XIDE is an actively managed exchange-traded fund (“ETF”) that seeks to provide a consistent level of income that, when annualized, is approximately 7.56% (before fees and expenses), while providing a buffer against the first 10% of the SPDR® S&P 500® ETF Trust (“SPY”) losses (“Outcomes”) over the one-year Target Outcome Period.**

**EQUITY EXPOSURE**
Under normal market conditions, XIDE will invest substantially all of its assets in Flexible EXchange® Options (“FLEX Options”) that reference the price performance of SPY and short-term (one year or less) U.S. Treasury securities. FLEX Options are customized equity or index option contracts that trade on an exchange, but provide investors with the ability to customize key contract terms like exercise prices, styles and expiration dates.

**BUFFER**
XIDE seeks to provide a buffer on the first 10% loss of SPY over each Target Outcome Period. If SPY decreases in price by more than 10%, XIDE will experience subsequent losses on a one-to-one basis (e.g., if SPY loses 20%, XIDE will lose 10%) over the Target Outcome Period.

**DISTRIBUTION RATE**
The distribution rate is a result of XIDE’s principal investment strategy, which, in part, involves selling at-the-money call FLEX Options. As the seller of the options, XIDE receives premiums which it intends to use to purchase a portfolio of short-term U.S. Treasury securities. XIDE will distribute the principal and any interest received from the U.S. Treasuries on a monthly basis beginning in the second month of the Target Outcome Period in order to seek to meet the distribution rate.

**INVESTMENT PROCESS**

**Target Outcome Period | 10% Downside Buffer + 7.56% Distribution^**

**Equity Exposure**
- Purchase ITM options on SPY
  - To replicate the price returns of SPY

**Buffer**
- Simultaneously purchase and sell put options
  - To provide a level of downside protection

**Distributions**
- Sell ATM options to purchase U.S. Treasuries
  - To provide monthly distributions

**Rebalance Annually**

**HYPOTHETICAL TOTAL RETURN SCENARIO**
The hypothetical examples show possible outcomes across different scenarios. The examples assumes ETF shares are purchased on the first day of the Target Outcome Period and held until the end of the period.

<table>
<thead>
<tr>
<th>Scenario</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very Negative Scenario</td>
<td>SPY: -30%</td>
</tr>
<tr>
<td></td>
<td>XIDE: -20%</td>
</tr>
<tr>
<td>Moderate Negative Scenario</td>
<td>SPY: -10%</td>
</tr>
<tr>
<td></td>
<td>XIDE: flat</td>
</tr>
<tr>
<td>Moderate Positive Scenario</td>
<td>SPY: +5%</td>
</tr>
<tr>
<td></td>
<td>XIDE: flat</td>
</tr>
<tr>
<td>Very Positive Scenario</td>
<td>SPY: +25%</td>
</tr>
<tr>
<td></td>
<td>XIDE: flat</td>
</tr>
</tbody>
</table>

*For tax purposes, distributions may consist of ordinary income, capital gains or return of capital. A return of capital will reduce an investor’s principal investment.

**Investors that hold shares for the entire Target Outcome Period will not participate in any positive price returns of SPY above SPY’s price on the first day of the Target Outcome Period, however, investors will be subject to losses of SPY below the 10% buffer level. There is no guarantee that the fund’s targeted distribution rate will be achieved. The outcome values may only be realized for an investor who holds shares for the outcome period shown.

The example is based on hypothetical reference asset returns and does not account for payment of fees and expenses so the actual return would be lower. A fund may not be able to achieve the hypothetical returns shown here. XIDE seeks to shield investors against losses from 0 to -10%, over the Target Outcome Period while providing a consistent distribution rate. Investors will not participate in any positive price movements of SPY above its price level on the first day of the Target Outcome Period and will be subject to losses below the buffer level.
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. Investing in FLEX Options involves risks different from, or possibly greater than, the risks associated with investing directly in securities. 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.

In the event an investor purchased fund shares after the first day of a Target Outcome Period and the fund has already distributed a significant amount of the targeted income for the Target Outcome Period, there may be limited, if any, further opportunity for an investor to experience an investment gain on their fund shares, however, the investor will remain vulnerable to downside risks. Because the value of, and interest received from, the underlying reference index is held by the fund may fluctuate and decrease over the Target Outcome Period, the fund may not be able to meet the targeted income level.

Depending on market conditions, the fund’s income level may rise or fall depending on the performance of the underlying reference index. 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 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. Ongoing armed conflicts between Russia and Ukraine in Europe and among Israel, Hamas and other militant groups in the Middle East, have caused and could continue to cause significant market disruptions and volatility within the markets in Russia, Europe, the Middle East 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 asset 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 and may continue to cause significant volatility and uncertainty in global financial markets, negatively impact asset performance and liquidity. 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 losses.

A fund normally pays its income as distributions and therefore, a fund may be required to reduce its distributions if it has insufficient income. Additionally at times, a fund may need to sell securities when it would otherwise do so and could cause distributions from that sale to constitute return of capital. Because of this, a fund may not be an appropriate investment for investors who do not want their principal investment in a fund to decrease over time or who do not wish to receive return of capital in a given period.

Trading FLEX Options involves risks different from, or possibly greater than, the risks associated with investing directly in securities. A fund may experience substantial variation from specific FLEX Option positions and certain FLEX Option positions may expire worthless. There can be no guarantee that a liquid secondary trading market will exist for the FLEX Options and FLEX options may be less liquid than exchange-traded options. FLEX Options are subject to correlation risk and a FLEX Option’s value may be highly volatile, and may fluctuate substantially during a short period of time. FLEX Options will be exercisable at the strike price only on their expiration date. Prior to the expiration date, the value of the FLEX Options will be determined based upon market quotations or other recognized pricing methods. In the absence of readily available market quotations for fund holdings, a fund’s advisor may determine the fair market value of the holding, which requires the advisor’s judgement and is subject to the risk of mispricing or improper valuation. A fund’s income may decline when interest rates fall or if there are defaults in its portfolio.

DEFINITIONS
An option is a contractual obligation between a buyer and a seller. There are two types of options known as "calls" and "puts." The buyer of a call option has the right, but not the obligation, to purchase an agreed upon quantity of an underlying asset from the writer (seller) of the option at a predetermined price (the strike price) within a certain window of time (until the option's expiration), creating a long position. A covered call refers to a financial transaction in which the investor selling call options owns an equivalent amount of the underlying security. A put option is the opposite of a call option and gives the buyer the right to sell to the writer (seller) the underlying asset at the strike price at the option's expiration. For this right, the buyer pays a fee to the seller, called a premium.

A call option is at-the-money (ATM) if the market price of the underlying security is equal to the strike price. In-the-money (ITM) options are options where the underlying stock price is lower/higher than the strike price. Out-of-the-money (OTM) options are options where the underlying stock price lies between the strike prices.