

>> Fund Objective

This exchange-traded fund seeks to provide capital appreciation.

>> Fund Facts

Fund Ticker	HDMV
CUSIP	33739P871
Intraday NAV	HDMVIV
Fund Inception Date	8/24/16
Expense Ratio	0.80%
30-Day SEC Yield†	3.04%
Primary Listing	NYSE Arca

>> Fund Description

>> The First Trust Horizon Managed Volatility Developed International 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 and depositary receipts of developed market companies listed and traded on non-U.S. exchanges that the sub-advisor, Horizon Investments, LLC (“Horizon”), believes exhibit low future expected volatility.

- The investment process begins with a universe of common stocks and depositary receipts of large and mid-cap securities across developed markets.
- 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. 100-200 securities with the lowest forecasted volatility score are targeted for inclusion in the portfolio.
- Once the final portfolio is selected, the securities are weighted based on their forecasted volatility scores. Larger weights are given to those securities with lower future expected volatility.

>> 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 2014 and 2016 for growth and innovation by Money Management Institute, and has received numerous industry commendations for its investment management expertise.

>> Performance Summary (%)

	Quarter	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
Fund Performance*							
Net Asset Value (NAV)	1.78	0.02	4.17	—	—	—	8.38
After Tax Held	1.51	-0.96	3.04	—	—	—	7.09
After Tax Sold	1.01	0.01	2.35	—	—	—	5.84
Market Price	1.84	-0.27	3.45	—	—	—	8.41
Index Performance**							
MSCI EAFE Index	1.35	-1.43	2.74	—	—	—	10.01

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.

†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 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. 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.

**The MSCI EAFE Index is the fund’s benchmark. 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	175
Maximum Market Cap.	\$256.75 Billion
Median Market Cap.	\$17.00 Billion
Minimum Market Cap.	\$2.53 Billion
Price/Earnings	14.54
Price/Book	1.39
Price/Cash Flow	11.22
Price/Sales	1.14

» Top Holdings (%)

The Hong Kong and China Gas Company Limited	1.14
AerCap Holdings N.V.	1.11
Japan Post Holdings Co., Ltd.	1.11
Swiss Prime Site AG	0.99
CK Infrastructure Holdings Limited	0.94
Nestle S.A.	0.91
CLP Holdings Limited	0.90
Zurich Insurance Group AG	0.88
Ageas S.A./N.V.	0.86
Diageo Plc	0.86

» Top Sector Exposure (%)

Financials	26.41
Industrials	26.32
Consumer Staples	13.50
Real Estate	9.99
Utilities	5.59
Consumer Discretionary	4.97
Communication Services	4.90
Materials	3.02
Information Technology	2.46
Health Care	2.37
Energy	0.47

» Top Country Exposure (%)

Japan	26.39
United Kingdom	12.11
France	11.97
Switzerland	9.02
Hong Kong	8.92
Australia	8.43
Germany	5.98
The Netherlands	3.15
Singapore	3.09
Belgium	2.18

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 NYSE Arca, Inc.

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 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. The fund is subject to management risk because it is an actively managed portfolio. In managing the fund's investment portfolio, the advisor will apply investment techniques and risk analyses that may not have the desired result. There can be no assurance that the fund's investment objectives will be achieved.

The fund is subject to market risk. Market risk is the risk that a particular security owned by a fund or shares of a fund in general may fall in value.

An investment in a fund containing securities of non-U.S. issuers is 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 may invest in depositary receipts which may be less liquid than the underlying shares in their primary trading market.

If the fund has lower average daily trading volumes, it may rely on a small number of third-party market makers to provide a market for the purchase and sale of shares. Any trading halt or other problem relating to the trading activity of these market makers could result in a dramatic change in the spread between a fund's net asset value and the price at which a fund's shares are trading on NYSE Arca which could result in a decrease in value of the fund's shares.

The fund invests in equity securities and the value of the shares will fluctuate with changes in the value of these equity securities. Equity securities prices fluctuate for several reasons, including changes in investors' perceptions of the financial condition of an issuer or the general condition of the relevant stock market.

A fund may invest in small capitalization and mid capitalization companies. Such companies may experience greater price volatility than larger, more established companies.

As the use of Internet technology has become more prevalent in the course of business, the fund has become more susceptible to potential operational risks through breaches in cyber security. Such events could cause the fund to incur regulatory penalties, reputational damage, additional compliance costs associated with corrective measures and/or financial loss.

A significant number of countries in Europe are member states in the European Union, and the member states no longer control their own monetary policies. In these member states, the authority to direct monetary policies, including money supply and official interest rates for the Euro, is exercised by the European Central Bank. Furthermore, the European sovereign debt crisis has had, and continues to have, a significant negative impact on the economies of certain European countries and their future economic outlooks.

Changes in currency exchange rates and the relative value of non-U.S. currencies will affect the value of HDMV's investment and the value of its shares. Currency exchange rates can be very volatile and can change quickly and unpredictably.

High portfolio turnover may result in a fund paying higher levels of transaction costs and generating greater tax liabilities for shareholders. Portfolio turnover risk may cause a fund's performance to be less than expected.

The fund is classified as "non-diversified" and may invest a relatively high percentage of their 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 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 and the Internal Revenue Code. First Trust has no knowledge of and has not been provided any information regarding any investor. Financial advisors must determine whether particular investments are appropriate for their clients. First Trust believes the financial advisor is a fiduciary, is capable of evaluating investment risks independently and is responsible for exercising independent judgment with respect to its retirement plan clients.

Definitions

The **MSCI EAFE Index** is a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the U.S. & Canada.