

>> Fund Objective

This exchange-traded fund seeks to provide capital appreciation.

>> Fund Facts

Fund Ticker	HUSV
CUSIP	33739P889
Intraday NAV	HUSVIV
Fund Inception Date	8/24/16
Expense Ratio*	0.70%
30-Day SEC Yield†	1.58%
Primary Listing	NYSE Arca

>> Fund Description

>> The First Trust Horizon Managed Volatility Domestic ETF is an actively managed exchange-traded fund. Under normal market conditions, the fund invests at least 80% of its net assets (including investment borrowings) in common stocks of domestic companies listed and traded on U.S. national securities exchanges that the sub-advisor, Horizon Investments, LLC ("Horizon"), believes exhibit low future expected volatility.

- The investment process begins with a universe of large-cap U.S. equity securities.
- Historical price returns are used to conduct volatility forecasts of the securities over multiple time frames to determine market volatility cycle and volatility scoring.
- The securities are then ranked from low to high based on their volatility forecasts. 50-200 securities with the lowest forecasted volatility score are targeted for inclusion in the portfolio.
- Once the final portfolio is selected, larger weights are given to those securities with lower future expected volatility subject to constraints. Sector and position constraints may be applied to enhance diversification.

>> Fund Sub-Advisor

>> Horizon Investments, LLC is the sub-advisor to the fund and will manage the fund's portfolio.

- Founded in 1995, Horizon is based in Charlotte, NC, and works in partnership with financial advisors to deliver investment strategies that align clients' wealth with their life goals.
- Horizon implements its global and active investment strategies through model accounts, collective investment funds, mutual funds and ETFs.
- Horizon was recognized in 2018 as Asset Manager of the Year (< \$25B AUM) by Money Management Institute and *Barron's*, and 2018 Manager of the Year and Strategist of the Year by *Envestnet* and *Investment Advisor* Magazine. Horizon has also received numerous other industry commendations for its investment management expertise.

>> Performance Summary (%)

	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	Since Fund Inception
Fund Performance*							
Net Asset Value (NAV)	-1.80	-1.80	-5.19	16.10	9.30	—	9.16
After Tax Held	-2.00	-2.00	-5.93	15.35	8.62	—	8.50
After Tax Sold	-1.07	-1.07	-3.08	12.32	7.03	—	7.00
Market Price	-1.77	-1.77	-5.22	16.08	9.29	—	9.15
Index Performance**							
S&P 500® Index	7.50	7.50	-7.73	18.60	11.19	—	12.14

>> Calendar Year Total Returns (%)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	YTD
HUSV	—	—	—	—	16.16	-2.07	27.16	5.34	25.95	-6.28	-1.80
S&P 500® Index	—	—	—	—	21.83	-4.38	31.49	18.40	28.71	-18.11	7.50

>> 3-Year Statistics

	Standard Deviation (%)	Alpha	Beta	Sharpe Ratio	Correlation
HUSV	16.09	2.09	0.73	0.95	0.87
S&P 500® Index	19.23	—	1.00	0.94	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.

*The Investment Advisor has implemented fee breakpoints, which reduce the fund's investment management fee at certain assets levels. Please see the fund's SAI for full details.

†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.

***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	75
Maximum Market Cap.	\$675.66 Billion
Median Market Cap.	\$46.82 Billion
Minimum Market Cap.	\$10.62 Billion
Price/Earnings	22.32
Price/Book	3.10
Price/Cash Flow	14.14
Price/Sales	2.14

>> Top Holdings (%)

Cisco Systems, Inc.	2.80
Automatic Data Processing, Inc.	2.38
McDonald's Corporation	2.37
International Business Machines Corporation	2.34
Roper Technologies, Inc.	2.28
Johnson & Johnson	2.25
Merck & Co., Inc.	2.25
Paychex, Inc.	2.18
Waste Management, Inc.	2.13
Bristol-Myers Squibb Company	2.02

>> Top Sector Exposure (%)

Consumer Staples	18.83
Industrials	17.14
Financials	14.35
Health Care	14.31
Utilities	12.56
Consumer Discretionary	8.26
Information Technology	7.44
Real Estate	3.44
Communication Services	2.08
Materials	0.80
Energy	0.79

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.

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.

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.

A portfolio comprised of low volatility stocks may not produce investment exposure that has lower variability to changes in such stocks' price levels. Low volatility stocks are likely to underperform the broader market during periods of rapidly rising stock prices.

The portfolio managers of an actively managed portfolio will apply investment techniques and risk analyses that may not have the desired result.

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, natural disasters 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 and the ensuing policies enacted by governments and central banks have caused and may continue to cause significant volatility and uncertainty in global financial markets. While vaccines have been developed, there is no guarantee that vaccines will be effective against future variants of the disease. Recent and potential future bank failures could

result in disruption to the broader banking industry or markets generally and reduce confidence in financial institutions and the economy as a whole, which may also heighten market volatility and reduce liquidity.

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.

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.

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.

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.

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 **S&P 500 Index** is an unmanaged index of 500 companies used to measure large-cap U.S. stock market performance.