

FlexShares STOXX[®] US ESG Select Index Fund (ESG)

FLEXSHARES EXCHANGE TRADED FUNDS

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The FlexShares STOXX US ESG Select Index Fund— or ESG — attempts to provide investors with a portfolio that provides exposure to U.S. companies that adhere to environmental, social and governance principles.

We build the ESG fund through a four-step process.

First, is the selection of U.S.-based companies from the universe of STOXX Global 1800 Index members to build the customized STOXX USA ESG Select KPIs Index.

Next, apply ESG framing by excluding companies which do not adhere to the UN Global Compact Principles. These principles include participation in the Carbon Disclosure Project, emission reduction targets, policies against child labor, and good governance policies like set percentages of independent board members, female board members, and golden parachute agreements.

ESG Integration is next. This is a scalable and quantitative process where it is determined which stocks exhibit positive risk/return vs. a market weighted approach, provide exposure to environment, social, and governance factors, and improve portfolio diversification benefits.

Finally, implementation of Diversification Controls in an attempt to maintain sector and style neutrality versus the index while keeping a plus-minus 5% company constraint and a plus-minus 1% country constraint.

To learn more about the FlexShares STOXX US ESG Select Index Fund, visit [FlexShares.com/funds/ESG](https://www.flexshares.com/funds/ESG)

Investing involves risk including possible loss of principal. FlexShares STOXX US ESG Select Index Fund (ESG) is a passively managed fund that invests in equity securities of U.S. based companies. The Fund is subject to environmental, social and governance (ESG) Investment Risk, which is the risk that the ESG methodology may underperform the broader equity market or other funds that do not utilize ESG criteria. The Fund may be subject to concentration risk of securities in a particular industry or group of industries. Please read the Fund's prospectus for specific details regarding the Fund's risk profile.

Carefully consider the Fund's investment objectives, risks, charges, expenses before investing. A prospectus is available at www.flexshares.com; read it carefully before investing.

FlexShares funds are distributed by Foreside Fund Services, LLC.