

Firm Overview

The First Trust organization includes First Trust Advisors L.P. (“FTA”), a registered investment advisor, and First Trust Portfolios L.P. (“FTP”), a registered broker dealer (collectively “First Trust”).

Year Founded 1991
Total Employees Over 700
Firm Assets* \$119 Billion

*Includes \$55 billion for which FTA serves as supervisor for unit investment trust sponsored by FTP.

Key Investment Personnel

David McGarel, CFA, CPA
 Daniel Lindquist, CFA
 Jon Erickson, CFA
 Roger Testin, CFA, CPA
 John Sherren, CFA
 Chris Peterson, CFA

Strategy Characteristics

Dividend Yield 2.67%
 Number of Securities 51
 Annual Turnover 28%

References to Morningstar Investment Management are made pursuant to a license obtained by FTA, which is solely responsible for the content of this document and is the sole investment manager of the portfolios referred to herein. FTA is the investment adviser responsible for the day-to-day management of the FTA/Morningstar International Core strategy. Morningstar Investment Management will provide FTA with a recommended asset allocation, which FTA will consider in managing a client's portfolio. FTA will then select the specific securities utilizing its investment process.

Portfolio Objective

The FTA/Morningstar International Core is a strategy of international holdings which seeks to outperform the MSCI All Country World ex U.S. Net Return Index by investing in international securities which trade on U.S. exchanges.

Investment Selection Process

Top-down — Morningstar Investment Management utilizes its proprietary Strategic Asset Allocation Model to optimally allocate among 6 non-U.S. regions based on long-term expectations for returns, risk, and correlation. Morningstar Investment Management implements its proprietary research to determine the optimal weightings of each region to maximize return and reduce risk. Morningstar Investment Management employs a statistical technique known as Resampled Mean Variance Optimization which analyzes how each recommended component will perform under a variety of capital market conditions.

Bottom-up — First Trust Advisors L.P. (“FTA”) selects strategy positions based on the percentage weightings designated by the Morningstar Investment Management’s Strategic Asset Allocation Model using a disciplined equity selection process that incorporates quantitative and fundamental criteria.

Step 1 - Quantitative Analysis: FTA utilizes a proprietary multi-factor model to rank international stocks trading on U.S. exchanges subject to certain size and liquidity requirements. The model is used to identify a subset of stocks that possesses desirable attributes shown to produce superior returns. The subset of stocks is then eligible for further fundamental analysis before being considered for the strategy.

Step 2 - Fundamental Analysis: Fundamental analysis is used to make final strategy selections and focuses on assessing the valuation of the company. Among the factors considered are the cash flow generated by the company, the asset base employed to generate that cash flow, management’s stewardship of investor capital and risk/return tradeoff. The entire process is focused on identifying companies whose true value is not being reflected in the current market price.

As an expression of the disciplined application of FTA’s security selection process, our strategy companies will share certain characteristics. They will:

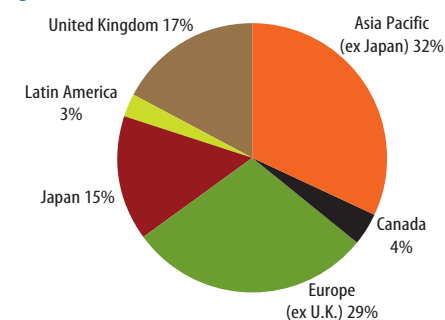
- be profitable;
- have strategies in place for continuous improvement in operations;
- not be excessively leveraged so as to introduce unnecessary financial risk;
- be guided by skilled managers who demonstrate awareness of the opportunity cost of capital when making investment decisions;
- have significant trading histories with adequate liquidity for investment.

Step 3 - Strategy Management Process: Asset class weightings are readjusted and rebalanced annually to reflect the most recent Morningstar Investment Management’s Strategic Asset Allocation Model. FTA retains flexible sector and industry weights and its weightings in such categories are principally a result of its bottom-up stock selection process.

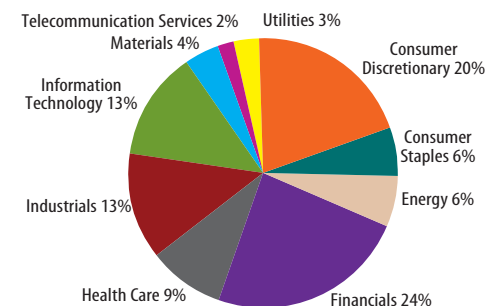
Equity Sell Discipline – positions are continually reviewed and may be sold if:

- The share price reaches or exceeds our estimate of intrinsic value;
- The company’s fundamentals deteriorate;
- There is a significant change in company management;
- There is a corporate action affecting the holding;
- More attractive opportunities exist elsewhere.

Region Allocation



Equity Sector Allocation



Ten Largest Holdings

MELCO RESORTS AND ENTERTAINMENT LIMITED	2.9%
TECHTRONIC INDUSTRIES CO., LTD ADR	2.6%
INFINEON TECHNOLOGIES AG ADR	2.6%
LVMH MOET HENNESSY LOUIS VUITTON S.A. ADR	2.5%
KOMATSU LTD. ADR	2.5%
NETEASE INC. ADR	2.4%
DBS GROUP HOLDINGS LTD ADR	2.3%
SAFRAN SA ADR	2.3%
ING GROEP NV ADR	2.2%
TAIWAN SEMICONDUCTOR ADR	2.2%

The listing of “Largest Holdings” is not a complete list of all securities in the strategy or which First Trust Advisors L.P. may be currently recommending. Furthermore, application of the investment strategy as of a later date will likely result in changes to the listing.

There can be no assurance that a purchase of the securities in this strategy will be profitable, either individually or in the aggregate, or that such purchase will be more profitable than alternative investments.

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.

	Pure Gross-of-Fees Return* %	Net-of-Fees Return %	MSCI AC World ex U.S. Net Return %
1 Year	24.09	22.21	27.19
3 Year Annualized	9.16	7.44	7.83
5 Year Annualized	9.57	7.75	6.80
10 Year Annualized	3.84	2.05	1.84
Since Inception (1/1/06) Annualized	7.04	5.25	4.89

First Trust Advisors L.P. (FTA) claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS® standards. FTA has been independently verified for the periods August 1, 1999 through June 30, 2017. The verification report is available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS® standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS® standards. Verification does not ensure the accuracy of any specific composite presentation.

Year	Pure Gross-of-Fees Return*		MSCI AC World ex U.S. Net Return		Composite 3-Year Std Dev	Benchmark 3-Year Std Dev	Number of Portfolios	Composite Dispersion	Composite Market Value (in millions)	Total Firm Assets (in millions)
	Return*	Net-of-Fees Return	Net Return	Net Return						
2006	24.97%	23.47%	26.65%		N/A	N/A	3	N/A	\$ 1.5	\$ 7,056.3
2007	24.19%	22.22%	16.65%		N/A	N/A	17	N/A	7.7	10,065.9
2008	-43.53%	-44.39%	-45.53%		N/A	N/A	24	0.48%	4.7	5,537.2
2009	29.09%	26.69%	41.45%		N/A	N/A	19	0.78%	3.7	9,683.6
2010	13.13%	10.95%	11.15%		N/A	N/A	15	0.23%	3.6	16,879.5
2011	-7.42%	-9.07%	-13.71%		21.46%	23.04%	10	0.26%	1.6	16,444.5
2012	20.94%	18.67%	16.83%		18.57%	15.59%	7	0.30%	1.5	22,603.8
2013	22.19%	19.99%	15.29%		15.59%	16.46%	6	0.24%	1.4	32,021.6
2014	-0.65%	-2.40%	-3.87%		12.74%	12.99%	6	0.14%	1.4	39,743.5
2015	1.20%	-0.44%	-5.66%		11.70%	12.30%	6	0.14%	1.3	44,272.5
2016	3.58%	1.93%	4.50%		11.95%	12.69%	13	0.21%	2.3	45,620.1
2017 (1/1/17 thru 12/31/17)	24.09%	22.21%	27.19%		10.56%	12.04%	13	0.30%	2.6	62,193.2

* Pure gross-of-fees returns are presented as supplemental information to the disclosures required by GIPS®.

Notes:

1. First Trust Advisors L.P. (FTA) was founded in 1991 and is a registered investment advisor with the Securities and Exchange Commission (SEC). FTA provides investment advisory services using equity, fixed-income and balanced strategies for individuals, organizations and institutions. The firm consists of all portfolios managed by FTA. Since 2011, the Total Firm Assets are presented net and have been reduced for the effects of leverage. Prior to 2011, the Total Firm Assets are presented gross and have not been reduced for the effects of leverage.
2. The FTA/Morningstar International Core Composite invests in global securities (excluding the U.S. market) which trade on the U.S. exchanges and have a favorable intrinsic value based on the FTA Valuation Model. Prior to 4/1/16, the composite was called the FTA/Ibbotson International Core Composite. The composite creation date was January 2006. A complete list of composites and descriptions is available upon request.
3. The composite includes 100% wrap portfolios since inception for which FTA has full discretionary investment authority and are fee-paying portfolios. The composite does not utilize a material level of leverage.
4. Composite net-of-fees returns are presented net of actual fees. Net-of-fees returns include investment management fees, custodian fees, trading costs and all other administrative fees. Pure gross-of-fees returns do not reflect the deduction of any expenses, including investment management fees, custodian fees, trading costs and other administrative fees. Prior to 12/31/11, quarterly and annual composite returns were calculated by linking monthly returns. Each portfolio in the composite was valued at least on a monthly basis. If cash flows exceed 10% of the composite's value, the composite was revalued on the day prior to the cash flow and the return was calculated for the interim period. Starting 1/1/12, composite returns are calculated on a daily basis.
5. Valuations and returns are computed and stated in U.S. Dollars. Returns are calculated net of foreign taxes recorded on a cash basis and dividend accruals do not include pending withholding tax reclaims. Additional information regarding policies for valuing portfolios, calculating performance and preparing compliant presentations is available upon request.
6. The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period. The standard deviation is not presented prior to 2011 because it was not required.
7. Composite dispersion is measured by standard deviation, which is an asset-weighted calculation that measures the consistency of composite performance with respect to the individual portfolio returns within the composite. Dispersion of portfolios in the composite is not applicable if the period presented is less than a full year or if there were fewer than five portfolios in the composite for the entire year.
8. The benchmark return is the MSCI All Country World ex U.S. Net Return Index - a free float-adjusted market capitalization index that is designed to measure equity market performance in the global developed and emerging markets, excluding the United States.
9. The securities comprising the benchmark are not identical to those in any portfolio in the composite, but FTA believes they may be useful in evaluating performance. Unlike the composite, the benchmark is not actively managed and does not reflect the deduction of advisory fees. Differences in composite performance versus benchmark performance may also result due to high concentrations of individual securities holdings in certain portfolios, timing of security transactions and tax considerations. Such factors may contribute to higher standard deviation of portfolio returns within the composite. The benchmark is rebalanced daily. Benchmark returns have not been examined by the verifier.
10. The FTA management fee schedule is an annual fee of 0.55%. FTA, at its discretion, may negotiate a management fee which is different from the standard fee schedule listed here. The overall wrap fee expense for accounts in the composite will typically range from 1.00% to 3.00%.
11. Past performance is not indicative of future results. Other methods may produce different results, and the results for individual portfolios and for different periods may vary depending on market conditions and the composition of the portfolio. Care should be used when comparing these results to those published by other investment advisers, other investment vehicles and unmanaged indices due to possible differences in calculation methods.

Requests for further information may be made by calling (800) 222-6822 or emailing ftaoperations@ftadvisors.com.