

Morningstar® U.S. Market Factor Tilt Index

The above index is the underlying index for the FlexShares Morningstar U.S. Market Factor Tilt Index Fund (TILT), and is designed to reflect the experience of investing in the broad equity market, while reducing the risk of overconcentration in large-cap stocks and pursuing the excess return potential from the value and small size factors.



Define and Divide the Universe by Capitalization

Define the U.S. Investable Universe



Trades on the NYSE, NASDAQ, or NYSE Market LLC



Less than 10 non-trading days in the previous quarter

Define Universe by Market Cap

Large Cap



Largest stocks equaling 70% of the universe

Mid Cap



Next largest stocks equaling 20% of the universe

Small Cap

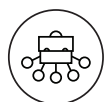


Next largest stocks equaling 7% of the universe

Micro Cap



Next largest stocks equaling 2.5% of the universe



Assign Value Orientation

Assign value score based on:



Price / Book



Price / Earnings



Price / Cash Flow

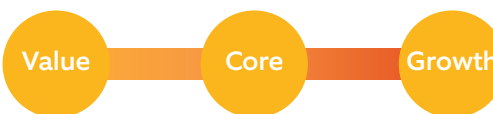


Price / Sales



Dividend Yield

Divide securities into:



based on value scores



Apply Factor Tilt Process

Divide stocks into 12 style boxes

	Value (V)	Core (C)	Growth (G)
Large Cap (L)	LV	LC	LG
Mid Cap (M)	MV	MC	MG
Small Cap (S)	SV	SC	SG
Micro Cap (Mi)	MiV	MiC	MiG

Weight is reallocated from large cap and growth style boxes to small and value

Rebalanced on a Quarterly Basis

MAR

JUN

SEP

DEC

To learn more about FlexShares, contact our team at 1-855-FlexETF (1-855-353-9383) or visit our website, www.flexshares.com.

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. Read the prospectus carefully before you invest.

Foreside Fund Services, LLC, distributor.

Please see back for additional important information.



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.

FlexShares Morningstar® U.S. Market Factor Tilt Index Fund (TILT) 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 concentration risk. The Fund's investments are concentrated in the securities of issuers in a particular market, industry, sector or asset class. The Fund may be subject to increased price volatility and may be more susceptible to adverse economic, market, political or regulatory occurrences affecting that market, industry, sector or asset class. The Fund may also invest in derivative instruments. Changes in the value of the derivative may not correlate with the underlying asset, rate or index and the Fund could lose more than the principal amount invested.

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