**Fund Description**

The First Trust CEF Income Opportunity ETF is an actively managed exchange-traded fund. Under normal market conditions, the fund will seek to achieve its investment objectives by investing at least 80% of its net assets (including investment borrowings) in a portfolio of closed-end investment companies that are listed and traded in the United States on registered exchanges (CEFs).

The investment process begins by sorting the entire universe of CEFs by category—taxable fixed-income and equity. The CEFs are then ordered by sector, strategy and size. Funds within the investable universe are scored based on fundamental and performance factors. Fund scores are reviewed and analyzed via a proprietary model which takes into account more than just yield and discount. The portfolio manager seeks to avoid small, illiquid funds and unproven fund managers, while also considering tactical opportunities such as corporate actions, market pricing and calendar events. The model is reviewed and overlaid with a top-down macroeconomic outlook to determine what the portfolio manager believes to be the most opportunistic areas in which to invest.

The output of fundamental and performance scoring is combined with the proprietary investment model and economic outlook. From the results, the investment portfolio is assembled.

**Fund Advisor**

First Trust Advisors L.P. is the advisor to the fund and manages the fund’s portfolio.

Daily investment decisions are made by:

- Ken Fincher; Senior Vice President and Portfolio Manager
- Jordan Ramsland, Portfolio Manager

The portfolio managers have an extensive background of investing in CEFs and ETFs, and seek to capitalize on a wide range of opportunities, providing the potential to outperform benchmarks.

**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>4.11</td>
<td>19.28</td>
<td>7.18</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>9.04</td>
</tr>
<tr>
<td>After Tax Held</td>
<td>3.53</td>
<td>17.97</td>
<td>5.00</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>6.74</td>
</tr>
<tr>
<td>After Tax Sold</td>
<td>2.42</td>
<td>11.38</td>
<td>4.33</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>5.94</td>
</tr>
<tr>
<td>Market Price</td>
<td>3.92</td>
<td>19.51</td>
<td>6.94</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>8.97</td>
</tr>
</tbody>
</table>

| Index Performance** | 3.70 | 18.64 | 6.80 | — | — | — | 8.29 |
| Russell 3000® Index | 4.10 | 18.71 | 8.98 | — | — | — | 13.74 |

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.

2 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: 60% of the First Trust Equity Closed-End Fund Index which is a cap weighted index (based on NAV) designed to provide a broad representation of the equity based closed-end fund universe; and 40% of the First Trust Taxable Fixed Income Closed-End Fund Index which is a cap weighted index (based on NAV) designed to provide a broad representation of the taxable fixed income closed-end fund universe. Funds included in the indexes trade on an U.S. Stock Exchange have a market cap of at least $100 million. 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.**
ETF Characteristics
The fund lists and principally trades its shares on The Nasdaq Stock Market LLC.

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 fund. 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/redeemption units. If the fund's authorized participants are unable to proceed with creation/redeemption orders and no other authorized participants 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.

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

An investment in this fund should be made with an understanding of the risks associated with an investment in a portfolio of closed-end funds which invest in common stocks and debt securities.

Certain underlying funds are subject to credit risk, call risk, income risk, interest rate risk and prepayment risk. ... principal payments when due and that the value of a security may decline as a result. Credit risk is heightened for

Portfolio Information
Number Of Holdings 48
Weighted Average Option-Adjusted Duration¹ 2.41 Years
Weighted Average Leverage Option-Adjusted Duration² 3.59 Years
Weighted Average Effective Maturity 5.57 Years
Weighted Average Leverage³ 23.34%
Weighted Average Premium/Discount⁴ -6.29%

Credit Quality ()%¹
AAA 5.73
AA 0.60
A 1.96
BBB 15.48
BB 28.62
B 32.18
CCC-D 6.92
N/R 8.34
Other 0.17

Fund Composition (%)
CEFs - Equity 60.23
CEFs - Taxable-Fixed-Income 38.30
Cash 1.47

Top Holdings (%)
PMICO Dynamic Credit and Mortgage Income Fund 4.30
BlackRock Science & Technology Trust 4.18
Cohen & Steers REIT and Preferred and Income Fund, Inc. 4.03
Nuveen Credit Strategies Income Fund 3.92
Cohen & Steers Infrastructure Fund, Inc. 3.88
DoubleLine Income Solutions Fund 3.80
Eaton Vance Tax-Advantaged Dividend Income Fund 3.77
Eaton Vance Tax-Advantaged Global Dividend Income Fund 3.71
Ares Dynamic Credit Allocation Fund, Inc. 3.53
John Hancock Tax-Advantaged Dividend Income Fund 3.45

Top Sector Exposure (%)
Equity Tax-Advantage 18.54
Multi-Sector 11.97
Senior Loan 11.55
Equity US 8.87
Infrastructure 8.15
Technology 6.24
REIT 5.91
Corp High Yield 5.89
Healthcare 2.61

ETFs
- Eaton Vance Tax-Advantaged Dividend Income Fund
- DoubleLine Income Solutions Fund
- Cohen & Steers Infrastructure Fund, Inc.
- Nuveen Credit Strategies Income Fund
- Cohen & Steers REIT and Preferred and Income Fund, Inc.
- DoubleLine Income Solutions Fund
- Eaton Vance Tax-Advantaged Global Dividend Income Fund
- Ares Dynamic Credit Allocation Fund, Inc.
- John Hancock Tax-Advantaged Dividend Income Fund

ETFs are subject to market risk, investment risk, call risk, income risk, interest rate risk and prepayment risk. Because of the structured nature of an ETF, the fund may be less tax-efficient.

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.

The fund is classified as "non-diversified" and may invest a relatively high percentage of its assets in a limited number of issuers. As a result, the fund may potentially be subject to greater risk than more diversified mutual funds. The fund may invest in securities of non-U.S. issuers and 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.

ETF investors generally face the risk that the price of a security held by an underlying fund 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. Call risk is the risk that an issuer calls higher-yielding debt instruments held in an underlying fund. Performance could be adversely impacted. Income risk is the risk that income from an underlying fund will decline in periods of falling interest rates. Interest rate risk is the risk that the value of the fixed-income securities in an underlying fund will decline in periods of falling interest rates. Prepayment risk is the risk that during periods of falling interest rates, an investor may exercise its right to pay principal on a bond obligation earlier than expected. This may result in a decline in an underlying fund's income.

Risks
- The fund's shares will change in value and you could lose money by investing in the fund.
- The fund is subject to various risks that may not have the desired result. There can be no assurance that the fund's investment objectives will be achieved.
- 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.

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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 the statements are appropriate for their clients.