

>> 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® Green Energy IndexSM.

>> Fund Facts

Fund Ticker	QCLN
CUSIP	33733E500
Intraday NAV	QCLNIV
Fund Inception Date	2/8/07
Gross Expense Ratio [^]	0.65%
Net Expense Ratio	0.60%
Rebalance Frequency	Quarterly
Primary Listing	Nasdaq

>> Index Facts

Index Ticker	CEXX
Index Inception Date	11/17/06

>> Index Description

- >> The index is a modified market capitalization weighted index designed to track the performance of clean energy companies that are publicly traded in the United States and includes companies engaged in manufacturing, development, distribution and installation of emerging clean-energy technologies including, but not limited to, solar photovoltaics, biofuels and advanced batteries.
- >> The NASDAQ® Clean Edge® Green Energy IndexSM is a modified market cap weighted index in which larger companies receive a larger index weighting. The index weighting methodology includes caps to prevent high concentrations among larger alternative energy stocks.
- >> The index is reconstituted twice a year in March and September and rebalanced quarterly.

>> Performance Summary (%)

	Quarter	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
Fund Performance*							
Net Asset Value (NAV)	8.27	8.27	14.31	-5.37	10.24	-1.52	-1.30
After Tax Held	8.21	8.21	13.76	-5.74	9.82	-1.70	-1.48
After Tax Sold	4.68	4.68	8.07	-4.20	7.92	-1.22	-1.06
Market Price	8.20	8.20	14.24	-5.37	10.32	-1.52	-1.30
Index Performance**							
NASDAQ Clean Edge® Green Energy Index	8.33	8.33	13.92	-5.54	9.87	-1.34	-1.12
Russell 2000® Index	2.47	2.47	26.22	7.22	12.35	7.12	6.84

>> Calendar Year Total Returns (%)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	YTD
QCLN	—	-63.74	43.79	2.05	-41.23	-0.50	89.79	-3.05	-6.43	-2.12	8.27
Russell 2000® Index	—	-33.79	27.17	26.85	-4.18	16.35	38.82	4.89	-4.41	21.31	2.47

>> 3-Year Statistics

	Standard Deviation (%)	Alpha	Beta	Sharpe Ratio	Correlation
QCLN	20.35	-10.72	0.88	-0.19	0.68
Russell 2000® Index	15.68	—	1.00	0.49	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 0.60% per year, at least until May 19, 2017.

*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 based on the midpoint of the bid/ask spread on the stock exchange on which shares of the fund are listed for trading 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® Green Energy IndexSM 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	38
Maximum Market Cap.	\$45.39 Billion
Median Market Cap.	\$1.09 Billion
Minimum Market Cap.	\$176 Million
Price/Book	1.94
Price/Cash Flow	16.21
Price/Sales	1.59

>> Top Holdings (%)

Tesla, Inc.	8.88
ON Semiconductor Corporation	8.17
Microsemi Corporation	7.93
Acuity Brands, Inc.	7.70
Hexcel Corporation	7.32
Advanced Energy Industries, Inc.	4.33
AVX Corporation	4.21
Ormat Technologies, Inc.	4.13
Universal Display Corporation	4.05
Cree, Inc.	3.93

>> Top Sector Exposure (%)

Industrials	29.52
Technology	28.38
Oil & Gas	15.53
Utilities	11.51
Consumer Goods	8.89
Financials	1.77

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.

ETF Characteristics

The fund lists and principally trades its shares on The Nasdaq Stock Market LLC.

The fund's return may not match the return of the NASDAQ® Clean Edge® Green Energy Index™. Securities held by the 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 the fund by authorized participants, in very large creation/redemption units. If the 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 the fund's net asset value and possibly face delisting.

Risk Considerations

The fund's shares will change in value, and you could lose money by investing in the fund. One of the principal risks of investing in the fund is market risk. Market risk is the risk that a particular stock owned by the fund, fund shares or stocks in general may fall in value. There can be no assurance that the fund's investment objective will be achieved.

The fund may invest in securities issued by companies concentrated in a particular industry. The fund may invest in small capitalization and mid capitalization companies. Such companies may experience greater price volatility than larger, more established companies.

Renewable and alternative energy companies can be significantly affected by obsolescence of existing technology, short product cycles, legislation resulting in more strict government regulations and enforcement policies, fluctuations in energy prices and supply and demand of alternative energy fuels, energy conservation, the success of exploration projects, the supply of and demand for oil and gas, world events and economic conditions. Shares of clean energy companies have been significantly more volatile than shares of companies operating in other more established industries. This industry is relatively nascent and under-researched in comparison to more established and mature sectors.

The fund is classified as "non-diversified" and may invest a relatively high percentage of its assets in a limited number of issuers. As a result, the 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.

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.

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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 2000® Index** is comprised of the smallest 2000 companies in the Russell 3000 Index.

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