

» 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 StrataQuant® Energy Index.

» Fund Facts

Fund Ticker	FXN
CUSIP	33734X127
Intraday NAV	FXNIV
Fund Inception Date	5/8/07
Gross Expense Ratio [*]	0.64%
Net Expense Ratio	0.64%
Rebalance Frequency	Quarterly
Primary Listing	NYSE Arca

» Index Facts

Index Ticker	STRQENTR
Index Inception Date	4/11/07

» Index Description

- » The StrataQuant® Energy Index is an "enhanced" index developed, maintained and sponsored by ICE Data Indices, LLC or its affiliates ("IDI") which employs the AlphaDEX® stock selection methodology to select stocks from the Russell 1000® Index.
- » IDI constructs the StrataQuant® Energy Index by ranking the stocks which are members of the Russell 1000® Index on growth factors including three, six and 12-month price appreciation, sales to price and one year sales growth, and, separately, on value factors including book value to price, cash flow to price and return on assets. All stocks are ranked on the sum of ranks for the growth factors and, separately, all stocks are ranked on the sum of ranks for the value factors.
- » Each stock receives either its growth or value score rank as its selection score based on its style designation as determined by Russell. Stocks which Russell allocates between both growth and value receive the better of their growth or value score rank as their selection score.
- » IDI then ranks those stocks contained in the energy sector according to their score. The greater of the top 75% of the eligible universe or 40 stocks is selected for the StrataQuant® Energy Index.
 - If the total count of eligible stocks in the energy falls below 40, all eligible stocks will be included.
- » The selected stocks are divided into quintiles based on their rankings and the top ranked quintiles receive a higher weight within the index. The stocks are equally-weighted within each quintile.
- » The index is reconstituted and rebalanced quarterly.

» Performance Summary (%)

	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	Since Fund Inception
Fund Performance*							
Net Asset Value (NAV)	-6.51	25.34	31.94	12.36	4.53	0.00	-0.62
After Tax Held	-6.80	24.80	30.92	10.87	3.53	-0.77	-1.18
After Tax Sold	-3.86	15.01	18.86	8.75	2.93	-0.38	-0.72
Market Price	-6.58	25.25	31.97	12.37	4.51	-0.03	-0.62

Index Performance**

StrataQuant® Energy Index	-6.43	25.82	33.12	13.13	5.21	0.57	0.00
Russell 1000® Energy Index	-5.67	29.19	36.30	10.07	6.79	3.79	—
Russell 1000® Index	-16.67	-20.94	-13.04	10.17	11.00	12.82	8.42
S&P 500 Energy Index	-5.17	31.84	39.99	10.15	7.00	4.29	3.56

» Calendar Year Total Returns (%)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	YTD
FXN	3.67	28.66	-16.01	-32.38	20.46	-5.12	-24.64	-6.84	-20.02	51.52	25.34
Russell 1000® Energy Index	4.12	25.45	-8.62	-22.29	25.91	-1.12	-18.52	10.74	-30.82	51.35	29.19
Russell 1000® Index	16.42	33.11	13.24	0.92	12.05	21.69	-4.78	31.43	20.96	26.45	-20.94
S&P 500 Energy Index	4.61	25.07	-7.78	-21.12	27.36	-1.01	-18.10	11.81	-33.68	54.64	31.84

» 3-Year Statistics

	Standard Deviation (%)	Alpha	Beta	Sharpe Ratio	Correlation
FXN	57.65	3.93	1.25	0.46	0.94
S&P 500 Energy Index	43.27	—	1.00	0.42	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 through November 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 each listed 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	37
Maximum Market Cap.	\$360.82 Billion
Median Market Cap.	\$24.79 Billion
Minimum Market Cap.	\$523 Million
Price/Earnings	13.67
Price/Book	2.30
Price/Cash Flow	7.34
Price/Sales	1.47

» Top Holdings (%)

Continental Resources, Inc.	5.43
Occidental Petroleum Corporation	5.28
Hess Corporation	5.04
Cheniere Energy, Inc.	4.89
EOG Resources, Inc.	4.78
HF Sinclair Corp.	4.62
Diamondback Energy, Inc.	4.58
Pioneer Natural Resources Company	4.54
Exxon Mobil Corporation	4.22
Coterra Energy Inc.	3.96

» Top Industry Exposure (%)

Oil, Gas and Coal	91.93
Alternative Energy	8.07

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

You could lose money by investing in a fund. An investment in a fund is not a deposit of a bank and is not insured or guaranteed. There can be no assurance that a fund's objective(s) will be achieved. Investors buying or selling shares on the secondary market may incur customary brokerage commissions. Please refer to each fund's prospectus and SAI for additional details on a fund's risks. The order of the below risk factors does not indicate the significance of any particular risk factor.

Unlike mutual funds, shares of the fund 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 premium or discount to a fund's net asset value and possibly face delisting and the bid/ask spread may widen.

A fund is susceptible to operational risks through breaches in cyber security. Such events could cause a fund to incur regulatory penalties, reputational damage, additional compliance costs associated with corrective measures and/or financial loss.

Energy companies are subject to certain risks, including volatile fluctuations in price and supply of energy fuels, international politics, terrorist attacks, reduced demand, the success of exploration projects, natural disasters, clean-up and litigation costs relating to oil spills and environmental damage, and tax and other regulatory policies of various governments. Oil production and refining companies are subject to extensive federal, state and local environmental laws and regulations regarding air emissions and the disposal of hazardous materials and may be subject to tariffs. In addition, oil prices are generally subject to extreme volatility.

Equity securities may decline significantly in price over short or extended periods of time, and such declines may occur in the equity market as a whole, or they may occur in only a particular country, company, industry or sector of the market.

Stocks with growth characteristics tend to be more volatile than certain other stocks and their prices may fluctuate more dramatically than the overall stock market.

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. Losses or costs associated with any index provider errors generally will be borne by a fund and its shareholders.

Market risk is the risk that a particular security, or shares of a fund in general may fall in value. Securities are subject to market fluctuations caused by such factors as general economic conditions, political events, regulatory or market developments, changes in interest rates and perceived trends in securities prices. Shares of a fund could decline in value or underperform other investments as a result. In addition, local, regional or global events such as war, acts of terrorism, spread of infectious disease or other public health issues, recessions, or other events could have significant negative impact on a fund. 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.

A fund faces numerous market trading risks, including the potential lack of an active market for fund shares due to a limited number of market makers. Decisions by market makers or authorized participants to reduce their role or step away in times of market stress could inhibit the effectiveness of the arbitrage process in maintaining the relationship between the underlying values of a fund's portfolio securities and a fund's market price.

An index fund's return may not match the return of the index for a number of reasons including operating expenses, costs of buying and selling securities to reflect changes in the index, and the fact that a fund's portfolio holdings may not exactly replicate the index.

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. The fund also relies on third parties for a range of services, including custody, and any delay or failure related to those services may affect the fund's ability to meet its objective.

A fund that invests in securities included in or representative of an index will hold those securities regardless of investment merit and the fund generally will not take defensive positions in declining markets.

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

The market price of a fund's shares will generally fluctuate in accordance with changes in the fund's net asset value ("NAV") as well as the relative supply of and demand for shares on the exchange, and a fund's investment advisor cannot predict whether shares will trade below, at or above their NAV.

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

Value characteristics of a stock may not be fully recognized for a long time or a stock judged to be undervalued may actually be appropriately priced at a low level.

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 1000® Index** is an unmanaged index used to measure the large-cap U.S. equity universe. The **Russell 1000® Energy Index** is an unmanaged index which includes the stocks in the energy sector of the Russell 1000® Index. The **S&P 500 Energy Index** is an unmanaged index which includes the stocks in the energy sector of the S&P 500 Index.

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