

>> 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 US Rising Dividend Achievers Index.

>> Fund Facts

Fund Ticker	RDVY
CUSIP	33738R506
Intraday NAV	RDVYIV
Fund Inception Date	1/6/14
Expense Ratio	0.50%
30-Day SEC Yield†	1.75%
Rebalance Frequency	Quarterly
Primary Listing	Nasdaq

>> Index Facts

Index Ticker	NQDVRIST
Index Inception Date	10/21/13
Index Yield‡	2.35%

>> Index Description

- >> The index begins with the stocks in the NASDAQ US Benchmark Index, and eliminates those companies classified as a Real Estate Investment Trust by the Industry Classification Benchmark. The largest 1000 companies with a minimum three-month average daily dollar trading volume of \$5 million are selected.
- >> To be eligible for inclusion in the index, companies must have:
 - paid a dividend in the trailing twelve-month period greater than the dividend paid in the trailing twelve-month period three and five years prior.
 - positive earnings per share in the most recent fiscal year greater than the earnings per share three fiscal years prior.
 - a cash to debt ratio greater than 50%.
 - a trailing twelve-month period payout ratio no greater than 65%.
- >> Eligible securities are ranked by a combined factor of dollar dividend increase over the previous five year period, current dividend yield, and payout ratio.
- >> The 50 eligible securities with the lowest aggregated rank are selected for inclusion in the index, subject to a maximum of 30% from any one sector.
- >> The index stocks are equally weighted initially and on each rebalancing effective date. The index is reconstituted annually and rebalanced quarterly.

>> Performance Summary (%)

	Quarter	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
Fund Performance*							
Net Asset Value (NAV)	-15.37	-9.71	-9.71	10.48	—	—	7.90
After Tax Held	-15.58	-10.28	-10.28	9.67	—	—	7.04
After Tax Sold	-9.10	-5.72	-5.72	7.78	—	—	5.78
Market Price	-15.43	-9.83	-9.83	10.48	—	—	7.90
Index Performance**							
NASDAQ US Rising Dividend Achievers Index	-15.32	-9.32	-9.32	11.09	—	—	8.46
Dow Jones U.S. Select Dividend™ Index	-9.68	-5.94	-5.94	9.82	—	—	8.87

>> Calendar Year Total Returns (%)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
RDVY	—	—	—	—	—	—	—	-2.86	21.86	22.58	-9.71
Dow Jones U.S. Select Dividend™ Index	—	—	—	—	—	—	—	-1.64	21.98	15.44	-5.94

>> 3-Year Statistics

	Standard Deviation (%)	Alpha	Beta	Sharpe Ratio	Correlation
RDVY	13.07	0.02	1.12	0.75	0.77
Dow Jones U.S. Select Dividend™ Index	9.05	—	1.00	0.97	1.00

Overall Morningstar Rating™



Among 1100 funds in the Large Value category.
This fund was rated 5 stars/1100 funds (3 years).§

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.

‡Index yield represents the weighted average trailing 12-month dividend of the constituents of the NASDAQ US Rising Dividend Achievers Index®.

*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.

**Performance information for the NASDAQ US Rising Dividend Achievers 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	50
Maximum Market Cap.	\$748.54 Billion
Median Market Cap.	\$32.75 Billion
Minimum Market Cap.	\$2.20 Billion
Price/Earnings	11.92
Price/Book	2.34
Price/Cash Flow	9.61
Price/Sales	0.88

>> Top Holdings (%)

Foot Locker, Inc.	2.09
Best Buy Co., Inc.	2.07
Ross Stores, Inc.	2.06
Williams-Sonoma, Inc.	2.06
BlackRock, Inc.	2.04
Lam Research Corporation	2.04
T. Rowe Price Group, Inc.	2.04
The TJX Companies, Inc.	2.04
The Boeing Company	2.03
Valero Energy Corporation	2.03

>> Top Sector Exposure (%)

Financials	30.05
Information Technology	19.93
Consumer Discretionary	18.32
Industrials	13.86
Health Care	5.96
Consumer Staples	5.92
Communication Services	3.93
Energy	2.03

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 US Rising Dividend Achievers 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 sector which involves additional risks including limited diversification. The fund may invest in small capitalization and mid capitalization companies. Such companies may experience greater price volatility than larger, more established companies.

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. The fund may invest in depositary receipts which may be less liquid than the underlying shares in their primary trading market.

There is no guarantee that any issuer will declare dividends in the future, or that, if declared, they will remain at current levels or increase over time.

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 **Dow Jones U.S. Select Dividend™ Index** consists of 100 widely-traded, dividend-paying stocks derived from the Dow Jones U.S.Total Market IndexSM.

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