

FEUS

FlexShares ESG & Climate US Large Cap Core Index Fund ETF

Fund Description

FEUS tracks a principles-based index of US-listed large-cap companies that exhibit environmental, social, and corporate governance (ESG) characteristics.

FactSet Analyst Report

FEUS follows an index designed to provide a broad exposure to US companies that exhibit several specific environmental, social, and corporate governance attributes. Selection begins with the constituents of the Northern Trust 600 Index - an index composed of the 600 largest companies in the US equity space. Each eligible company is ranked based on their ESG scores as measured by their ability to manage risks associated with material ESG issues and their good corporate governance. Moreover, the fund also utilizes carbon-related risk metrics to assess the carbon emissions intensity, carbon reserves, and carbon risk exposure for each firm. Companies are also screened and excluded based on business activities that produce negative impacts in the environment. Additional optimization is also done to minimize systematic risk including constituent, liquidity, absolute weight, sector, industry group, and turnover constraints. The index is reconstituted on a quarterly basis.

