59

*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](http://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 11/6/2013, 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 0.45% until March 1, 2024. Performance would have been lower without fee waivers and expense reimbursements in effect.

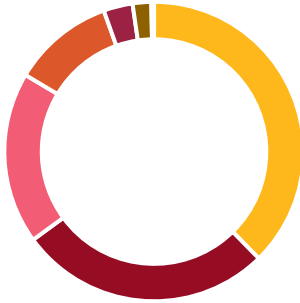
Northern Trust Global Quality Real Estate Index is designed to maximize exposure to quality, value and momentum factors, within a universe of companies operating in the real estate sector.

FTSE EPRA/NAREIT Developed Index is a free-float adjusted, market capitalization-weighted index designed to track the performance of listed real estate companies in developed countries worldwide.

### TOP FUND HOLDINGS

Name	Weight (%)
1. PUBLIC STORAGE REIT	5.53
2. SIMON PROPERTY REIT	4.63
3. AMERICAN TOWER REIT	3.80
4. PROLOGIS REIT	3.74
5. AVALONBAY COMMUNITIES REIT	3.54
6. WEYERHAEUSER REIT	3.34
7. EQUITY RESIDENTIAL REIT	3.24
8. SUN HUNG KAI PROPERTIES	3.07
9. MID-AMERICA APARTMENT COMMUNITIES REIT	2.63
10. IRON MOUNTAIN REIT	2.32
Total	35.84

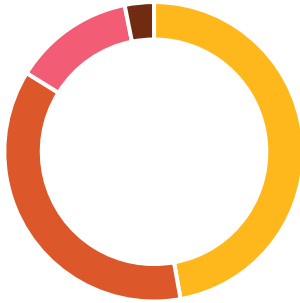
The **30-Day SEC Subsidized Yield** is computed under an SEC standardized formula based on net income earned over the past 30 days. It is a "subsidized" yield, which means it includes contractual expense reimbursements and it would be lower without those reimbursements. It may also include an inflation 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.

**SECTOR BREAKDOWN (%)**


Commercial REITs	37.66
Specialized REITs	27.31
Real Estate Development & Operations	18.58
Residential REITs	11.00
Cash/and or Derivatives	3.15
Diversified REITs	2.01
Other	0.29

**COUNTRY BREAKDOWN (%)**


United States	63.59
Hong Kong	6.41
Japan	6.12
Australia	5.59
Canada	3.58
United Kingdom	3.26
Cash/And Or Derivatives	3.15
Sweden	1.56
France	1.44
Singapore	1.34
Other	3.96

**MARKET CAP BREAKDOWN (%)**


Large Cap	47.16
Mid Cap	36.65
Small Cap	13.04
Cash/and or Derivatives	3.15

**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](http://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 Global Quality Real Estate Index Fund (GQRE) 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. It is subject to real estate sector risk in addition to the general risk of the stock market. Investments in foreign market securities involve certain risks such as currency volatility, political and social instability and reduced market liquidity. To the extent that the Fund invests in Emerging markets, those investments may be subject to increased price volatility and may be more susceptible to adverse economic, market, political or regulatory occurrences affecting that country, market, industry, sector or asset class. Investing in securities of real estate companies will make the Fund more susceptible to risks associated with the ownership of real estate and with the real estate industry in general, as well as risks that relate specifically to the way in which real estate companies are organized and operated. Real estate companies may have lower trading volumes and may be subject to more abrupt or erratic price movements than the overall securities markets.

The value of real estate securities may underperform other sectors of the economy or broader equity markets. To the extent that the Fund concentrates its investments in the real estate sector, it may be subject to greater risk of loss than if it were diversified across different industry sectors. The Fund is also subject to the risk that its investments will be affected by factors that impact REITs and the real estate sector generally. Investing in REITs involves certain unique risks in addition to those risks associated with investing in the real estate industry in general. REITs whose underlying properties are concentrated in a particular industry or geographic region are also subject to risks affecting such industries and regions. By investing in REITs through the Fund, a shareholder will bear proportionate expenses of the REITs in addition to expenses of the Fund.

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