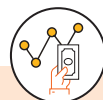


# FlexShares YOY Model Comparison

## 2020 v 2021



Allocation	Ticker	Maximum Growth			Growth with Moderate Income			Growth with Income			Income with Moderate Growth			Income		
		2020	2021	Change	2020	2021	Change	2020	2021	Change	2020	2021	Change	2020	2021	Change
<b>Growth</b>		80.00%	80.00%	0.00%	63.00%	63.00%	0.00%	46.00%	48.00%	2.00%	29.00%	29.00%	0.00%	13.00%	11.00%	-2.00%
<b>US Equity</b>																
FlexShares US Quality Large Cap Index Fund	QLC	22.00%	0.00%	-22.00%	20.40%	0.00%	-20.40%	18.75%	0.00%	-18.75%	9.60%	0.00%	-9.60%	3.50%	0.00%	-3.50%
FlexShares Morningstar US Market Factor Tilt Index Fund	TILT	22.00%	23.00%	1.00%	13.60%	18.00%	4.40%	6.25%	13.40%	7.15%	8.40%	8.40%		3.00%	3.00%	
FlexShares Quality Dividend Index Fund	QDF		11.50%	11.50%		9.00%	9.00%		6.80%	6.80%	6.40%	4.30%	-2.10%	3.50%	1.50%	-2.00%
FlexShares US Quality Low Volatility Index Fund	QLV		11.50%	11.50%		9.00%	9.00%		6.80%	6.80%		4.30%	4.30%		1.50%	1.50%
<b>Developed ex-US Equity</b>																
FlexShares Morningstar Developed Markets ex-US Factor Tilt Index Fund	TLTD	26.00%	24.00%	-2.00%	21.00%	19.00%	-2.00%	15.00%	15.00%	0.00%	10.00%	9.00%	-1.00%	4.00%	4.00%	0.00%
<b>Emerging Market Equity</b>																
FlexShares Morningstar Emerging Markets Factor Tilt Index Fund	TLTE	10.00%	10.00%	0.00%	8.00%	8.00%	0.00%	6.00%	6.00%	0.00%	3.00%	3.00%	0.00%	2.00%	1.00%	-1.00%
<b>Inflation Sensitive</b>		12.00%	10.00%	-2.00%	10.00%	8.00%	-2.00%	7.00%	5.00%	-2.00%	4.00%	3.00%	-1.00%	2.00%	2.00%	0.00%
<b>Global Natural Resources</b>																
FlexShares Morningstar Global Upstream Natural Resources Index Fund	GUNR	7.00%	4.00%	-3.00%	6.00%	3.00%	-3.00%	4.00%	2.00%	-2.00%	2.00%	1.00%	-1.00%	1.00%	1.00%	0.00%
<b>Global Real Estate</b>																
FlexShares Global Quality Real Estate Index Fund	GQRE	2.50%	3.00%	0.50%	2.00%	2.50%	0.50%	1.50%	1.50%	0.00%	1.00%	1.00%	0.00%	0.50%	0.50%	0.00%
<b>Global Infrastructure</b>																
FlexShares STOXX Global Infrastructure Index Fund	NFRA	2.50%	3.00%	0.50%	2.00%	2.50%	0.50%	1.50%	1.50%	0.00%	1.00%	1.00%	0.00%	0.50%	0.50%	0.00%
<b>Income</b>		8.00%	10.00%	2.00%	26.00%	28.00%	2.00%	45.00%	45.00%	0.00%	64.00%	65.00%	1.00%	81.00%	83.00%	2.00%
<b>US Investment Grade Fixed Income</b>																
FlexShares Core Select Bond Fund	BNDC				17.00%	17.00%	0.00%	34.00%	33.00%	-1.00%	52.00%	51.00%	-1.00%	68.00%	68.00%	0.00%
<b>US High Yield Fixed Income</b>																
FlexShares High Yield Value-Scored Bond Index Fund	HYGV	8.00%	10.00%	2.00%	6.00%	8.00%	2.00%	5.00%	6.00%	1.00%	3.00%	4.00%	1.00%	1.00%	2.00%	1.00%
<b>Treasury Inflation-Protected Securities</b>																
FlexShares iBoxx 3-Year Target Duration TIPS Index Fund	TDDT				3.00%	3.00%	0.00%	6.00%	6.00%	0.00%	9.00%	10.00%	1.00%	12.00%	13.00%	1.00%
<b>Cash &amp; Short-Term</b>		0.00%	0.00%	0.00%	1.00%	1.00%	0.00%	2.00%	2.00%	0.00%	3.00%	3.00%	0.00%	4.00%	4.00%	0.00%
FlexShares Ready Access Variable Index Fund	RAVI				1.00%	1.00%	0.00%	2.00%	2.00%	0.00%	3.00%	3.00%	0.00%	4.00%	4.00%	0.00%
<b>Total</b>		100.00%	100.00%		100.00%	100.00%		100.00%	100.00%		100.00%	100.00%		100.00%	100.00%	

## MODEL DESCRIPTIONS:

**Maximum Growth:** Designed for investors who want larger returns over a longer-term investing horizon and are willing to accept more risk

**Growth with Moderate Income:** Designed for investors who are seeking growth of capital with income

**Growth with Income:** Designed for investors who are interested in focusing on long-term wealth but at the same time need to be more cautious on the risk front while having a balance of assets that provide current income

**Income with Moderate Growth:** Designed for investors who wish to preserve a large portion of the portfolio's total value, but are willing to take on a higher amount of risk to get some inflation protection while also generating income

**Income:** Designed for investors who want to focus on generating income while also preserving capital

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## FIND OUT MORE

The FlexShares approach to index-based investing is, first and foremost, investor-centric and goal oriented. We pride ourselves on our commitment to developing products that are designed to meet real-world objectives for both institutional and individual investors. If you would like to discuss the attributes of any of the ETFs discussed in this report in greater depth or find out more about the index methodology behind them please don't hesitate to call us at 1-855-FlexETF (1-855-353-9383) or visit **www.FlexShares.com**.

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## 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](http://www.flexshares.com). Read the prospectus carefully before you invest.**

### **Forside 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; authorized participant, calculation methodology; commodity; concentration; counterparty; currency; derivatives; dividend; emerging markets; equity securities; financial sector, fluctuation of yield; foreign securities; geographic; high portfolio turnover; income; industry concentration; inflation; infrastructure-related companies; interest rate; issuer; liquidity; large cap; management; market; market trading; mid cap stock; MLP; momentum; natural resources; new funds; non-diversification; passive investment; privatization; securities lending; small cap stock; tracking error; value investing; and volatility risk. A full description of risks is in the prospectus.

In addition FlexShares Fixed Income ETFs are generally subject to corporate bond; credit, debt extension, maturity, mortgage backed pass through securities, non us issuer, and valuation risks. A full description of risks is in the prospectus. Additionally, High Yield securities are considered highly speculative, and are subject to greater credit risk, price volatility and risk of loss than if it invested primarily in investment grade securities. There is a higher risk that an issuer will be unable to meet principal and interest rate payments on an obligation and may also be subject to more substantial price volatility due to such factors as interest rate sensitivity, market perception of credit worthiness of and general market liquidity than if the fund invested in investment grade securities. A full description of risks is in the prospectus.

The hypothetical non-investable models are for informational purposes only. The models may not be suitable allocations for all investors. Your own investment experience will differ including the possibility of losing money. The hypothetical model is not intended to represent any specific type of investment.

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