

» 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 NASDAQ Clean Edge Smart Grid Infrastructure Index™.

» Fund Facts

Fund Ticker	GRID
CUSIP	33737A108
Intraday NAV	GRIDIV
Fund Inception Date	11/16/09
Gross Expense Ratio [^]	0.63%
Net Expense Ratio	0.63%
Rebalance Frequency	Quarterly
Primary Listing	Nasdaq

» Index Facts

Index Ticker	QGDIX
Index Inception Date	9/22/09

» Index Description

- » The index is designed to track the performance of common stocks in the grid and electric energy infrastructure sector. The index includes companies that are primarily engaged and involved in electric grid, electric meters and devices, networks, energy storage and management, and enabling software used by the smart grid infrastructure sector.
- » To be included in the index, a security must meet certain criteria including being classified as a smart grid, electric infrastructure and/or other grid-related activities company according to Clean Edge, have a minimum worldwide market capitalization of \$100 million, have a minimum free float of 20%, and have a minimum three-month average daily dollar trading volume of \$500 thousand.
- » The index employs a float-adjusted modified market-capitalization weighting methodology. At each evaluation, the index securities are classified as Pure Play or Diversified. The Pure Play securities are given a collective weight of 80% and the Diversified securities are given a collective weight of 20% in the index.
- » The index is rebalanced quarterly and reconstituted semi-annually.

» Performance Summary (%)

	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	Since Fund Inception
Fund Performance*							
Net Asset Value (NAV)	-8.34	-8.34	10.31	30.37	18.81	14.08	10.82
After Tax Held	-8.39	-8.39	9.96	29.86	18.28	13.53	10.35
After Tax Sold	-4.94	-4.94	6.10	24.13	15.01	11.52	8.81
Market Price	-8.57	-8.57	9.82	30.32	18.87	14.08	10.81

Index Performance**

Nasdaq Clean Edge Smart Grid Infrastructure Index™	-7.75	-7.75	11.54	31.87	19.91	15.07	11.78
MSCI World Industrials Index	-6.22	-6.22	1.46	10.90	9.34	9.77	9.84
S&P Composite 1500 Industrials Index	-3.24	-3.24	5.61	13.63	11.52	12.88	13.38
Russell 3000® Index	-5.28	-5.28	11.92	18.24	15.40	14.28	14.14

» Calendar Year Total Returns (%)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD
GRID	19.69	24.41	-0.73	-6.88	24.78	28.19	-22.29	42.05	48.25	28.36	-8.34
MSCI World Industrials Index	16.02	32.10	0.42	-2.06	12.88	25.23	-14.54	27.77	11.68	16.60	-6.22
S&P Composite 1500 Industrials Index	16.46	41.19	8.48	-2.71	20.41	21.06	-13.38	29.80	11.69	22.18	-3.24
Russell 3000® Index	16.42	33.55	12.56	0.48	12.74	21.13	-5.24	31.02	20.89	25.66	-5.28

» 3-Year Statistics

	Standard Deviation (%)	Alpha	Beta	Sharpe Ratio	Correlation
GRID	23.63	7.86	1.18	1.21	0.92
MSCI World Industrials Index	20.40	-6.73	1.04	0.57	0.94
S&P Composite 1500 Industrials Index	21.83	-5.16	1.10	0.66	0.93
Russell 3000® Index	18.48	—	1.00	0.95	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.

[^]Expenses are capped contractually at 0.70% per year, at least until January 31, 2023.

*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 NASDAQ Clean Edge Smart Grid Infrastructure Index™ 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	79
Maximum Market Cap.	\$1,113.71 Billion
Median Market Cap.	\$10.84 Billion
Minimum Market Cap.	\$188 Million
Price/Earnings	26.56
Price/Book	3.36
Price/Cash Flow	16.53
Price/Sales	2.09

» Top Holdings (%)

Schneider Electric SE	8.28
Johnson Controls International Plc	7.79
Eaton Corporation Plc	7.59
ABB, Ltd.	7.43
Aptiv Plc	7.14
Enphase Energy, Inc.	4.67
Quanta Services, Inc.	4.66
Samsung SDI Co., Ltd.	4.16
TERNA - Rete Elettrica Nazionale SpA	4.03
SolarEdge Technologies, Inc.	3.89

» Top Sector Exposure (%)

Electrical Components	24.18
Conventional Electricity	11.84
Diversified Industrials	11.43
Renewable Energy Equipment	9.05
Electronic Equipment: Control and Filter	7.81
Auto Parts	7.16
Engineering and Contracting Services	5.46
Semiconductors	5.33
Electronic Components	4.17
Electronic Equipment: Gauges and Meters	3.58

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. In February 2022, Russia invaded Ukraine which has caused and could continue to cause significant market disruptions and volatility within the markets in Russia, Europe, and the United States. The hostilities and sanctions resulting from those hostilities could have a significant impact on certain fund investments as well as fund performance. The COVID-19 global pandemic has caused and may continue to cause significant volatility and declines in global financial markets. While the U.S. has resumed "reasonably" normal business activity, many countries continue to impose lockdown measures. Additionally, there is no guarantee that vaccines will be effective against emerging variants of the disease.

Changes in currency exchange rates and the relative value of non-U.S. currencies may affect the value of a fund's investments and the value of a fund's shares.

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.

Depository receipts may be less liquid than the underlying shares in their primary trading market.

A fund may be a constituent of one or more indices 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.

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.

Securities of non-U.S. issuers are subject to additional risks, including currency fluctuations, political risks, withholding, the lack of adequate financial information, and exchange control restrictions

impacting non-U.S. 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.

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

Smart grid companies can be negatively affected by high costs of research and development, high capital requirements for implementation, government regulations, limited ability of industrial and utility companies to implement new technologies and uncertainty of the ability of new products to penetrate established industries.

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 **MSCI World Industrials Index** is a free float-adjusted market capitalization weighted index that is designed to measure the industrials sector performance of 23 developed markets around the world. The **S&P Composite 1500 Industrials Index** is a capitalization-weighted index of companies classified by GICS as industrials within the S&P Composite 1500 Index. The **Russell 3000® Index** is comprised of the 3000 largest and most liquid stocks based and traded in the U.S.

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