

» Fund Objective

This exchange-traded fund seeks investment results that correspond generally to the price and yield (before the fund's fees and expenses) of an equity index called the Dow Jones Select MicroCap IndexSM.

» Fund Facts

Fund Ticker	FDM
CUSIP	33718M105
Intraday NAV	FDMIV
Fund Inception Date	9/27/05
Gross Expense Ratio [^]	0.71%
Net Expense Ratio	0.60%
Rebalance Frequency	Quarterly
Primary Listing	NYSE Arca

» Index Facts

Index Ticker	DJSMT
Index Inception Date	6/27/05

» Index Description

- » This index is designed to represent microcap stocks trading on the New York Stock Exchange ("NYSE[®]"), NYSE Amex and Nasdaq that are comparatively liquid and have strong fundamentals relative to the micro-capitalization segment as a whole.
- » Covers securities whose market capitalizations fall within a range defined by the bottom two deciles of NYSE stocks.
- » Stocks are screened based on market capitalization, trading volume, and financial indicators that include trailing price/earnings ratio, trailing price/sales ratio, per-share profit change for the previous quarter, operating profit margin and six-month total return.

» Performance Summary (%)

	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	Since Fund Inception
Fund Performance*							
Net Asset Value (NAV)	7.32	34.71	34.71	17.96	9.22	13.74	8.52
After Tax Held	7.08	34.10	34.10	17.22	8.61	13.13	8.08
After Tax Sold	4.34	20.54	20.54	13.77	6.95	11.20	6.93
Market Price	7.27	34.58	34.58	18.04	9.19	13.82	8.53

» Index Performance**

Dow Jones Select MicroCap Index SM	7.48	35.60	35.60	19.00	10.03	14.52	9.28
Russell 2000 [®] Index	2.14	14.82	14.82	20.02	12.02	13.23	9.29

» Calendar Year Total Returns (%)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
FDM	-8.69	15.86	43.32	3.08	0.55	35.45	8.44	-12.68	27.25	-4.25	34.71
Russell 2000 [®] Index	-4.18	16.35	38.82	4.89	-4.41	21.31	14.65	-11.01	25.52	19.96	14.82

» 3-Year Statistics

	Standard Deviation (%)	Alpha	Beta	Sharpe Ratio	Correlation
FDM	26.92	-2.34	1.08	0.72	0.95
Russell 2000 [®] Index	23.68	—	1.00	0.85	1.00

Overall Morningstar Rating[™]

Among 418 funds in the Small Value category. This fund was rated 3 stars/418 funds (3 years), 3 stars/392 funds (5 years), 4 stars/300 funds (10 years) based on risk adjusted returns.[§]

Performance data quoted represents past performance. Past performance is not a guarantee of future results and current performance may be higher or lower than performance quoted. Investment returns and principal value will fluctuate and shares when sold or redeemed, may be worth more or less than their original cost. You can obtain performance information which is current through the most recent month-end by visiting www.ftportfolios.com.

[^]Expenses are capped contractually at 0.60% per year, at least until April 30, 2022.

*NAV returns are based on the fund's net asset value which represents the fund's net assets (assets less liabilities) divided by the fund's outstanding shares. **After Tax Held** returns represent return after taxes on distributions. Assumes shares have not been sold. **After Tax Sold** returns represent the return after taxes on distributions and the sale of fund shares. Returns do not represent the returns you would receive if you traded shares at other times. **Market Price** returns are determined by using the midpoint of the national best bid offer price ("NBBO") as of the time that the fund's NAV is calculated. Returns are average annualized total returns, except those for periods of less than one year, which are cumulative. The fund's performance reflects fee waivers and expense reimbursements, absent which performance would have been lower. After-tax returns are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on the investor's tax situation and may differ from those shown. The after-tax returns shown are not relevant to investors who hold their fund shares through tax-deferred arrangements such as 401(k) plans or individual retirement accounts.

**Performance information for the Dow Jones Select MicroCap IndexSM is for illustrative purposes only and does not represent actual fund performance. Indexes do not charge management fees or brokerage expenses, and no such fees or expenses were deducted from the performance shown. Indexes are unmanaged and an investor cannot invest directly in an index.

>> Portfolio Information

Number Of Holdings	207
Maximum Market Cap.	\$4.91 Billion
Median Market Cap.	\$640 Million
Minimum Market Cap.	\$104 Million
Price/Earnings	10.69
Price/Book	1.61
Price/Cash Flow	7.85
Price/Sales	0.84

>> Top Holdings (%)

AdvanSix Inc.	1.14
Alpha and Omega Semiconductor Limited	1.10
Ingles Markets, Incorporated	1.06
The Andersons, Inc.	1.03
Photronics, Inc.	0.99
Federal Agricultural Mortgage Corporation	0.98
Plymouth Industrial REIT, Inc.	0.95
Metropolitan Bank Holding Corp.	0.93
Banc of California, Inc.	0.91
HomeStreet, Inc.	0.91

>> Top Sector Exposure (%)

Financials	34.11
Industrials	14.92
Consumer Discretionary	14.53
Information Technology	9.27
Health Care	7.68
Real Estate	6.62
Materials	5.09
Consumer Staples	4.17
Energy	2.33
Communication Services	0.65
Utilities	0.63

You should consider the fund's investment objectives, risks, and charges and expenses carefully before investing. Contact First Trust Portfolios L.P. at 1-800-621-1675 or visit www.ftportfolios.com to obtain a prospectus or summary prospectus which contains this and other information about the fund. The prospectus or summary prospectus should be read carefully before investing.

Risk Considerations

A fund's return may not match the return of its underlying index. A fund invests in securities included in the index regardless of investment merit and the securities held by a fund will generally not be bought or sold in response to market fluctuations.

Investors buying or selling fund shares on the secondary market may incur customary brokerage commissions. Market prices may differ to some degree from the net asset value of the shares. Investors who sell fund shares may receive less than the share's net asset value. Shares may be sold throughout the day on the exchange through any brokerage account. However, unlike mutual funds, shares may only be redeemed directly from a fund by authorized participants in very large creation/redemption units. If a fund's authorized participants are unable to proceed with creation/redemption orders and no other authorized participant is able to step forward to create or redeem, fund shares may trade at a discount to a fund's net asset value and possibly face delisting.

A fund's shares will change in value, and you could lose money by investing in a fund. One of the principal risks of investing in a fund is market risk. Market risk is the risk that a particular stock owned by a fund, fund shares or stocks in general may fall in value. There can be no assurance that a fund's investment objective will be achieved. The outbreak of the respiratory disease designated as COVID-19 in December 2019 has caused significant volatility and declines in global financial markets, which have caused losses for investors. While the development of vaccines has slowed the spread of the virus and allowed for the resumption of "reasonably" normal business activity in the United States, many countries continue to impose lockdown measures in an attempt to slow the spread. Additionally, there is no guarantee that vaccines will be effective against emerging variants of the disease.

As the use of Internet technology has become more prevalent in the course of business, funds have become more susceptible to potential operational risks through breaches in cyber security.

A fund may be a constituent of one or more indices or models which could greatly affect a fund's trading activity, size and volatility.

There is no assurance that the index provider or its agents will compile or maintain the index accurately.

There can be no assurance that the securities held by a fund will stay within a fund's intended market capitalization range.

Micro-capitalization companies may be more vulnerable to adverse general market or economic developments, may be less liquid, and may experience greater price volatility than larger, more established companies.

A fund and a fund's advisor may seek to reduce various operational risks through controls and procedures, but it is not possible to completely protect against such risks.

High portfolio turnover may result in higher levels of transaction costs and may generate greater tax liabilities for shareholders.

A fund with significant exposure to a single asset class, industry, or sector may be more affected by an adverse economic or political development than a broadly diversified fund.

Trading on the exchange may be halted due to market conditions or other reasons. There can be no assurance that the requirements to maintain the listing of a fund on the exchange will continue to be met or be unchanged.

First Trust Advisors L.P. is the adviser to the fund. First Trust Advisors L.P. is an affiliate of First Trust Portfolios L.P., the fund's distributor.

The information presented is not intended to constitute an investment recommendation for, or advice to, any specific person. By providing this information, First Trust is not undertaking to give advice in any fiduciary capacity within the meaning of ERISA, the Internal Revenue Code or any other regulatory framework. Financial professionals are responsible for evaluating investment risks independently and for exercising independent judgment in determining whether investments are appropriate for their clients.

Definitions

Standard Deviation is a measure of price variability (risk). **Alpha** is an indication of how much an investment outperforms or underperforms on a risk-adjusted basis relative to its benchmark. **Beta** is a measure of price variability relative to the market. **Sharpe Ratio** is a measure of excess reward per unit of volatility. **Correlation** is a measure of the similarity of performance. The **Russell 2000® Index** is comprised of the smallest 2000 companies in the Russell 3000 Index.

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§The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The Morningstar Rating does not include any adjustment for sales loads. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. ©2022 Morningstar, Inc. All Rights Reserved. The Morningstar Rating™ information contained herein: (1) is proprietary to Morningstar; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.