DEED

First Trust Securitized Plus ETF

The **First Trust Securitized Plus ETF** is an actively managed exchange-traded fund (ETF) that seeks to maximize long-term total return by allocating investments across a range of securitized asset classes.

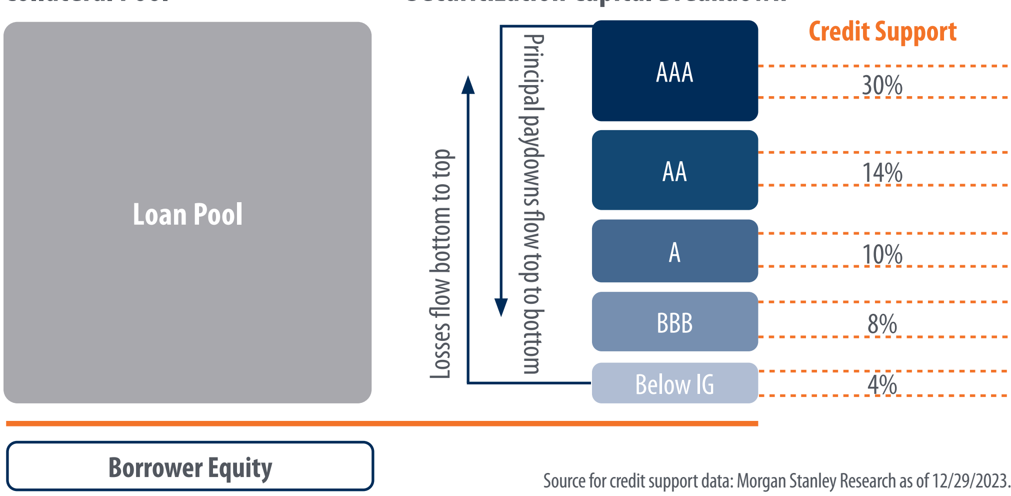
Why Consider DEED?

Securitized assets have the potential to provide a steady flow of income that may be less correlated to the economic cycle than other fixed income sectors. We believe a skillfully managed allocation to the securitized asset sector may improve overall total return potential and provide diversification to a fixed income portfolio. DEED invests at least 50% of its total assets in securities issued or guaranteed by the U.S. government, its agencies or instrumentalities (such as Ginnie Mae), and U.S. government-sponsored entities (such as Fannie Mae and Freddie Mac). The fund may also invest up to 50% of its total assets in non-agency, non-government sponsored entity securities and privately-issued mortgage-related and other asset-backed securities including residential mortgage-backed securities, commercial mortgage-backed securities, asset-backed securities and collateralized loan obligations ("CLOs") (collectively, "Private MBS/ABS").

Securitization Cash Flow Hierarchy

Securitized investments have unique structured payment priorities that may offer a level of protection for investors because principal payments and losses flow in opposite directions. The cash flows generated by a securitized asset are assigned a priority, whereby senior securities are paid principal first and losses are absorbed by junior securities first. This structure offers different risk/return characteristics to investors depending on their place in the capital stack. Additionally, the underlying loans are often amortized, meaning the debt is gradually reduced via regular payments over time.

Subordination creates a hierarchy of payment and loss attribution. "Subordinated" securities are offered to potentially insulate "Senior" level securities from losses. AAA-rated "Senior" tranches with 30% credit support can potentially withstand 60% losses, with a 50% recovery value across the entire deal, before realizing principal impairment. Different credit tranches may offer active managers opportunities across differing risk/return profiles.



Source for credit support data: Morgan Stanley Research as of 12/29/2023.

Fund Details

Fund Ticker	DEED
CUSIP	33740U109
Intraday NAV	DEEDIV
Fund Inception Date	4/29/20
Investment Advisor	First Trust Advisors L.P.
Primary Listing	NYSE Arca
Benchmark	Bloomberg U.S. Mortgage-Backed Securities Index
Expected Average Duration	Within 2 years of the benchmark

Investment Strategy Focus

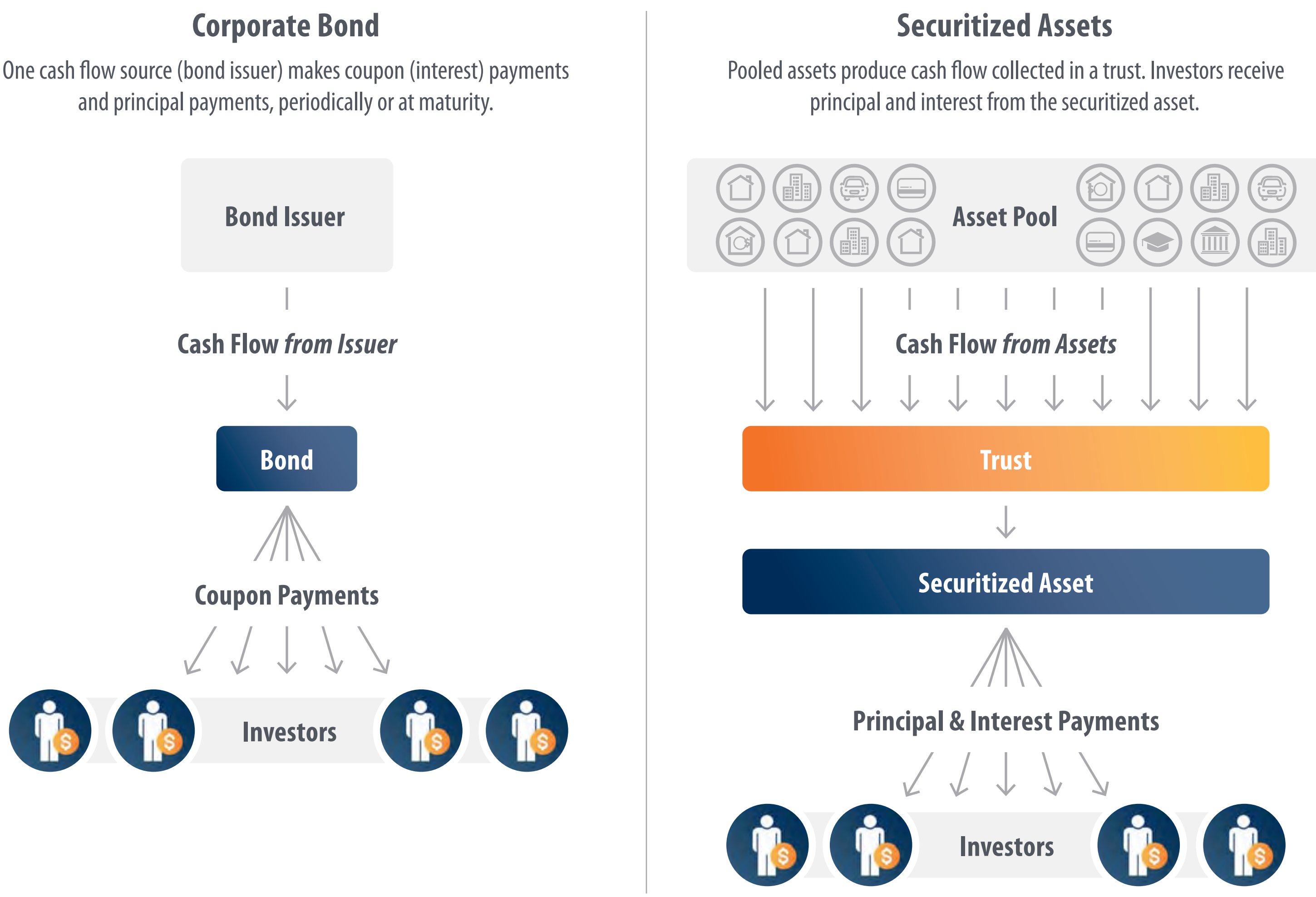
- Seeks to Maximize Long-Term Total Return
- Monthly Income Potential
- Actively Managed Exposure to Securitized Assets and Interest Rates
- Potential to Outperform the Broad Bond Market

The Appeal of Securitized Assets

Simply stated, securitization is the process of grouping large numbers of loans and transforming them into a security that passes the payment of principal and interest to investors. The loans, or asset pools, may include mortgages on single family homes, apartment buildings or commercial buildings; car loans; credit card payments; student loans; small business loans; bank loans and a variety of other types of assets.

Securitized assets may be appealing because the cash flow, or principal and interest payments received by investors, is typically dependent on a pool of assets rather than on one entity, as is typical of corporate bonds. Because each asset in a pool can have unique payment patterns, the cash flow received by investors can vary over time, in different economic conditions, and it tends not to share the same type of binary outcome of corporate bonds, that may either be making bond payments or be in default. Adding securitized assets to a fixed income portfolio has the potential to provide meaningful diversification, especially if the portfolio contains significant exposure to corporate credit. It is important to note that diversification does not guarantee a profit nor protect against loss.

Corporate Bond vs. Securitized Assets



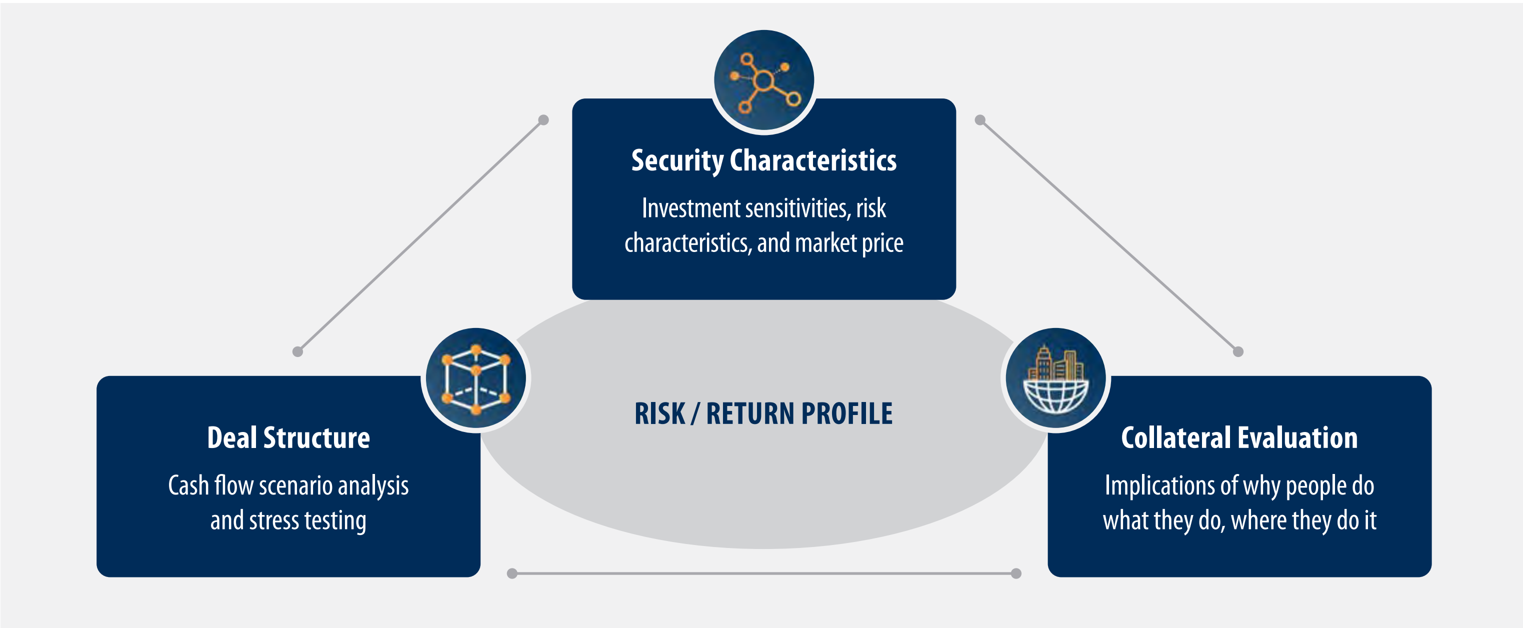
For illustrative purposes only.

It is important to note that there are potential differences between the investment objectives, risks, principal guarantees, liquidity and tax treatment of the securitized assets in which the fund invests versus corporate bond securities. Securitized assets are backed by a pool of assets and principal and interest payments are typically secured by underlying collateral. A corporate bond is a debt obligation issued by a corporation. Prices of fixed-income securities change in response to many factors and are subject to several risks, including credit risk, call risk, income risk, inflation risk, interest rate risk, extension risk and prepayment risk. Please see Risks and Considerations section on the last page for additional information about risks and asset classes.

Investment Process & Philosophy

The First Trust Government & Securitized Products Group selects and manages government and securitized components of select actively managed portfolios. The portfolio management team has over 100 years of combined investment experience managing retail and institutional real estate and mortgage-related assets and portfolios. They believe government and securitized assets offer the potential to generate high quality, attractive income.

DEED Security Selection Process



Potential Benefits of an Actively Managed Structured Finance ETF

The portfolio management team holds to the philosophy that resilient returns are driven by durable investments and dynamic risk management. The portfolio managers believe thorough and continuous monitoring of residential and commercial real estate markets, consumer fundamentals, and quantitative portfolio modeling — combined with the flexibility to rebalance the portfolio to maintain strategic risk targets — is critical to achieving higher risk-adjusted returns. Quantitative portfolio modeling is used to evaluate expected relative portfolio performance and optimally create an efficient strategy based on various factors including but not limited to:

- **Interest Rates**
- **RMBS, CMBS and ABS Spreads**
- **Defaults and Severities**
- **Government and Regulatory Policy**
- **Real Estate and Consumer Fundamentals**
- **Market Volatility**

DEED Portfolio Management Team

James Snyder
Senior Portfolio Manager

Jeremiah Charles
Senior Portfolio Manager

Owen Aronson
Portfolio Manager

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.

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.

Asset-backed securities are a type of debt security and are generally not backed by the full faith and credit of the U.S. government and are subject to the risk of default on the underlying asset or loan, particularly during periods of economic downturn.

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.

During periods of falling interest rates if an issuer calls higher-yielding debt instruments, a fund may be forced to invest the proceeds at lower interest rates, likely resulting in a decline in the fund's income.

A fund that effects all or a portion of its creations and redemptions for cash rather than in-kind may be less tax-efficient.

Collateralized loan obligations ("CLOs") carry additional risks, including the possibility that distributions from collateral securities will not be adequate to make interest or other payments, the quality of the collateral may decline in value or default, the possibility that the investments in CLOs are subordinate to other classes or tranches, and the complex structure of the security may not be fully understood at the time of investment and may produce disputes with the issuer or unexpected investment results.

A fund may be subject to the risk that a counterparty will not fulfill its obligations which may result in significant financial loss to a fund.

An issuer or other obligated party of a debt security may be unable or unwilling to make dividend, interest and/or principal payments when due and the value of a security may decline as a result.

An investment in credit default swaps involves greater risks than if a fund had invested in the reference obligation directly. These risks include general market, liquidity, counterparty, credit and leverage risks.

Ratings assigned by a credit rating agency are opinions of such entities, not absolute standards of credit quality and they do not evaluate risks of securities. Any shortcomings or inefficiencies in the process of determining credit ratings may adversely affect the credit ratings of the securities held by a fund and their perceived or actual credit risk.

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.

Investments in debt securities subject the holder to the credit risk of the issuer and the value of debt securities will generally change inversely with changes in interest rates. In addition, debt securities generally do not trade on a securities exchange making them less liquid and more difficult to value.

The use of derivatives instruments involves different and possibly greater risks than investing directly in securities including counterparty risk, valuation risk, volatility risk, and liquidity risk. Further, losses because of adverse movements in the price or value of the underlying asset, index or rate may be magnified by certain features of the derivatives.

Distressed securities are speculative and often illiquid or trade in low volumes and thus may be more difficult to value and pose a substantial risk of default.

Extension risk is the risk that, when interest rates rise, certain obligations will be paid off by the issuer (or other obligated party) more slowly than anticipated, causing the value of these debt securities to fall. Rising interest rates tend to extend the duration of debt securities, making their market value more sensitive to changes in interest rates.

Floating rate securities are structured so that the security's coupon rate fluctuates based upon the level of a reference rate. As a result, the coupon on floating rate securities will generally decline in a falling interest rate environment, causing a fund to experience a reduction in the income it receives from the security. A floating rate security's coupon rate resets periodically according to the terms of the security. Consequently, in a rising interest rate environment, floating rate securities with coupon rates that reset infrequently may lag behind the changes in market interest rates.

The market for forward contracts is substantially unregulated and can experience lengthy periods of illiquidity, unusually high trading volume and other negative impacts, such as political intervention. Forward contracts can increase a fund's risk exposure to underlying references and their attendant risks, such as credit risk, currency risk, market risk, and interest rate risk, while also exposing a fund to counterparty risk, liquidity risk and valuation risk, among others.

The risk of a position in a futures contract may be very large compared to the relatively low level of margin a fund is required to deposit and a relatively small price movement in a futures contract may result in immediate and substantial loss relative to the size of margin deposit.

High yield securities, or "junk" bonds, are less liquid and are subject to greater market fluctuations and risk of loss than securities with higher ratings, and therefore, are considered to be highly speculative.

A fund's income may decline when interest rates fall or if there are defaults in its portfolio.

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.

As inflation increases, the present value of a fund's assets and distributions may decline.

Interest rate risk is the risk that the value of the debt securities in a fund's portfolio will decline because of rising interest rates. Interest rate risk is generally lower for shorter term debt securities and higher for longer-term debt securities.

Leverage may result in losses that exceed the amount originally invested and may accelerate the rates of losses. Leverage tends to magnify, sometimes significantly, the effect of any increase or decrease in a fund's exposure to an asset or class of assets and may cause the value of a fund's shares to be volatile and sensitive to market swings.

Certain fund investments may be subject to restrictions on resale, trade over-the-counter or in limited volume, or lack an active trading market. Illiquid securities may trade at a discount and may be subject to wide fluctuations in market value.

The portfolio managers of an actively managed portfolio will apply investment techniques and risk analyses that may not have the desired result.

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.

A fund that holds cash or invests in money market or short-term securities may be less likely to achieve its investment objective and could lose money.

Mortgage-related securities are more susceptible to adverse economic, political or regulatory events that affect the value of real estate.

There are no government or agency guarantees of payments in securities offered by non- government issuers, therefore they are subject to the credit risk of the issuer. Non-agency securities often trade "over-the-counter" and there may be a limited market for them making them difficult to value.

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.

The prices of options are volatile and the effective use of options depends on a fund's ability to terminate option positions at times deemed desirable to do so. There is no assurance that a fund will be able to effect closing transactions at any particular time or at an acceptable price.

Because OTC derivatives do not trade on an exchange, the parties to an OTC derivative face heightened levels of counterparty risk, liquidity risk and valuation risk.

High portfolio turnover may result in higher levels of transaction costs and may generate greater tax liabilities for shareholders.

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.

Prepayment risk is the risk that the issuer of a debt security will repay principal prior to the scheduled maturity date. Debt securities allowing prepayment may offer less potential for gains during a period of declining interest rates, as a fund may be required to reinvest the proceeds of any prepayment at lower interest rates.

A fund may be unable to sell a restricted security on short notice or only sell them at a price below current value.

A fund with significant exposure to a single asset class, country, region, industry, or sector may be more affected by an adverse economic or political development than a broadly diversified fund.

Swap agreements may involve greater risks than direct investment in securities and could result in losses if the underlying reference or asset does not perform as anticipated. In addition, many swaps trade over-the-counter and may be considered illiquid.

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.

Securities issued or guaranteed by federal agencies and U.S. government sponsored instrumentalities may or may not be backed by the full faith and credit of the U.S. government.

A fund may hold securities or other assets that may be valued on the basis of factors other than market quotations. This may occur because the asset or security does not trade on a centralized exchange, or in times of market turmoil or reduced liquidity. Portfolio holdings that are valued using techniques other than market quotations, including "fair valued" assets or securities, may be subject to greater fluctuation in their valuations from one day to the next than if market quotations were used. There is no assurance that a fund could sell or close out a portfolio position for the value established for it at any time.

The purchase of securities on a when-issued, TBA ("to be announced"), delayed delivery or forward commitment basis may give rise to investment leverage and increase a fund's volatility and exposure to default.

First Trust Advisors L.P. (FTA) is the adviser to the First Trust fund(s). FTA is an affiliate of First Trust Portfolios L.P., the distributor of the fund(s).

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.

Definitions

Duration is a measure of a bond's sensitivity to interest rate changes that reflects the change in a bond's price given a change in yield. It accounts for the likelihood of changes in the timing of cash flows in response to interest rate movements.

Bloomberg U.S. Mortgage-Backed Securities Index tracks agency mortgage backed pass-through securities (both fixed-rate and hybrid ARM) guaranteed by Ginnie Mae, Fannie Mae, and Freddie Mac.