

FlexShares Morningstar[®] Developed Market ex-US Factor Tilt Index Fund

TLTD

All data as of September 30, 2024

OBJECTIVE

The Fund seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the Morningstar[®] Developed Markets ex-US Factor Tilt Index[®] (Underlying Index).

FUND FACTS

Ticker	TLTD
Inception	09/25/2012
CUSIP	33939L803
Exchange	NYSE Arca
Underlying Index	Morningstar [®] Developed Markets ex-US Factor Tilt Index SM
Index Ticker	MDXUSFTN
IOPV Ticker	TLTD.IV
Estimated Cash Ticker	TLTD.EU
Net Assets	\$481,625,600
Shares Outstanding	6,400,001
No. of Holdings	2,511

FUND INFORMATION

Average Market Cap (\$)	52,956,917,347
Weighted Average Beta	1.08
Price to Earnings	21.00
Price to Book	3.00
SEC Subsidized Yield	2.82%
SEC Unsubsidized Yield	2.81%
EXPENSE RATIO (%)	
Management Fee	0.39
Acquired Fund Fees and Expenses	0.00
Other Expenses	0.01
Gross Expense Ratio	0.40
Expense Reimbursement	-0.01
Net Expense Ratio	0.39

QUARTER END PERFORMANCE (%) As of September 30, 2024

	QTD	YTD	1 Yr.	3 Yr.	5 Yr.	10 Yr.	Since Inception
TLTD NAV Return	8.30	12.43	23.95	5.01	7.88	5.34	6.41
TLTD Market Return	7.76	12.39	24.19	5.08	7.83	5.29	6.38
Morningstar [®] Developed Markets ex-US Factor Tilt Index SM Return	8.37	12.55	24.12	5.06	7.96	5.40	6.50
MSCI World ex USA Investable Market Index Return	8.13	12.89	24.77	4.81	8.14	5.71	6.68

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 0.39% 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 (%)

NOVO NORDISK A/S DKK	1.01
ASML HOLDING	0.87
TOYOTA	0.79
SHELL	0.77
NESTLE	0.68
ASTRAZENECA	0.64
SAP	0.63
HSBC HOLDINGS	0.62
NOVARTIS	0.60
ROCHE HOLDING	0.58
Total	7.18

SECTOR (%)

Financials	21.22
Industrials	18.67
Consumer Discretionary	11.21
Materials	9.18
Health Care	7.49
Consumer Staples	6.71
Information Technology	6.57
Energy	5.84
Real Estate	4.75
Communication Services	3.60
Utilities	3.32
Other	1.44

MARKET CAP (%)

Large Cap	59.63
Mid Cap	29.66
Small Cap	9.05
Micro Cap	0.12
Cash/and or Derivatives	1.54

STYLE (%)

Value	41.47
Core	35.99
Growth	22.54

COUNTRY (%)

Japan	23.92
United Kingdom	12.69
Canada	10.53
France	7.56
Germany	6.38
Australia	6.23
Switzerland	5.82
Sweden	3.39
Netherlands	2.76
Italy	2.59
Other	18.13

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

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.

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. 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 Morningstar®.

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 Developed Markets ex-US Factor Tilt Index Fund (TLTD) 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. The Morningstar Developed Markets ex-US Factor Tilt Index is the intellectual property (including registered trademarks) of Morningstar 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 Morningstar and its Licensors and neither of the Licensors shall have any liability with respect thereto.

Morningstar Developed Markets ex-US Factor Tilt Index measures the performance of stocks located in developed countries across the world (as defined by Morningstar, excluding the United States) with increased exposure to small-capitalization and value stocks.

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

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

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. **Concentration Risk** is the risk that, if the Fund is concentrated in a particular industry or group of industries, the Fund is likely to present more risks than a fund that is broadly diversified over several industries or groups of industries. **Equity Securities Risk** is the risk that the values of the equity securities owned by the Fund may be more volatile and underperform other asset classes and the general securities markets. **Value Investing Risk** is the risk that the Fund's investment in companies whose securities are believed to be undervalued, relative to their underlying profitability, will not appreciate in value as anticipated. **Mid and Small Cap Stock Risk** is the risk that stocks of mid-sized and smaller companies may be more volatile than stocks of larger, more established companies, and may lack sufficient market liquidity. Mid-sized and small companies may have limited product lines or financial resources, may be dependent upon a particular niche of the market, or may be dependent upon a small or inexperienced management group. **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 securities of U.S. companies, due to less liquid markets and adverse economic, political, diplomatic, financial, and regulatory factors.

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Geographic Risk is the risk that if the Fund invests a significant portion of its total assets in certain issuers within the same country or geographic region, an adverse economic, business or political development affecting that country or region may affect the value of the Fund's investments more, and the Fund's investments may be more volatile, than if the Fund's investments were not so concentrated in such country or region. **Japan Investment Risk** is the risk of investing in securities of Japanese issuers. The Japanese economy may be subject to considerable degrees of economic, political and social instability, which could negatively impact Japanese issuers. In recent times, Japan's economic growth rate has remained low, and it may remain low in the future. In addition, Japan is subject to the risk of natural disasters, such as earthquakes, volcanic eruptions, typhoons and tsunamis, which could negatively affect the securities of Japanese companies held by the Fund. **Derivatives Risk** is the risk that derivatives may pose risks in addition to and greater than those associated with investing directly in securities, currencies 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. **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.