

First Trust

FTHF

First Trust Emerging Markets Human Flourishing ETF

The **First Trust Emerging Markets Human Flourishing ETF** (the “fund”) 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 Emerging Markets Human Flourishing Index (the “index”).

EMERGING WITH DIGNITY

Traditional emerging market benchmarks tend to have significant weight in countries whose policies and living conditions may not be conducive to “human flourishing”, defined by the index provider as the essence that all humans are worthy of being treated with dignity and respect. **FTHF** seeks to provide exposure to the performance of companies within emerging market countries that sufficiently promote human flourishing, as described below, and where political rights, civil liberties, freedom of expression and freedom of religion are highly regarded. Emerging market countries possess characteristics of developed markets but are still transitioning into fully developed economies, and often follow different cycles than U.S. markets, which may allow investors to diversify across various countries and sectors. Moreover, it is possible that investing internationally may provide gains when domestic markets are flat or declining while also allowing the opportunity to participate in the long-term growth potential of foreign companies.

HUMAN FLOURISHING CRITERIA

As part of their human flourishing criteria, the index provider evaluates emerging market countries via a multi-part scoring process:

HUMAN DIGNITY SCORE - Generated by evaluating emerging market countries on data points sourced by Freedom House¹

Freedom of Expression and Belief (80%) | Refers to the extent in which a particular country allows the following:

- free and independent media
- individuals to practice and express their religious faith
- academic freedom
- individuals to express their personal views on political or other sensitive topics

Freedom from Religious Persecution (20%) | Refers to the degree to which laws, policies, and practices of a particular country guarantee equal treatment of various segments of the population.

SCREENING

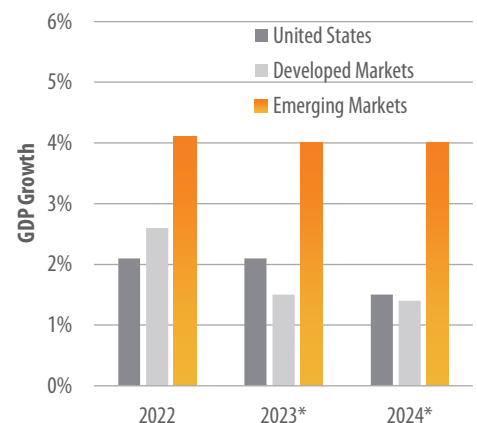
Individual companies are excluded if they are involved with seven controversial practices.

FUND DETAILS

Fund Ticker	FTHF
Investment Advisor	First Trust Advisors L.P.
CUSIP	33734X747
Intraday NAV	FTHFIV
Fund Inception Date	10/30/23
Primary Listing	NYSE Arca
Rebalance Frequency	Semi-Annually

OPPORTUNITY IN EMERGING MARKETS

Emerging markets take the lead in GDP growth predictions when compared to developed markets. The IMF estimates the GDP of emerging markets to exceed developed markets and the U.S. in 2023 and 2024.



Source: International Monetary Fund (IMF), World Economic Outlook, October 2023 Update. *Projected. There is no guarantee that past trends will continue, or projections will be realized.

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.

¹Freedom House, is a non-profit, majority U.S. government funded organization in Washington D.C. that conducts research and advocacy on democracy, political freedom and human rights.

INDEX CONSTRUCTION PROCESS

Universe | To be eligible for inclusion in the index, a security must be a constituent of the Bloomberg Emerging Markets Large and Mid Cap universe.

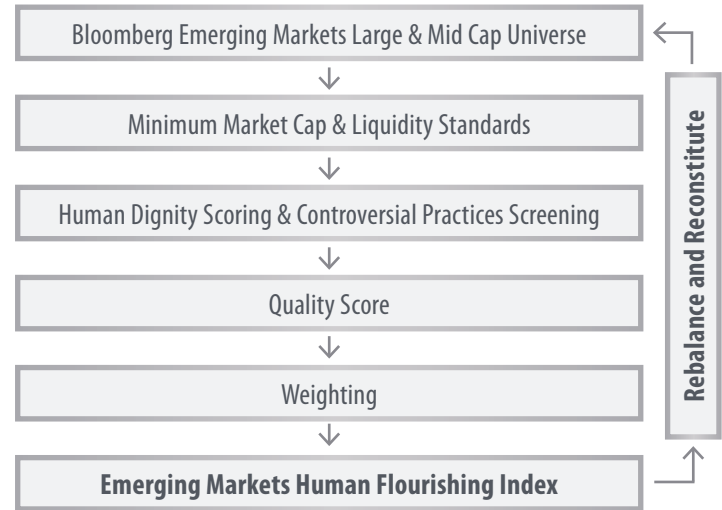
Eligibility Criteria | According to the index provider, each security must meet certain market capitalization and liquidity standards and be issued by a company domiciled in a country that has a sufficient "Human Dignity Score" as described on page 1.

Security Scoring & Selection | Only those securities that are issued by companies domiciled in countries that score in the top 50th percentile of the Human Dignity Score rankings are included in the index. These securities are then screened to exclude companies associated with seven defined controversial practices. The top 150 securities ranked by free float market capitalization are selected. Of these, the 100 securities with the highest "Quality Score" are selected.[^]

Weighting | Selected securities are weighted based on a combination of a modified free-float market capitalization, a country exposure cap and a sector exposure cap.

Reconstitute and Rebalance | The index is reconstituted and rebalanced semi-annually.

[^]The Quality Score is derived from a factor-based analysis of a security's variability, profitability, and leverage.



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.

Some Asian economies are highly dependent on trade with other countries and there is a high concentration of market capitalization and trading volume in a small number of Asian issuers as well as a high concentration of investors and financial intermediaries. Certain Asian countries experience expropriation and nationalization of assets, confiscatory taxation, currency manipulation, political instability, armed conflict and social instability as a result of religious, ethnic, socio-economic and/or political unrest. In particular, escalated tensions involving North Korea could have severe adverse effect on Asian economies. Recent developments between the U.S. and China have heightened concerns of increased tariffs and restrictions on trade.

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.

Brazil has experienced substantial economic instability resulting from, among other things, periods of very high inflation, persistent structural public sector deficits and significant devaluations of its currency leading to a high degree of price volatility in both the Brazilian equity and foreign currency markets. Brazilian companies may be adversely affected by high interest and unemployment rates, and are particularly sensitive to fluctuations in commodity prices.

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. As a means to fight inflation, the Federal Reserve and certain foreign central banks have raised interest rates and expect to continue to do so, and the Federal Reserve has announced that it intends to reverse previously implemented quantitative easing. Recent and potential future bank failures could result in disruption to the broader banking industry or markets generally and reduce confidence in financial institutions and the economy as a whole, which may also heighten market volatility and reduce liquidity. In February 2022, Russia invaded Ukraine which has caused and could continue to cause significant market disruptions and volatility within the markets in Russia, Europe, and the United States. The hostilities and sanctions resulting from those hostilities have and could continue to have a significant impact on certain fund investments as well as fund performance and liquidity. The COVID-19 global pandemic, or any future public health crisis, and the ensuing policies enacted by governments and central banks have caused and may continue to cause significant volatility and uncertainty in global financial markets, negatively impacting global growth prospects.

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.

Depository receipts may be less liquid than the underlying shares in their primary trading market and distributions may be subject to a fee. Holders may have limited voting rights, and investment restrictions in certain countries may adversely impact their value.

Investments in emerging market securities are generally considered speculative and involve additional risks relating to political, economic and regulatory conditions.

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.

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.

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.

The economies of Latin American countries have in the past experienced considerable difficulties, including high inflation rates, high interest rates, high unemployment, government overspending and political instability. International economic conditions, particularly those in the United States, Europe and Asia, as well as world prices for oil and other commodities may also influence the development of Latin American economies. Many Latin American countries are highly reliant on the exportation of commodities and their economies may be significantly impacted by fluctuations in commodity prices and the global demand for certain commodities.

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.

Mid capitalization companies may experience greater price volatility than larger, more established companies.

Large inflows and outflows may impact a new fund's market exposure for limited periods of time.

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.

A fund classified as "non-diversified" may invest a relatively high percentage of its assets in a limited number of issuers. As a result, a fund may be more susceptible to a single adverse economic or regulatory occurrence affecting one or more of these issuers, experience increased volatility and be highly concentrated in certain issuers.

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.

Preferred securities combine some of the characteristics of both common stocks and bonds. Preferred stocks are typically subordinated to other debt instruments in terms of priority to corporate income, and therefore will be subject to greater credit risk than those debt instruments.

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.

Taiwan is an emerging market and demonstrates significantly higher volatility from time to time. Taiwan's ongoing tensions with China may materially affect the Taiwanese economy. Also, the Taiwanese economy is export-oriented and dependent upon an open-world trade regime.

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.

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 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

Free float refers to the number of outstanding shares that are available to the public for trade.