**First Trust Short Duration Managed Municipal ETF**

**As of 6/28/19**

### Fund Description
- 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 municipal debt securities that pay interest that is exempt from regular federal income taxes. Up to 35% of its net assets may be allocated to below investment-grade municipal securities.
- The fund is expected to maintain a weighted average duration of one to three years.
- First Trust Advisors L.P. is the advisor to the fund and manages the fund’s portfolio. Daily investment decisions are made by Tom Futrell, CFA, Senior Vice President, Portfolio Manager and Johnathan N. Wilhelm, Senior Vice President, Portfolio Manager.
- The investment process practices rigorous credit analysis of individual issuers coupled with a thorough understanding of the major opportunities and risks within municipal sectors.
- The portfolio managers use a disciplined approach that focuses on a combination of quantitative analysis and fundamental research.
- Their actively managed approach applies extensive research on each individual bond selection.
- They seek to take advantage of the inefficiencies within the municipal market to find higher-yielding undervalued bonds.

### Performance Summary (%)

<table>
<thead>
<tr>
<th>Performance Summary (%)</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><strong>Fund Performance</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Asset Value (NAV)</td>
<td>1.22</td>
<td>2.46</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>3.48</td>
</tr>
<tr>
<td>After Tax Held</td>
<td>0.98</td>
<td>1.98</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>2.91</td>
</tr>
<tr>
<td>After Tax Sold</td>
<td>0.72</td>
<td>1.45</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>2.05</td>
</tr>
<tr>
<td>Market Price</td>
<td>1.22</td>
<td>2.31</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>3.38</td>
</tr>
<tr>
<td><strong>Index Performance</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bloomberg Barclays Short (1-5) Year Index</td>
<td>1.12</td>
<td>2.46</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>3.67</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.

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*First Trust has contractually agreed to waive management fees of 0.10% of average daily net assets until November 1, 2020.

†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 and includes the effects of fee waivers and expense reimbursements.

‡The taxable equivalent yield is for illustrative purposes only. This information illustrates approximately what you would have to earn on taxable investments to equal the tax-exempt yield using the highest federal tax bracket for 2019. This information is based on present law as of the date of publication and does not account for any proposed changes in tax rates. This information does not account for limitations on deductions, the alternative minimum tax or taxes other than Federal personal income tax.

§The unsubsidized 30-day SEC yield is calculated the same as the 30-day SEC yield, however it excludes contractual fee waivers and expense reimbursements.

^First Trust has contractually agreed to waive management fees of 0.10% of average daily net assets until November 1, 2020.

Note: 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. Assumptions 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. The fund’s performance reflects fee waivers and expense reimbursements, absent which performance would have been lower. 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.

*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.

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ETF Characteristics

The fund lists and principally trades its shares on the NYSE Arca, Inc. Investors buying or selling fund shares on the secondary market may be subject to 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, the price of the fund 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 the creation/ redemption orders, 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.

The fund is subject to market risk. Market risk is the risk that movements in market values of the fund’s securities, income risk is the risk that income from the fund’s fixed income investments could decline during periods of falling interest rates. Interest rate risk is the risk that the values of municipal securities held by the fund may be adversely affected by local political and economic conditions and developments. Adverse conditions in an industry significant to a local economy could have a correspondingly adverse effect on the financial condition of local issuers. Income from municipal bonds held by the fund could be declared taxable because of, among other things, unfavorable tax laws, adverse interpretations by the Internal Revenue Service or state tax authorities, or noncompliance by a bond issuer. There is no limit as to the amount that can be invested in alternative minimum tax bonds. All or a portion of the fund’s exempt-interest dividends may be taxable to those shareholders subject to the federal alternative minimum tax.

Inventories of municipal securities have decreased in recent years, lessening the ability to make a market in these securities. This reduction in market making capacity has the potential to decrease the fund’s ability to buy or sell municipal securities, and increase price volatility and trading costs.

Credit rating agencies may issue inverse floater securities in which the fund may invest. Inverse floater securities may be leveraged and their market values may be more volatile than other types of fixed-income instruments. In addition, distributions paid to the fund on its inverse floaters will be reduced or eliminated as short-term municipal interest rates rise and will increase as short-term municipal interest rates fall.

As the use of Internet technology has become more prevalent in recent years, the fund has become more susceptible to potential operational risks through breaches in cyber security. Such events could cause the fund to incur regulatory penalties, reputational damage, additional compliance costs associated with enhancing security processes and systems, and could impair the fund’s ability to operate as intended. If the fund has lower average daily trading volumes, it may revalue on a smaller number of third-party market makers to provide a market for the purchase and sale of shares. Any trading halt or other problem relating to the trading activity of these market makers could result in an incorrect purchase or sale price for a security and affect the market value and the price at which the fund’s shares are trading. The fund is subject to industrial development bond risk which is the risk that to the extent that the industrial development bonds are tax exempt, the interest or proceeds of the industrial development bonds may be classified as taxable income for the fund.

The fund is classified as “non-diversified” and may invest a relatively high percentage of its assets in a limited number of issuers. The lack of diversification means that the fund is more susceptible to adverse developments affecting one or more of these issuers, experience increased volatility and be highly concentrated in certain issuers.

The information presented is not intended to constitute an investment recommendation for, or advice to, any specific person. By providing this information, First Trust Advisors L.P. 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 investments independently and for exercising independent judgment in determining whether investments are appropriate for their clients.

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.