FlexShares Morningstar® Global Upstream Natural Resources Index Fund

OBJECTIVE
FlexShares Morningstar Global Upstream Natural Resources Index Fund seeks investment results that correspond generally to the price and yield performance, before fees and expenses, of the Morningstar Global Upstream Natural Resources Index (Underlying Index).

FUND FACTS
Tickers: GUNR
Inception: 09/16/2011
CUSIP: 33939L407
Exchange: NYSE

Underlying Index: Morningstar Global Upstream Natural Resources Index
Index Ticker: MUNRT
IOPV Ticker: GUNR.IV
Estimated Cash Ticker: GUNR.EU
Net Assets: $5,432,429,903
Shares Outstanding: 174,700,001
No. of Holdings: 123

EXPENSE RATIO (%)
Management Fee: 0.46
Acquired Fund Fees and Expenses: 0.00
Other Expenses: 0.00
Net Expense Ratio: 0.46

FUND CHARACTERISTICS
Average Market Cap ($) 58,036,912,656
Price to Earnings: 21.41
Price to Book: 2.04
SEC Subsidized Yield: 3.60%
SEC Unsубsidized Yield: 3.60%

QUARTER END PERFORMANCE (%)
As of September 30, 2019

<table>
<thead>
<tr>
<th></th>
<th>QTD</th>
<th>YTD</th>
<th>1 Yr.</th>
<th>3 Yr.</th>
<th>5 Yr.</th>
<th>Since Inception</th>
</tr>
</thead>
<tbody>
<tr>
<td>GUNR NAV Return</td>
<td>-5.07</td>
<td>8.82</td>
<td>-4.89</td>
<td>7.15</td>
<td>1.37</td>
<td>1.03</td>
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<tr>
<td>GUNR Market Return (Bid-Ask Midpoint)</td>
<td>-4.86</td>
<td>9.07</td>
<td>-4.77</td>
<td>7.03</td>
<td>1.38</td>
<td>1.04</td>
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<tr>
<td>Morningstar Global Upstream Natural Resources Index Return</td>
<td>-5.01</td>
<td>9.15</td>
<td>-4.51</td>
<td>7.59</td>
<td>1.81</td>
<td>1.38</td>
</tr>
<tr>
<td>S&amp;P Global Natural Resources Index Return</td>
<td>-6.18</td>
<td>6.43</td>
<td>-11.55</td>
<td>6.35</td>
<td>0.49</td>
<td>0.17</td>
</tr>
</tbody>
</table>

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.

Expense data 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.

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 is computed under an 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.

flexshares.com
855-FLEXETF (855-353-9383)
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 Morningstar® Global Upstream Natural Resources Index Fund (GUNR) 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 the global natural resource industry. As the demand for or prices of natural resources increase, the Fund’s equity investment generally would be expected to also increase. Conversely, declines in demand for or prices of natural resources generally would be expected to cause declines in value of such equity securities. Such declines may occur quickly and without warning and may negatively impact your investment in the Fund. 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.

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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.

All data provided by: Northern Trust, J.P. Morgan, Rimes and Thomson Reuters.

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