First Trust Emerging Markets Small Cap AlphaDEX® Fund

**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 AlphaDEX® Emerging Markets Small Cap Index.

**Fund Facts**
- **Fund Ticker**: FEMS
- **CUSIP**: 33737J307
- **Intraday NAV**: FEMSIV
- **Fund Inception Date**: 2/15/12
- **Expense Ratio**: 0.80%
- **Rebalance Frequency**: Semi-Annual
- **Primary Listing**: Nasdaq

**Index Facts**
- **Index Ticker**: NQDEXMSCN
- **Index Inception Date**: 9/8/14

**Performance Summary (%)**¹

<table>
<thead>
<tr>
<th>Fund Performance²</th>
<th>Quarter</th>
<th>YTD</th>
<th>1 Year</th>
<th>3 Years</th>
<th>5 Years</th>
<th>10 Years</th>
<th>Since Inception</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Asset Value (NAV)</td>
<td>-0.31</td>
<td>9.73</td>
<td>-5.39</td>
<td>9.53</td>
<td>2.27</td>
<td>—</td>
<td>5.10</td>
</tr>
<tr>
<td>After Tax Held</td>
<td>-0.74</td>
<td>9.26</td>
<td>-6.72</td>
<td>8.02</td>
<td>0.85</td>
<td>—</td>
<td>3.84</td>
</tr>
<tr>
<td>After Tax Sold</td>
<td>-0.18</td>
<td>5.76</td>
<td>-3.21</td>
<td>6.76</td>
<td>1.09</td>
<td>—</td>
<td>3.41</td>
</tr>
<tr>
<td>Market Price</td>
<td>-0.37</td>
<td>10.13</td>
<td>-5.09</td>
<td>9.19</td>
<td>2.32</td>
<td>—</td>
<td>5.04</td>
</tr>
</tbody>
</table>

**Index Performance**²
- **NASDAQ AlphaDEX® Emerging Markets Small Cap Index**: 0.22
- **MSCI Emerging Markets Small Cap Index**: -0.98
- **NASDAQ Emerging Markets Small Cap Index**: 0.11

**Calendar Year Total Returns (%)**¹

<table>
<thead>
<tr>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>MSCI Emerging Markets Small Cap Index</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>1.04</td>
<td>1.01</td>
<td>-6.85</td>
<td>2.28</td>
<td>33.84</td>
<td>-18.59</td>
<td>6.71</td>
</tr>
<tr>
<td>NASDAQ Emerging Markets Small Cap Index</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>1.16</td>
<td>0.66</td>
<td>-9.14</td>
<td>12.10</td>
<td>31.94</td>
<td>-16.51</td>
<td>10.31</td>
</tr>
</tbody>
</table>

**3-Year Statistics**¹

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>Standard Deviation (%)</th>
<th>Alpha</th>
<th>Beta</th>
<th>Sharpe Ratio</th>
<th>Correlation</th>
</tr>
</thead>
<tbody>
<tr>
<td>FEMS</td>
<td>17.10</td>
<td>-1.46</td>
<td>1.34</td>
<td>0.53</td>
<td>0.96</td>
</tr>
<tr>
<td>MSCI Emerging Markets Small Cap Index</td>
<td>12.74</td>
<td>-3.04</td>
<td>0.98</td>
<td>0.37</td>
<td>0.94</td>
</tr>
<tr>
<td>NASDAQ Emerging Markets Small Cap Index</td>
<td>12.25</td>
<td>—</td>
<td>1.00</td>
<td>0.64</td>
<td>1.00</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.

¹On October 13, 2015, the fund’s underlying index changed from the Defined Emerging Markets Small Cap Index to the NASDAQ AlphaDEX® Emerging Markets Small Cap Index. Therefore, the fund’s performance and historical returns shown for the periods prior to this date are not necessarily indicative of the performance that the fund, based on its current index, would have generated.

²NAV 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 AlphaDEX® Emerging Markets Small Cap 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.*
The fund may invest in depositary receipts which may be less liquid than the underlying shares in their primary trading market. The fund may, under most circumstances, affect a portion of creations and redemptions for cash, rather than in-kind securities. As a result, the fund may be less tax-efficient. Changes in currency exchange rates and the relative value of non-US currencies may affect the value of a fund’s investments and the value of a fund’s shares. 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 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.

### 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 AlphaDEX® Emerging Markets Small Cap 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 the fund’s 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 or country which involves additional risks including limited diversification. The fund invests 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. These risks may be heightened for securities of companies located in, or with significant operations in, emerging market countries.

### 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 MSCI Emerging Markets Small Cap Index is a free float-adjusted market capitalization index that is designed to measure equity market performance of all investable small cap securities in emerging markets. The NASDAQ Emerging Markets Small Cap Index is a float adjusted market capitalization-weighted index that is designed to measure the small capitalization segment performance of securities in countries which are designated as emerging markets.

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