**Fund Objective**
This actively managed exchange-traded fund seeks to generate current income, with a secondary objective of preservation of capital.

**Fund Facts**
- Fund Ticker: LDSF
- CUSIP: 33740F870
- Intraday NAV: LDSFIV
- Fund Inception Date: 1/3/19
- 30-Day SEC Yield*: 2.90%
- Primary Listing: Nasdaq

**Fees and Expenses**
- Management Fees: 0.20%
- Acquired Fund Fees and Expenses: 0.66%
- Total Annual Expenses: 0.86%

**Performance Summary (%)**

<table>
<thead>
<tr>
<th>Fund Performance*</th>
<th>3 Month</th>
<th>YTD</th>
<th>1 Year</th>
<th>3 Year</th>
<th>5 Year</th>
<th>10 Year</th>
<th>Since Fund Inception</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Asset Value (NAV)</td>
<td>1.10</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>4.81</td>
<td></td>
</tr>
<tr>
<td>After Tax Held</td>
<td>0.81</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>3.82</td>
<td></td>
</tr>
<tr>
<td>After Tax Sold</td>
<td>0.65</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>2.84</td>
<td></td>
</tr>
<tr>
<td>Market Price</td>
<td>1.20</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>5.06</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Index Performance**</th>
<th>3 Month</th>
<th>YTD</th>
<th>1 Year</th>
<th>3 Year</th>
<th>5 Year</th>
<th>10 Year</th>
<th>Since Fund Inception</th>
</tr>
</thead>
<tbody>
<tr>
<td>Blended Benchmark</td>
<td>0.97</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>5.57</td>
<td></td>
</tr>
<tr>
<td>Bloomberg Barclays 1-5 Year Government/Credit Index</td>
<td>0.89</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>4.16</td>
<td></td>
</tr>
</tbody>
</table>

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.

1)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 Blended Benchmark consists of the following two indexes: 80% of the Bloomberg Barclays 1-5 Year Government/Credit Index which measures the performance of U.S. dollar-denominated U.S. Treasury bonds, government related bonds and investment grade U.S. corporate bonds that have a maturity between one and five years; and 20% of the ICE BofAML US High Yield Constrained Index which tracks the performance of U.S. dollar denominated below investment grade corporate debt publicly issued in the U.S. domestic market but caps issuer exposure at 2%. Indexes do not charge management fees or brokerage expenses, and no such fees or expenses were deducted from the index performance shown. Indexes are unmanaged and an investor cannot invest directly in an index.
First Trust Low Duration Strategic Focus ETF

As of 9/30/19

Portfolio Information

<table>
<thead>
<tr>
<th>Number Of Holdings</th>
<th>7</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weighted Average Effective Duration¹</td>
<td>2.03 Years</td>
</tr>
</tbody>
</table>

Top Holdings (%)

| First Trust Low Duration Opportunities ETF | 39.99 |
| First Trust Enhanced Short Maturity ETF | 22.47 |
| First Trust Senior Loan Fund | 12.48 |
| First Trust Tcw Opportunistic Fixed Income ETF | 9.99 |
| Shares MBS ETF | 4.79 |
| First Trust Tactical High Yield ETF | 5.00 |
| First Trust Emerging Markets Local Currency Bond ETF | 2.49 |

¹A measure of a security’s sensitivity to interest rate changes that reflects the change in a security’s price given a change in yield.

Credit Quality (%)

| Government/Agency | 40.18 |
| Cash | 0.70 |
| AAA | 12.93 |
| AAA+ | 0.46 |
| AA | 0.76 |
| AA- | 1.25 |
| A+ | 1.96 |
| A | 2.39 |
| A- | 2.69 |
| BBB+ | 3.11 |
| BBB | 4.66 |
| BBB- | 2.02 |
| BB+ | 1.58 |
| BB | 2.00 |
| BB- | 3.36 |
| B+ | 3.84 |
| B | 4.56 |
| B- | 2.29 |
| CCC+ | 0.64 |
| CCC | 0.30 |
| CCC- | 0.01 |
| CC | 0.05 |
| C | 0.00 |
| D | 0.17 |
| B (short-term) | 0.00 |
| NR | 1.96 |
| A1 (short-term) | 0.14 |
| A1+ (short-term) | 0.04 |
| A2 (short-term) | 3.77 |
| A3 (short-term) | 2.18 |

ETF Characteristics

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 participating dealers 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 security owned by the fund, fund shares or securities in general may fall in value. There can be no assurance that the fund’s investment objective will be achieved.

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. These risks may be heightened for securities of companies located in or with significant operations in emerging market countries.

The fund’s NAV is determined on the basis of U.S. dollars, if the fund invests in non-U.S. securities, you may lose money if the local currency of a non-U.S. market depreciates against the U.S. dollar.

The fund may be composed of a very small number of ETFs, which involves additional risk, including limited diversification.

Prefered securities combine some of the characteristics of both common stocks and bonds. Preferred securities are typically subordinated to bonds and other instruments in a company’s capital structure. In terms of priority to corporate income, and therefore will be subject to greater credit risk than other debt instruments.

Certain securities held by the fund are subject to credit risk, call risk, income risk, inflation risk, interest rate risk, prepayment risk and extension risk. Credit risk is the risk that an issuer of a security will be unable or unwilling to make dividend, interest and/or principal payments when due and that the value of a security may decline as a result. Credit risk is heightened for floating-rate loans and high-yield securities, because companies that issue loans tend to be highly leveraged and thus are more susceptible to the risks of interest deferral, default and/or bankruptcy. Call risk is the risk that if an issuer calls higher-yielding debt instruments held by the fund, performance could be adversely impacted. Income risk is the risk that income from the fund’s fixed-income investments could decline during periods of falling interest rates. Inflation risk is the risk that the value of assets or income from investments will be less in the future as inflation decreases the value of money. Interest rate risk is the risk that the value of the fixed-income securities in the fund will decline because of rising market interest rates. Prepayment risk is the risk that periods of falling interest rates, an issuer may exercise its right to pay principal on an obligation earlier than expected. The result may result in a decline in a fund’s income. Extension risk is the risk that the average life of a security may extend if the rate of prepayments decreases, which increases interest rate exposure. Convertible securities have characteristics of both equity and debt securities and, as a result, are exposed to certain additional risks.

Mortgage-related securities, including mortgage-backed securities, are more susceptible to adverse economic, political or regulatory events that affect the value of real estate. Mortgage-related securities are subject to the risk that the rate of mortgage prepayments decreases, which extends the average life of a security and increases the interest rate exposure.

Income from municipal bonds held by the fund could be declared taxable because of, among other things, unfavorable changes in tax laws, adverse interpretations by the Internal Revenue Service or state tax authorities, or noncompliant conduct of a bond issuer.

Investments in sovereign bonds involve special risks because the government authority that controls the repayment of the debt may be unwilling or unable to repay the principal and/or interest when due. Senior floating rate loans are usually rated below investment grade but may also be unrated. As a result, the risks associated with these loans are similar to the risks of high yield fixed income instruments. High yield securities, or “junk” bonds, are subject to greater market fluctuations and risk of loss than securities with higher ratings, and therefore, may be highly speculative. The market for high yield securities is smaller and less liquid than that for investment grade securities.

Covenant-lite loans contain fewer maintenance covenants, or no maintenance covenants at all, then traditional loans and may not include terms that allow the lender to monitor the financial performance of the borrower and declare a default if certain credit criteria are breached. Securities issued or guaranteed by federal agencies and U.S. government sponsored instrumentalities may or may not be backed by the full faith and credit of the U.S. government.

The fund currently has fewer assets than larger, more established funds, and like other relatively new funds, large inflows and outflows may impact the fund’s market exposure for limited periods of time.

The fund may invest in the shares of other investment companies, which involves additional expenses that would not be present in a direct investment in the underlying funds. In addition, the fund’s investment performance and risks may be related to the investment performance and risks of the underlying funds.

The fund is classified as “non-diversified” and may invest in 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.

Active managed funds are subject to management risk because the advisor or sub-advisor will apply investment techniques and risk analyses that may not have the desired result.

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 advisors are responsible for evaluating investment risks independently and for exercising independent judgment in determining whether investments are appropriate for their clients.