

» Fund Objective

This exchange-traded fund seeks total return.

» Fund Facts

Fund Ticker	FCVT
CUSIP	33739Q507
Intraday NAV	FCVTIV
Fund Inception Date	11/3/15
Expense Ratio	0.95%
Primary Listing	Nasdaq

» Fund Description

» The First Trust SSI Strategic Convertible Securities ETF is an actively managed exchange-traded fund (ETF) that seeks to deliver total return by investing, under normal market conditions, at least 80% of its net assets in a diversified portfolio of U.S. and non-U.S. convertible securities.

- **Equity upside participation with muted volatility:** The embedded conversion option provides equity market participation, with potential for attractive risk-adjusted returns.
- **Potential downside protection through fixed-income attributes:** The bond-like characteristics of convertible securities offer potential downside protection relative to traditional equity investments.
- **Reduced sensitivity to interest rate risk:** Convertible securities have historically exhibited limited sensitivity to interest rates because of their embedded conversion option.
- **Beneficial diversification properties for investors seeking managed capital appreciation and income:** Historically, convertible securities are not highly correlated with other asset classes. Because of this, they have the potential to enhance overall return and provide meaningful diversification to an asset allocation strategy.

» Fund Sub-Advisor

- » The portfolio is sub-advised and managed by SSI Investment Management Inc. (SSI).
- » SSI has provided highly specialized expertise in convertible securities and has managed risk for institutional investors and high net worth individuals for over 30 years.
- » SSI adds value through an active management style that combines quantitative and fundamental disciplines and believes its quantitative analysis provides the most effective framework for identifying superior value in selecting attractive portfolio candidates.
- » Day-to-day management decisions for the fund's portfolio are made by a highly experienced and seasoned management team:
 - George M. Douglas, CFA, Principal and Chief Investment Officer
 - Ravi Malik, CFA, Principal and Portfolio Manager
 - Michael J. Opre, CFA, Portfolio Manager
 - Florian Eitner, CFA, Portfolio Manager
 - Stephen R. Wachtel, Portfolio Manager

» Performance Summary (%)

	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	Since Fund Inception
Fund Performance*							
Net Asset Value (NAV)	-0.45	3.71	3.71	24.01	16.36	—	14.08
After Tax Held	-5.61	-1.99	-1.99	21.13	14.36	—	12.28
After Tax Sold	1.96	4.51	4.51	18.41	12.59	—	10.80
Market Price	-0.06	4.04	4.04	24.35	16.26	—	14.14
Index Performance**							
ICE BofA All US Convertibles Index	-0.03	6.34	6.34	24.18	16.87	—	14.62

» Calendar Year Total Returns (%)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
FCVT	—	—	—	—	—	6.79	13.62	-1.57	22.45	50.19	3.71
ICE BofA All US Convertibles Index	—	—	—	—	—	10.43	13.70	0.16	23.15	46.22	6.34

» 3-Year Statistics

	Standard Deviation (%)	Alpha	Beta	Sharpe Ratio	Correlation
FCVT	17.40	-1.00	1.04	1.27	0.99
ICE BofA All US Convertibles Index	16.53	—	1.00	1.33	1.00

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.

*30-day SEC yield is calculated by dividing the net investment income per share earned during the most recent 30-day period by the maximum offering price per share on the last day of the period.

*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. 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.

**The ICE BofA All US Convertibles Index is the fund's benchmark. 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	124
Weighted Average Effective Duration ¹	1.27 Years

» Security Type (%)

Convertible Bond	83.81
Mandatory Preferred	12.38
Cash & Equivalent	2.69
Convertible Preferred	1.12

¹A measure of a bond's sensitivity to interest rate changes that reflects the change in a bond's price given a change in yield.

» Top Holdings (%)

Broadcom Inc., Series A, 8.00%, Due 09/30/2022	2.84
PALO ALTO NETWORKS Convertible, 0.75%, due 07/01/2023	2.65
Danaher Corporation, Series B, Convertible, 5.00%, Due 04/15/2023	2.49
DEXCOM INC Convertible, 0.25%, due 11/15/2025	2.41
ON SEMICONDUCTOR CORP Convertible, 0%, due 05/01/2027	2.27
PIONEER NATURAL RESOURCES Convertible, 0.25%, due 05/15/2025	2.13
LIVE NATION ENTERTAINMENT Convertible, 2.50%, due 03/15/2023	2.08
FORD MOTOR COMPANY Convertible, 0%, due 03/15/2026	2.03
SOUTHWEST AIRLINES CO Convertible, 1.25%, due 05/01/2025	1.95
ETSY INC Convertible, 0.125%, due 09/01/2027	1.50

» Top Sector Exposure (%)

Information Technology	39.67
Health Care	14.96
Consumer Discretionary	10.35
Financials	7.87
Industrials	6.67
Energy	6.19
Transportation	3.63
Media	2.76
Cash & Equivalent	2.69
Materials	1.66
Consumer Staples	1.57
Utilities	1.37
Communication Services	0.63

You should consider the fund's investment objective, 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

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.

In managing a fund's investment portfolio, the portfolio managers will apply investment techniques and risk analyses that may not have the desired result.

A fund that effects all or a portion of its creations and redemptions for cash rather than in-kind may be less tax-efficient.

A convertible security is exposed to risks associated with both equity and debt securities. The value of convertibles may rise and fall with the market value of the underlying stock or vary with changes in interest rates and credit quality of the issuer.

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.

Certain securities are subject to call, credit, inflation, income, interest rate, extension and prepayment risks. These risks could result in a decline in a security's value and/or income, increased volatility as interest rates rise or fall and have an adverse impact on a fund's performance.

High yield securities, or "junk" bonds, are less liquid and are subject to greater market fluctuations and risk of loss than securities with higher ratings, and therefore, are considered to be highly speculative.

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

Certain fund investments may be subject to restrictions on resale, trade over-the-counter or in limited volume, or lack an active trading market. Illiquid securities may trade at a discount and may be subject to wide fluctuations in market value.

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.

Preferred securities combine some of the characteristics of both common stocks and bonds. Preferred stocks are typically subordinated to other debt instruments in terms of priority to corporate income, and therefore will be subject to greater credit risk than those debt instruments.

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

Securities of small- and mid-capitalization companies may experience greater price volatility and be less liquid than larger, more established companies.

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.

Due to the lack of centralized information and trading, and variations in lot sizes of certain debt securities, the valuation of debt securities may carry more uncertainty and risk than that of publicly traded securities.

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 **ICE BofA All US Convertibles Index** measures the return of all U.S. convertibles.