HIGH QUALITY COMPANIES WITH A HISTORY OF LOW VOLATILITY

A resilient portfolio is built on knowing how to identify companies that have exhibited solid fundamentals. The First Trust Capital Strength ETF (FTCS) is an exchange-traded fund (ETF) that provides a simplified way to gain exposure to well-capitalized companies with strong market positions, coupled with lower historic realized volatility. FTCS seeks investment results that correspond generally to the price and yield, before fees and expenses, of an equity index called The Capital Strength IndexSM. The index construction process includes screens to seek exposure to companies with a high degree of liquidity, the ability to generate earnings growth, and a record of financial strength and profit growth. We believe well-capitalized companies with strong balance sheets have the potential to provide their stockholders with a greater degree of stability and performance over time.

GROWTH OF $10,000 (7/6/2006 – 6/30/2020)

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.

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Performance Statistics (6/30/17 – 6/30/20)

On June 4, 2013, the fund’s underlying index changed from the Credit Suisse U.S. Value Index, Powered by HOLT™ to The Capital Strength IndexSM. On June 18, 2010, the fund’s underlying index changed from the Deutsche Bank CROCI® US+ Index™ to the Credit Suisse U.S. Value Index, Powered by HOLT™. Therefore, the fund’s performance and historical returns shown for the periods prior to these dates are not necessarily indicative of the performance that the fund, based on its current index, would have generated.
THE CAPITAL STRENGTH INDEX℠ CONSTRUCTION PROCESS

Identify the Universe | To be eligible for inclusion in the index, a security must be a common stock or REIT that is a member of the NASDAQ US Benchmark Index (NQUSB). The largest 500 companies with a minimum three-month average daily dollar trading volume of $5 million are selected.

Examine Historical Financial Results | Every security must meet stringent eligibility criteria and is selected objectively based on cash on hand, debt ratios, return on equity and volatility.

Select Companies With Low Volatility Scores | Eligible securities are ranked by a combined short-term (90 days) and long-term (260 days) realized volatility. The 50 eligible securities with the lowest combined volatility score are selected, subject to a maximum of 30% from any one sector based on the Industry Classification Benchmark. The volatility screen seeks out those companies with lower historic risk and favors companies with consistent historical security price performance.

Rebalance | The index stocks are equally weighted on each rebalancing effective date. The index is reconstituted and rebalanced quarterly.

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 Capital Strength 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 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. The impact of this COVID-19 pandemic may be short term or may last for an extended period of time, and in either case could result in a substantial economic downturn or recession. The fund may invest in securities issued by companies concentrated in a particular industry. First Trust Advisors L.P. is the advisor 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
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. Standard Deviation is a measure of price variability (risk). Sharpe Ratio is a measure of excess reward per unit of volatility. Up Capture Ratio measures fund performance in up markets relative to the market (benchmark) itself. It is calculated by taking the security’s upside capture return and dividing it by the benchmark’s upside capture return. Down Capture Ratio measures fund performance in down markets. A down-market is defined as those periods (months or quarters) in which market return is less than 0. The S&P 500 Index is an unmanaged index of 500 stocks used to measure large-cap U.S. stock market performance. Nasdaq® and The Capital Strength Index℠ are registered trademarks and service marks of Nasdaq, Inc. (together with its affiliates herein after referred to as the “Corporations”) and are licensed for use by First Trust. The Fund has not been passed on by the Corporations as to its legality or suitability. The Fund is not issued, endorsed, sold or promoted by the Corporations. THE CORPORATIONS MAKE NO WARRANTIES AND BEAR NO LIABILITY WITH RESPECT TO THE FUND.

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 variations 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 ten-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. ©2020 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.