First Trust Emerging Markets Local Currency Bond ETF
As of 12/31/19

» Fund Objectives
This exchange-traded fund seeks maximum total return and current income.

» Fund Facts
- Fund Ticker: FEMB
- CUSIP: 33739P202
- Intraday NAV: FEMBV
- Fund Inception Date: 11/4/14
- Expense Ratio: 0.85%
- 30-Day SEC Yield: 4.48%
- Primary Listing: Nasdaq

» Fund Description
- The First Trust Emerging Markets Local Currency Bond 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 bonds, notes, bills, certificates of deposit, time deposits, commercial paper and loans issued by issuers in emerging market (“EM”) countries that are denominated in the local currency of the issuer.
  - The fund will use foreign currencies and derivative instruments primarily to hedge (offset) interest rate risk and actively manage interest rate exposure as well as to hedge foreign currency risk and actively manage foreign currency exposure.
  - Because currency returns can be a significant driver of performance in EMs, either positive or negative, the duration and currency exposures will be actively managed to minimize portfolio volatility.
  - EMs enjoy high growth rates, sustainable debt dynamics and advantageous demographic profiles, in our opinion.

» Fund Sub-Advisor
- First Trust Global Portfolios Ltd. is the sub-advisor to the fund and will manage the fund’s portfolio.
  - The fixed income investment team at First Trust Global Portfolios Ltd. has extensive experience in managing developed and emerging market sovereign debt portfolios.
  - The portfolio managers will continually review fundamental economic and structural themes that impact long- and medium-term asset returns in EMs.
  - The portfolio managers will adjust the portfolio’s country allocations, duration and individual security positioning to reflect what they believe to be the most attractive opportunities on a continuous basis.

» The following persons serve as the portfolio managers of the Fund:
  - Derek Fulton, Chief Executive Officer, First Trust Global Portfolios Ltd.
  - Leonardo Da Costa, Portfolio Manager, First Trust Global Portfolios Ltd.

» 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>4.46</td>
<td>11.58</td>
<td>11.58</td>
<td>5.24</td>
<td>1.39</td>
<td>—</td>
<td>0.69</td>
</tr>
<tr>
<td>After Tax Held</td>
<td>3.87</td>
<td>9.10</td>
<td>9.10</td>
<td>2.72</td>
<td>-0.95</td>
<td>—</td>
<td>-1.61</td>
</tr>
<tr>
<td>After Tax Sold</td>
<td>2.63</td>
<td>6.78</td>
<td>6.78</td>
<td>2.89</td>
<td>-0.01</td>
<td>—</td>
<td>-0.53</td>
</tr>
<tr>
<td>Market Price</td>
<td>4.48</td>
<td>11.80</td>
<td>11.80</td>
<td>5.77</td>
<td>1.31</td>
<td>—</td>
<td>0.71</td>
</tr>
</tbody>
</table>

Index Performance**
- Bloomberg Barclays Emerging Markets Local Currency Government - 10% Country Capped Index: 4.43, 12.21, 12.21, 7.10, 2.99, —, 1.87

» Calendar Year Total Returns (%)

- Bloomberg Barclays Emerging Markets Local Currency Government - 10% Country Capped Index: —, —, —, —, —, —, -11.73, 6.85, 14.94, -4.77, 12.21

» 3-Year Statistics
<table>
<thead>
<tr>
<th>Standard Deviation (%)</th>
<th>Alpha</th>
<th>Beta</th>
<th>Sharpe Ratio</th>
<th>Correlation</th>
</tr>
</thead>
<tbody>
<tr>
<td>FEMB</td>
<td>8.60</td>
<td>-2.31</td>
<td>1.12</td>
<td>0.44</td>
</tr>
<tr>
<td>Bloomberg Barclays Emerging Markets Local Currency Government - 10% Country Capped Index</td>
<td>7.56</td>
<td>—</td>
<td>1.00</td>
<td>0.72</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.

130-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 Bloomberg Barclays Emerging Markets Local Currency Government - 10% Country Capped 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.
Not FDIC Insured • Not Bank Guaranteed • May Lose Value