

The **First Trust International Developed Capital Strength® ETF** is an exchange-traded fund (ETF) that seeks investment results that correspond generally to the price and yield (before the fund's fees and expenses) of an equity index called The International Developed Capital Strength™ Index (the "index").

HIGH QUALITY INTERNATIONAL COMPANIES

A resilient portfolio is built on knowing how to identify companies that have exhibited solid fundamentals. FICS seeks to provide a simplified way to gain exposure to well-capitalized non-U.S. companies in developed markets with strong market positions that have the potential to provide their stockholders with a greater degree of stability and performance over time.

EXAMINING CAPITAL STRENGTH

There are many factors that can be used to determine the financial health of a company. Below are some factors that are considered in The International Developed Capital Strength™ Index construction process:

Cash | Companies with sizable cash positions tend to be mature companies that dominate their industries. A company with a significant amount of cash on its balance sheet is attractive for many reasons. Cash enables companies to bypass the credit markets and potentially:

- Make strategic cash-financed mergers and acquisitions
- Pay dividends or increase dividend payments to seek to boost returns
- Repurchase undervalued shares
- Reinvest cash to grow their business
- Improve their debt rating, thus reducing their cost of capital
- Fund research and development projects, even in a down market

Long-Term Debt-to-Market Cap Ratio | A way to measure the amount of debt a company carries compared to its available capital is to consider its long-term debt-to-market capitalization ratio. This ratio can be used as one indication of a company's overall level of financial risk. The lower the percentage typically means a company is using less leverage and has a stronger equity position.

Return on Equity | How much profit a company generates with the money shareholders have invested is measured by its return on equity (ROE).

Lower Volatility | One way to potentially mitigate the adverse effects of market movements is to invest in relatively low-volatility stocks. Typically, these stocks do not have as dramatic price fluctuations (relative to other stocks), but change in value steadily over time. The index seeks to provide exposure to 50 well-capitalized companies which have displayed low price fluctuations over time while also retaining capital growth potential.

WHY INTERNATIONAL?

Despite fears of a slowdown in global economic growth, investing outside of the U.S. may present opportunities to participate in the long-term growth potential of foreign companies. Investing internationally may also offer the opportunity to:

- Buy low as international equity market valuations, relative to the U.S. as of 12/31/25 (see chart to the right), are currently lower.
- Reduce home bias as many U.S. investors hold the majority of their equities in domestic companies.
- Seek to reduce risk through diversification, which is one of the potential advantages of international investing, although diversification does not guarantee a profit or protect against loss.

Fund Facts

Fund Ticker	FICS
CUSIP	33738R662
Intraday NAV	FICSIV
Fund Inception Date	12/15/2020
Primary Listing	Nasdaq
Rebalance Frequency	Semi-annually

More Bang for your Buck Overseas

International markets have historically low valuations relative to the U.S.



Sources: First Trust, MSCI, S&P, Capital IQ as of 12/31/25.

The International Developed Capital Strength™ Index Construction Process According to the Index Provider

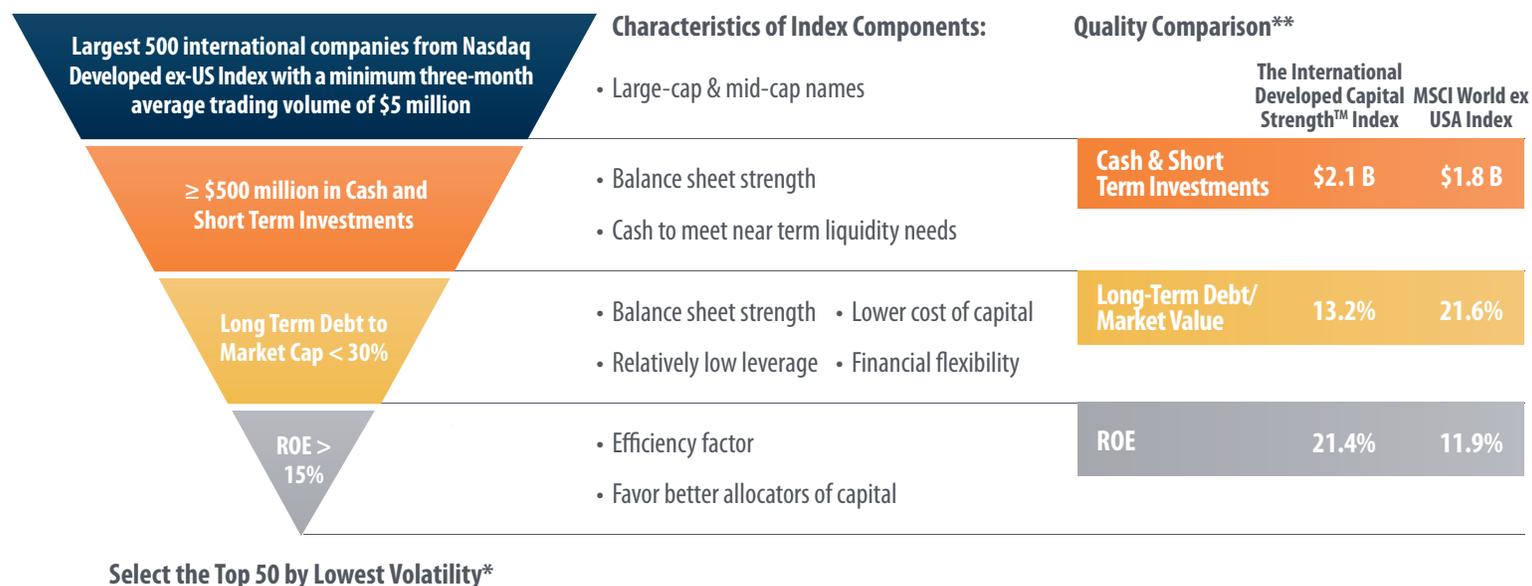
The index seeks to provide exposure to international companies with a high degree of liquidity, the ability to generate earnings growth, and a record of financial strength and profit growth.

Identify the Universe | To be eligible for inclusion in the index, a security must be a common stock or real estate investment trust (REIT) that is a member of the Nasdaq Developed ex-US Index. The largest 500 companies with a minimum three-month average daily dollar trading volume of \$5 million are selected.

Examine Historical Financial Results | According to the index provider, every security must meet stringent eligibility criteria based on cash on hand, debt ratios and return on equity.

Select Companies With Low Volatility Scores | Eligible securities are ranked by a combined short-term (three months) and long-term (one year) historical volatility. The 50 eligible securities with the lowest combined volatility score are selected, subject to a maximum of 30% from any one country or industry based on the Industry Classification Benchmark. The volatility screen seeks out those companies with lower historic risk and favors companies with consistent historical security price performance.

Rebalance | The index stocks are equally weighted initially and on each rebalancing effective date. The index is rebalanced and reconstituted semi-annually.



*Subject to a maximum weight of 30% from any one industry or country classification benchmark.

** As of 12/31/25. Source: Capital IQ. All data items represent median value of all companies in the index.

Note: Long-term debt includes long-term leases.

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.

Why Investing Internationally Matters

The First Trust International Developed Capital Strength® ETF may provide a convenient way to add an international dimension to your investment portfolio, significantly expanding your investment opportunities. Because international markets often follow different cycles than the U.S. markets, investing internationally may provide gains when domestic markets are flat or declining. Diversification may also help reduce risk by decreasing dependency on the performance of a single economy.

ANNUAL TOTAL RETURNS

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
	0.31%	42.54%	35.11%	31.77%	11.04%	70.56%	45.84%	10.19%	47.39%	44.53%	27.34%	7.14%	46.39%	26.22%	90.30%
	-3.69%	32.27%	33.48%	12.46%	6.88%	58.85%	45.51%	0.74%	31.17%	21.27%	26.72%	2.08%	37.94%	24.48%	80.42%
	-10.97%	31.21%	32.04%	8.38%	6.00%	26.12%	44.81%	-5.44%	30.59%	18.78%	25.89%	-5.19%	35.21%	19.15%	69.15%
	-11.32%	30.05%	29.02%	0.84%	2.45%	13.01%	30.92%	-7.93%	29.07%	16.75%	21.01%	-6.68%	32.31%	11.89%	54.65%
	-11.96%	24.27%	28.35%	-2.85%	0.48%	12.63%	28.39%	-11.05%	28.92%	13.46%	19.17%	-7.15%	26.43%	10.95%	52.48%
	-12.35%	23.60%	26.87%	-3.30%	0.29%	5.79%	28.07%	-12.27%	27.83%	13.07%	17.15%	-9.01%	24.82%	10.14%	37.14%
	-12.36%	19.80%	22.99%	-4.45%	-3.76%	5.64%	26.93%	-12.97%	24.97%	12.42%	15.75%	-12.84%	23.88%	9.41%	36.77%
	-14.17%	19.63%	6.28%	-5.32%	-3.92%	3.72%	25.46%	-13.42%	22.95%	6.54%	12.31%	-13.62%	23.78%	7.55%	35.17%
	-14.49%	16.43%	5.89%	-8.32%	-4.06%	3.17%	24.46%	-15.17%	21.95%	4.64%	4.89%	-14.07%	22.29%	7.26%	33.19%
	-18.15%	14.25%	3.70%	-8.85%	-4.96%	2.81%	23.77%	-15.47%	19.43%	1.92%	2.30%	-15.18%	20.56%	6.39%	29.23%
	-20.45%	12.72%	2.65%	-9.26%	-8.06%	1.54%	21.84%	-15.78%	19.07%	-2.24%	1.43%	-19.73%	14.81%	-4.94%	25.23%
	-20.79%	9.82%	-0.28%	-9.81%	-13.93%	-0.43%	21.38%	-17.21%	13.81%	-2.43%	-0.08%	-20.13%	14.44%	-21.37%	20.97%
	-21.28%	8.16%	-1.02%	-10.77%	-15.06%	-2.11%	16.50%	-18.71%	13.64%	-4.13%	-5.44%	-21.51%	14.40%	-27.67%	17.56%
	-24.32%	5.28%	-6.39%	-16.03%	-23.68%	-10.43%	14.46%	-20.19%	9.88%	-8.16%	-21.06%	-27.97%	-14.80%	-28.86%	4.74%
	-37.78%	2.17%	-20.84%	-45.62%	-39.08%	-10.80%	7.91%	-23.00%	7.61%	-19.54%	-21.39%	N/A	N/A	N/A	N/A

- China
- United States
- Italy
- Canada
- Spain
- India
- Germany
- United Kingdom
- Japan
- Australia
- France
- Korea
- Brazil
- Mexico
- Russia

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Nasdaq Global Index	-7.65%	18.31%	23.79%	4.49%	-1.59%	9.02%	24.54%	-9.72%	26.58%	16.28%	18.64%	-17.84%	22.48%	17.33%	23.04%
5 Best Countries*	-7.52%	32.07%	31.60%	10.12%	5.37%	36.23%	39.09%	-2.70%	33.43%	22.96%	24.03%	-1.96%	35.65%	18.54%	69.40%
5 Worst Countries*	-24.92%	7.63%	-5.17%	-18.30%	-19.96%	-4.45%	16.42%	-18.98%	12.80%	-7.30%	-9.31%	-20.90%	9.88%	-15.29%	19.55%

*The average of the five best performing countries and the five worst performing countries for which we have returns.

Source: Nasdaq, International Monetary Fund. Data as of 12/31/25. The returns are based on the performance of the companies in each country within the Nasdaq Global Index. Data for Russia is N/A for 2022-2025 due to the suspension of the Nasdaq Russia Index.

Past performance is not a guarantee of future results. Diversification does not guarantee a profit or protect against a loss.

The countries shown are the largest countries by GDP as of October 2024 (latest data available). For illustrative purposes only and not indicative of any actual investment. All indices are unmanaged, statistical composites that cannot be purchased directly by investors. An index does not charge management fees or brokerage expenses, and no such fees or expenses were deducted from the performance shown.

In addition to the risks of investing in common stocks which includes the possible loss of principal, investing in individual countries may present more risk than investing across several regions. An investment in securities of non-U.S. issuers are 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.

Risk Considerations

You could lose money by investing in a fund. An investment in a fund is not a deposit of a bank and is not insured or guaranteed. There can be no assurance that a fund's objective(s) will be achieved. Investors buying or selling shares on the secondary market may incur customary brokerage commissions. Please refer to each fund's prospectus and Statement of Additional Information for additional details on a fund's risks. The order of the below risk factors does not indicate the significance of any particular risk factor.

Unlike mutual funds, shares of the fund may only be redeemed directly from a fund by authorized participants in very large creation/redemption units. If a 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 premium or discount to a fund's net asset value and possibly face delisting and the bid/ask spread may widen.

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.

Current market conditions risk is the risk that a particular investment, or shares of the fund in general, may fall in value due to current market conditions. For example, changes in governmental fiscal and regulatory policies, disruptions to banking and real estate markets, actual and threatened international armed conflicts and hostilities, and public health crises, among other significant events, could have a material impact on the value of the fund's investments.

A fund is susceptible to operational risks through breaches in cyber security. Such events could cause a fund to incur regulatory penalties, reputational damage, additional compliance costs associated with corrective measures and/or financial loss.

Equity securities may decline significantly in price over short or extended periods of time, and such declines may occur in the equity market as a whole, or they may occur in only a particular country, company, industry or sector of the market.

Political or economic disruptions in European countries, even in countries in which a fund is not invested, may adversely affect security values and thus the fund's holdings. A significant number of countries in Europe are member states in the European Union, and the member states no longer control their own monetary policies. In these member states, the authority to direct monetary policies, including money supply and official interest rates for the Euro, is exercised by the European Central Bank. The implications of the United Kingdom's withdrawal from the European Union are difficult to gauge and cannot yet be fully known.

Financial services companies are subject to the adverse effects of economic recession, currency exchange rates, government regulation, decreases in the availability of capital, volatile interest rates, portfolio concentration in geographic markets, industries or products, and competition from new entrants in their fields of business.

An index fund will be concentrated in an industry or a group of industries to the extent that the index is so concentrated. A fund with significant exposure to a single asset class, or the securities of issuers within the same country, state, region, industry, or sector may have its value more affected by an adverse economic, business or political development than a broadly diversified fund.

A fund may be a constituent of one or more indices or models which could greatly affect a fund's trading activity, size and volatility.

There is no assurance that the index provider or its agents will compile or maintain the index accurately. Losses or costs associated with any index provider errors generally will be borne by a fund and its shareholders.

Industrials and producer durables companies are subject to certain risks, including the general state of the economy, intense competition, consolidation, domestic and international politics, excess capacity and consumer demand and spending trends. They may also be significantly affected by overall capital spending levels, economic cycles, technical obsolescence, delays in modernization, labor relations, and government regulations.

Since securities that trade on non-U.S. exchanges are closed when a fund's primary listing is open, there are likely to be deviations between the current price of an underlying security and the last quoted price from the closed foreign market, resulting in premiums or discounts to a fund's NAV.

Large capitalization companies may grow at a slower rate than the overall market.

A portfolio comprised of low volatility stocks may not produce investment exposure that has lower variability to changes in such stocks' price levels. Low volatility stocks are likely to underperform the broader market during periods of rapidly rising stock prices.

Market risk is the risk that a particular security, or shares of a fund in general may fall in value. Securities are subject to market fluctuations caused by such factors as general economic conditions, political events, regulatory or market developments, changes in interest rates and perceived trends in securities prices. Shares of a fund could decline in value or underperform other investments as a result. In addition, local, regional or global events such as war, acts of terrorism, spread of infectious disease or other public health issues, recessions, natural disasters or other events could have significant negative impact on a fund.

A fund faces numerous market trading risks, including the potential lack of an active market for fund shares due to a limited number of market makers. Decisions by market makers or authorized participants to reduce their role or step away in times of market stress could inhibit the effectiveness of the arbitrage process in maintaining the relationship between the underlying values of a fund's portfolio securities and a fund's market price.

An index fund's return may not match the return of the index for a number of reasons including operating expenses, costs of buying and selling securities to reflect changes in the index, and the fact that a fund's portfolio holdings may not exactly replicate the index.

Securities of non-U.S. issuers are subject to additional risks, including currency fluctuations, political risks, withholding, lack of liquidity, lack of adequate financial information, and exchange control restrictions impacting non-U.S. issuers.

A fund and a fund's advisor may seek to reduce various operational risks through controls and procedures, but it is not possible to completely protect against such risks. The fund also relies on third parties for a range of services, including custody, and any delay or failure related to those services may affect the fund's ability to meet its objective.

A fund that invests in securities included in or representative of an index will hold those securities regardless of investment merit and the fund generally will not take defensive positions in declining markets.

The market price of a fund's shares will generally fluctuate in accordance with changes in the fund's net asset value ("NAV") as well as the relative supply of and demand for shares on the exchange, and a fund's investment advisor cannot predict whether shares will trade below, at or above their NAV.

Real Estate Investment Trusts ("REITs") are subject to the risks of investing in real estate, including, but not limited to, changes in the real estate market, vacancy rates and competition, volatile interest rates and economic recession. Increases in interest rates typically lower the present value of a REIT's future earnings stream and may make financing property purchases and improvements more costly. The value of a fund will generally decline when investors in REIT stocks anticipate or experience rising interest rates.

Securities of small- and mid-capitalization companies may experience greater price volatility and be less liquid than larger, more established companies.

Trading on an exchange may be halted due to market conditions or other reasons. There can be no assurance that a fund's requirements to maintain the exchange listing will continue to be met or be unchanged.

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

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Definitions

The **S&P 500 Index** is an unmanaged index of 500 companies used to measure large-cap U.S. stock market performance.

The **MSCI EAFE Index** is a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the US & Canada.

The **MSCI Emerging Markets Index** is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets.

The **MSCI World Ex USA Index** includes developed markets and is designed to provide a broad measure of stock performance throughout the world, with the exception of U.S.-based companies.

The **Nasdaq Global Index** is a market capitalization weighted index designed to provide the broadest exposure for more than 98% of investable large-, mid-, and small-cap securities globally.