

### >> Fund Objective

This exchange-traded fund seeks to maximize long-term total return.

### >> Fund Facts

Fund Ticker	UCON
CUSIP	33740F888
Intraday NAV	UCONIV
Fund Inception Date	6/4/18
Gross Expense Ratio*	0.86%
Net Expense Ratio	0.76%
30-Day SEC Yield†	1.59%
Unsubsidized 30-Day SEC Yield‡	1.49%
Primary Listing	NYSE Arca

### >> Fund Description

- >> The First Trust TCW Unconstrained Plus Bond ETF is an actively managed exchange-traded fund.
- >> Under normal market conditions, the fund intends to invest at least 80% of its net assets (including investment borrowings) in a portfolio of fixed income securities. The fund may invest in fixed income securities of any type or credit quality, including up to 70% in high yield (or "junk") securities, up to 60% in emerging market securities and up to 50% in securities denominated in foreign currencies.
- >> The fund's sub-advisor, TCW Investment Management Company LLC ("TCW") intends to employ a flexible approach that allocates the fund's investments across a range of global investment opportunities while actively managing exposure to interest rates, credit sectors and currencies to identify securities that they believe are undervalued and offer a superior risk/return profile.
- >> The investment process uses a combination of top-down business cycle analysis and bottom-up fundamental research, focusing on these strategies:
  - **Duration:** At the core of the investment process is TCW's long-term economic outlook, which drives the duration strategy.
  - **Yield Curve:** Yield curve positioning is based on TCW's fundamental outlook, evaluation of yield spread relationships and total return analysis.
  - **Sector Allocation:** The portfolio is allocated across domestic and international fixed income sectors. Shifts in sector allocations are based on relative value decisions, allocating to the most attractive sectors at pronounced, though generally infrequent, turning points in market cycles.
  - **Issue Selection:** Security selection involves evaluation of credit discipline and intensive fundamental credit analysis considering factors such as cash flow consistency, liquidity, collateral coverage, capital structure analysis and management quality.
  - **Trading:** Diligent pursuit of best execution and opportunistic trading opportunities are essential to the investment process.

### >> Fund Sub-Advisor

- >> TCW Investment Management Company LLC is the sub-advisor to the fund and will manage the fund's portfolio.
  - TCW is a wholly owned subsidiary of The TCW Group, Inc. ("TCW Group"), which is a leading global asset management firm with nearly five decades of investment experience.
  - TCW Group manages a broad range of products across fixed income, equities, emerging markets and alternative investments.
  - Through the TCW and MetWest Fund Families, TCW manages one of the largest mutual fund complexes in the U.S.

### >> Performance Summary (%)

	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	Since Fund Inception
<b>Fund Performance*</b>							
Net Asset Value (NAV)	-0.31	1.02	1.02	4.81	—	—	4.46
After Tax Held	-0.50	0.13	0.13	3.58	—	—	3.23
After Tax Sold	-0.18	0.61	0.61	3.16	—	—	2.89
Market Price	-0.27	0.98	0.98	4.94	—	—	4.51

### Index Performance\*\*

ICE BofA US Dollar 3-Month Deposit Offered Rate Average Index	0.03	0.17	0.17	1.17	—	—	1.38
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### >> Calendar Year Total Returns (%)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
UCON	—	—	—	—	—	—	—	—	6.73	6.78	1.02
ICE BofA US Dollar 3-Month Deposit Offered Rate Average Index	—	—	—	—	—	—	—	—	2.49	0.87	0.17

### >> 3-Year Statistics

	Standard Deviation (%)	Alpha	Beta	Sharpe Ratio	Correlation
UCON	4.36	-1.31	29.05	0.85	0.03
ICE BofA US Dollar 3-Month Deposit Offered Rate Average Index	0.31	—	1.00	1.35	1.00

Overall Morningstar Rating™



Among 294 funds in the Nontraditional Bond category.  
This fund was rated 4 stars/294 funds (3 years) based on risk adjusted returns.5

*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](http://www.ftportfolios.com).*

\*First Trust has contractually agreed to waive management fees of 0.10% of average daily net assets until December 31, 2022.

†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 and includes the effects of fee waivers and expense reimbursements.

‡The unsubsidized 30-day SEC yield is calculated the same as the 30-day SEC yield, however it excludes contractual fee waivers and expense reimbursements.

\*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.

\*\*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	807
Weighted Average Effective Duration <sup>1</sup>	1.90 Years
Weighted Average Maturity	4.39 Years

## » Maturity Exposure (%)

0 - 0.99 Years	20.10
1 - 2.99 Years	12.70
3 - 4.99 Years	19.10
5 - 6.99 Years	17.00
7 - 9.99 Years	23.10
10 - 19.99 Years	5.20
20 Years & Over	2.80

<sup>1</sup>A measure of a security's sensitivity to interest rate changes that reflects the change in a security's price given a change in yield.

<sup>2</sup>The credit quality and ratings information presented reflect the ratings assigned by one or more nationally recognized statistical rating organizations (NRSROs), including Standard & Poor's Rating Group, a division of the McGraw Hill Companies, Inc., Moody's Investors Service, Inc., Fitch Ratings, or a comparably rated NRSRO. For situations in which a security is rated by more than one NRSRO and the ratings are not equivalent, the lowest ratings are used. Sub-investment grade ratings are those rated BB+/Ba1 or lower. Investment grade ratings are those rated BBB-/Baa3 or higher. The credit ratings shown relate to the creditworthiness of the issuers of the underlying securities in the fund, and not to the fund or its shares. U.S. Treasury, U.S. Agency and U.S. Agency mortgage-backed securities appear under "Government/Agency". Credit ratings are subject to change.

## » Top Holdings (%)

Fannie Mae or Freddie Mac TBA, 2.50%, due 10/01/2051	4.47
Fannie Mae or Freddie Mac TBA, 2%, due 10/01/2051	4.15
U.S. Treasury Bill, 0%, due 01/06/2022	3.97
U.S. Treasury Bill, 0%, due 06/09/2022	2.66
U.S. Treasury Bill, 0%, due 02/03/2022	2.46
U.S. Treasury Bill, 0%, due 01/25/2022	2.43
U.S. Treasury Bill, 0%, due 01/20/2022	1.89
U.S. Treasury Bill, 0%, due 06/16/2022	1.73
JAPAN TREASURY DISC BILL 0%, due 02/28/2022	0.88
U.S. Treasury Bill, 0%, due 02/08/2022	0.87

## » Fund Composition (%)

Non-Agency MBS	18.90
Investment Grade Credit	15.40
Cash & Equivalents	14.40
ABS	13.20
CMBS	12.80
High Yield Credit	10.50
Agency MBS	9.20
Emerging Market Credit	5.60
Bank Loans	0.00
Other	0.00

## » Credit Quality (%)<sup>2</sup>

Government/Agency	26.60
AAA	8.30
AA+	0.70
AA	2.50
AA-	2.00
A+	0.70
A	3.00
A-	4.60
BBB+	4.40
BBB	8.00
BBB-	5.80
BB+	3.10
BB	2.90
BB-	3.00
B+	1.80
B	2.80
B-	1.40
CCC+	1.00
CCC	4.60
CCC-	3.60
CC	5.70
C	1.80
D	1.70

**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](http://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 fund may be subject to the risk that a counterparty will not fulfill its obligations which may result in significant financial loss to a fund. 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. The use of listed and OTC derivatives, including futures, options, swap agreements and forward contracts, can lead to losses because of adverse movements in the price or value of the underlying asset, index or rate, which may be magnified by certain features of the derivatives. These risks are heightened when a fund's portfolio managers use derivatives to enhance a fund's returns or as a substitute for a position or security, rather than solely to hedge (or offset) the risk of a position or security held by a fund.

The market value of floating rate securities may fall in a declining interest rate environment and may also fall in a rising interest rate environment if there is a lag between the rise in interest rates and the reset. Income earned by a fund on floating rate securities may decline due to lower coupon payments on

floating-rate securities.

High yield securities, or "junk" bonds, 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. To the extent a fund invests in floating or variable rate obligations that use the London Interbank Offered Rate ("LIBOR") as a reference interest rate, it is subject to LIBOR Risk. The United Kingdom's Financial Conduct Authority, which regulates LIBOR, will cease making LIBOR available as a reference rate over a phase-out period that will begin immediately after December 31, 2021. The unavailability or replacement of LIBOR may affect the value, liquidity or return on certain fund investments and may result in costs incurred in connection with closing out positions and entering into new trades. Any potential effects of the transition away from LIBOR on a fund or on certain instruments in which a fund invests can be difficult to ascertain, and they may vary depending on a variety of factors, and they could result in losses to a fund.

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.

Mortgage-related securities are more susceptible to adverse economic, political or regulatory events that affect the value of real estate. They are also subject to the risk that the rate of mortgage prepayments decreases, which extends the average life of a security and increases the interest rate exposure.

There are no government or agency guarantees of payments in securities offered by non-government issuers, therefore they are subject to the credit risk of the issuer. Non-agency securities often trade "over-the-counter" and there may be a limited market for them making them difficult to value.

A fund classified as "non-diversified" may invest a relatively high percentage of its assets in a limited number of issuers. As a result, a fund may be more susceptible to a single adverse economic or regulatory occurrence affecting one or more of these issuers, experience increased volatility and be highly concentrated in certain issuers.

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, country, region, industry, or sector may be more affected by an adverse economic or political development than a broadly diversified fund.

The purchase of TBA ("to be announced") securities may give rise to investment leverage and increase a fund's volatility. In addition, default by, or bankruptcy of, a counterparty to a TBA transaction would expose a fund to possible losses.

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 US Dollar 3-Month Deposit Offered Rate Average Index** is a 3-month average of the interest rate that the banks in the index, determined by the ICE Benchmark Administration, pay when they borrow on an unsecured basis.

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.