

FlexShares iBoxx[®] 5-Year Target Duration TIPS Index Fund

Objective and Strategy

FlexShares iBoxx 5-Year Target Duration TIPS Index Fund seeks to provide investment results that, before fees and expenses, correspond generally to the price and yield performance of the iBoxx 5-Year Target Duration TIPS Index (Underlying Index).

Different, by Design

1. Combine the inflation hedging attributes of TIPS with duration management
2. Calculate modified adjusted duration for TIPS securities with maturities from 3 to 20 years
3. Adjust portfolio weights to reach a modified adjusted duration of approximately five (5) years

Capital
Appreciation

Risk
Management

Income
Generation

Liquidity
Management

FUND FACTS

Ticker	TDTF
Inception	09/19/2011
CUSIP	33939L605
Exchange	NYSE
Underlying Index	iBoxx [®] 5-Year Target Duration TIPS Index SM
Index Ticker	IBXXTD5T
IOPV Ticker	TDTF.IV
Estimated Cash Ticker	TDTF.EU
Net Assets	\$557,985,539
Shares Outstanding	21,900,001
No. of Holdings	22

EXPENSE RATIO (%)

As of September 30, 2019

Management Fee	0.18
Acquired Fund Fees and Expenses	0.00
Other Expenses	0.00
Gross Expense Ratio	0.18
Expense Reimbursement	0.00
Net Expense Ratio	0.18

FUND CHARACTERISTICS

As of September 30, 2019

Weighted Average Maturity (years)	6.88
Weighted Average Price	107.24
Modified adjusted Duration	4.87
SEC Subsidized Yield	1.88%
SEC Unsubsidized Yield	1.88%

QUARTER END PERFORMANCE (%)

As of September 30, 2019

	QTD	YTD	1 Yr.	3 Yr.	5 Yr.	Since Inception
TDTF NAV Return	0.76	7.10	7.12	2.18	2.14	1.58
TDTF Market Return (Bid-Ask Midpoint)	0.88	7.31	7.25	2.20	2.15	1.61
iBoxx [®] 5-Year Target Duration TIPS Index SM Return	0.78	7.19	7.23	2.29	2.21	1.71
Bloomberg Barclays US TIPS Index Return	1.35	7.58	7.13	2.21	2.45	1.87

One cannot invest directly in an index.

Performance 1-year and less are cumulative; performance over 1-year are average annualized total returns.

Performance data quoted represents past performance and is no guarantee of future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. Current performance may be lower or higher than the original cost. The fund has a net (gross) expense ratio of 0.18% (0.18%). Northern Trust Investments, Inc. ("NTI" or "Investment Adviser") has contractually agreed to reimburse certain expenses (amount is less than 0.005%) of the Trust's independent trustees until March 1, 2020.

For the most recent month-end performance, please visit the Fund's website at www.flexshares.com.

TOP FUND HOLDINGS

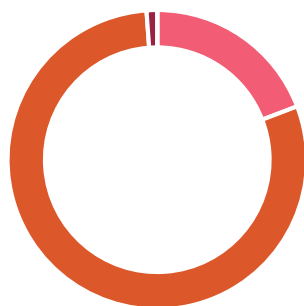
As of September 30, 2019

Name	Coupon	Maturity	Weight (%)
1. UNITED STATES OF AMERICA NOTES FIXED	0.625%	01/15/2026	8.07
2. UNITED STATES OF AMERICA NOTES FIXED	0.375%	01/15/2027	7.10
3. UNITED STATES OF AMERICA NOTES FIXED	0.125%	07/15/2026	6.75
4. UNITED STATES OF AMERICA BOND FIXED	3.625%	04/15/2028	5.88
5. UNITED STATES OF AMERICA NOTES FIXED	0.625%	01/15/2024	5.22
6. UNITED STATES OF AMERICA NOTES FIXED	0.375%	07/15/2023	5.17
7. UNITED STATES OF AMERICA NOTES FIXED	0.375%	07/15/2025	5.13
8. UNITED STATES OF AMERICA NOTES FIXED	0.250%	01/15/2025	5.09
9. UNITED STATES OF AMERICA NOTES FIXED	0.125%	07/15/2024	5.05
10. UNITED STATES OF AMERICA BOND FIXED	2.375%	01/15/2025	4.85
Total			58.32

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.

MATURITY BREAKDOWN (%)

As of September 30, 2019



● 0 - 1 Year	0.00
● 1 - 3 Years	0.00
● 3 - 5 Years	19.20
● 5 - 10 Years	79.65
● 10 - 20 Years	1.15
● 20+ Years	0.00

DISCLOSURES

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.

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. The Funds are subject to the following principal risks: asset class; commodity; concentration; counterparty; currency; derivatives; dividend; emerging markets; equity securities; fluctuation of yield; foreign securities; geographic; income; industry concentration; inflation-protected securities; infrastructure-related companies; interest rate / maturity risk; issuer; large cap; management; market; market trading; mid cap stock; MLP; momentum; natural resources; new funds; non-diversification; passive investment; privatization; small cap stock; tracking error; value investing; and volatility risk. A full description of risks is in the prospectus.

Performance would have been lower without fee waivers and reimbursements in effect.

FlexShares iBoxx® 5-Year Target Duration TIPS Index Fund (TDTF) may 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. The Fund is subject to fluctuation of yield risk, income risk, inflation protected security risk and interest rate/maturity risk. The Fund is non-diversified meaning the Fund performance may depend on the performance of a small number of issuers because the Fund may invest a large percentage of its assets in securities issued by or representing a small number of issuers.

Shares are bought and sold at market price (not NAV) and are not individually redeemed from the Fund. Market performance is determined using the bid/ask midpoint at 4:00pm Eastern time. NAV return is determined using the daily calculated Net Asset Value (NAV).

Weighted average price is a trading benchmark calculated by totaling the dollars traded for every transaction (price times number of shares traded), then dividing by the day's total shares traded. Weighted Average Maturity, for a portfolio of bonds, is the weighted average of the maturities of the underlying bonds. Average effective maturity is calculated by weighing each bond's maturity by its market value with respect to the portfolio, as well as the likelihood of any of the bonds being called.

Modified Adjusted Duration is the duration calculated from the real modified duration of a TIPS security, adjusted for the Market's estimated betas (as determined by regression analysis of price movements between TIPS and nominal Treasuries), which are impacted by actual and expected changes in inflation.

The iBoxx 5-Year Target Duration TIPS Index measures the performance of Treasury Inflation Protected Securities (TIPS) as determined by Markit iBoxx's index methodology. The eligible universe of TIPS is defined as having no less than 3 years and no more than 20 years until maturity as of the Index determination date. A proprietary regression calculation is then used to determine the modified adjusted duration of the TIPS and weight the TIPS in the Index at a modified adjusted duration level within a range of 5.0 years, plus or minus 5% within Index constraints. The Barclays Capital U.S. TIPS Index includes all publicly issued, U.S. Treasury inflation-protected securities that have at least one year remaining to maturity, are rated investment grade, and have \$250 million or more of outstanding face value. The iBoxx® 5-Year Target Duration TIPS Index is the intellectual property (including registered trademarks) of Markit iBoxx® 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 Markit iBoxx® and its Licensors and neither of the Licensors shall have any liability with respect thereto.

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