

### » 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 Indxx 5G & NextG Thematic Index.

### » Fund Facts

|                     |             |
|---------------------|-------------|
| Fund Ticker         | NXTG        |
| CUSIP               | 33737K205   |
| Intraday NAV        | NXTGIV      |
| Fund Inception Date | 2/17/11     |
| Total Expense Ratio | 0.70%       |
| Rebalance Frequency | Semi-Annual |
| Primary Listing     | Nasdaq      |

### » Index Facts

|                      |        |
|----------------------|--------|
| Index Ticker         | INXTG  |
| Index Inception Date | 5/7/19 |

### » Index Description According to the Index Provider

- » The index is designed to track the performance of companies that have devoted, or have committed to devote, material resources to the research, development and application of fifth generation ("5G") and next generation digital cellular technologies as they emerge.
- » Eligible securities must have a minimum market capitalization of \$500 million, six-month average daily trading volume of at least \$2 million (\$1 million for emerging market companies), traded for at least 90% of the total trading days in the last six months or for a security recently issued in an initial public offering over the prior three months, a minimum free float of 10% of shares outstanding and a share price of less than \$10,000 for new index constituents.
- » All eligible securities are analyzed by Indxx and classified into one of two sub-themes based on their exposure to 5G and/or next generation technology, either 5G Infrastructure & Hardware or Telecommunications Service Providers:
  - 5G Infrastructure & Hardware consists of Data Center REITs, Cell Tower REITs, Equipment Manufacturers, Network Testing and Validation Equipment and Software Companies and Mobile Phone Manufacturers.
  - Telecommunications Service Providers consist of companies that operate the mobile cellular and wireless communication networks that offer access to 5G networks.
- » Eligible securities are ranked by market capitalization and up to 100 securities with the largest market capitalizations are selected. 80% of the index weight is allocated to 5G Infrastructure & Hardware and 20% of the index weight is allocated to Telecommunications Service Providers. The companies are then equally weighted within each sub-theme.
- » The index is reconstituted and rebalanced semi-annually.

### » Performance Summary (%)<sup>1</sup>

|                                        | 3 Month | YTD   | 1 Year | 3 Year | 5 Year | 10 Year | Since Fund Inception |
|----------------------------------------|---------|-------|--------|--------|--------|---------|----------------------|
| <b>Fund Performance*</b>               |         |       |        |        |        |         |                      |
| Net Asset Value (NAV)                  | 7.19    | 22.87 | 20.36  | 25.18  | 14.05  | 13.22   | 10.36                |
| After Tax Held                         | 6.98    | 22.29 | 19.55  | 24.30  | 13.19  | 12.52   | 9.73                 |
| After Tax Sold                         | 4.25    | 13.52 | 12.01  | 19.63  | 10.82  | 10.68   | 8.42                 |
| Market Price                           | 7.11    | 23.22 | 20.44  | 25.22  | 13.96  | 13.27   | 10.35                |
| <b>Index Performance**</b>             |         |       |        |        |        |         |                      |
| Indxx 5G & NextG Thematic Index        | 7.52    | 23.66 | 21.30  | 26.38  | 15.26  | —       | —                    |
| MSCI ACWI Information Technology Index | 12.76   | 22.83 | 28.09  | 37.19  | 19.80  | 22.25   | 17.59                |
| MSCI ACWI Index                        | 7.62    | 18.44 | 17.27  | 23.12  | 13.54  | 11.91   | 9.47                 |

### » Calendar Year Total Returns (%)<sup>1</sup>

|                                        | 2015  | 2016  | 2017  | 2018   | 2019  | 2020  | 2021  | 2022   | 2023  | 2024  | YTD   |
|----------------------------------------|-------|-------|-------|--------|-------|-------|-------|--------|-------|-------|-------|
| NXTG                                   | -2.98 | 14.71 | 29.10 | -16.81 | 28.67 | 27.36 | 21.91 | -24.19 | 28.33 | 12.73 | 22.87 |
| MSCI ACWI Information Technology Index | 3.20  | 12.20 | 41.77 | -5.81  | 46.89 | 45.61 | 27.36 | -31.07 | 51.02 | 31.59 | 22.83 |
| MSCI ACWI Index                        | -2.36 | 7.86  | 23.97 | -9.42  | 26.60 | 16.25 | 18.54 | -18.36 | 22.20 | 17.49 | 18.44 |

### » 3-Year Statistics<sup>1</sup>

|                                        | Standard Deviation (%) | Alpha | Beta | Sharpe Ratio | Correlation |
|----------------------------------------|------------------------|-------|------|--------------|-------------|
| NXTG                                   | 14.33                  | 1.69  | 1.01 | 1.32         | 0.89        |
| MSCI ACWI Information Technology Index | 19.07                  | 8.05  | 1.23 | 1.52         | 0.81        |
| MSCI ACWI Index                        | 12.52                  | —     | 1.00 | 1.36         | 1.00        |

*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](http://www.ftportfolios.com).*

<sup>1</sup>Following the close of trading on December 18, 2015, the name of the fund's underlying index changed from the Nasdaq OMX CEA Smartphone Index<sup>SM</sup> to the Nasdaq CTA Smartphone Index<sup>SM</sup>. On May 30, 2019, the fund's underlying index changed from the Nasdaq CTA Smartphone Index<sup>SM</sup> to the Indxx 5G & NextG Thematic 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.

\*NAV 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 determined by using the midpoint of the national best bid offer price ("NBBO") 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. 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 each listed 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.

## » Portfolio Information

|                     |                    |
|---------------------|--------------------|
| Number Of Holdings  | 102                |
| Maximum Market Cap. | \$4,533.89 Billion |
| Median Market Cap.  | \$29.18 Billion    |
| Minimum Market Cap. | \$3.72 Billion     |
| Price/Earnings      | 25.03              |
| Price/Book          | 2.59               |
| Price/Cash Flow     | 11.00              |
| Price/Sales         | 1.72               |

## » Top Country Exposure (%)

|                |       |
|----------------|-------|
| United States  | 36.80 |
| Taiwan         | 11.37 |
| Japan          | 10.28 |
| China          | 5.42  |
| India          | 5.27  |
| South Korea    | 5.10  |
| Italy          | 3.44  |
| Sweden         | 2.23  |
| Finland        | 2.20  |
| United Kingdom | 1.80  |

## » Top Holdings (%)

|                                    |      |
|------------------------------------|------|
| Delta Electronics Inc.             | 2.39 |
| Ciena Corporation                  | 2.31 |
| Intel Corporation                  | 1.86 |
| Arista Networks, Inc.              | 1.77 |
| ZTE Corporation                    | 1.70 |
| Prysmian SpA                       | 1.69 |
| Micron Technology, Inc.            | 1.65 |
| Samsung Electronics Co., Ltd.      | 1.57 |
| Hewlett Packard Enterprise Company | 1.55 |
| Advanced Micro Devices, Inc.       | 1.53 |

## » Top Industry Exposure (%)

|                                            |       |
|--------------------------------------------|-------|
| Semiconductors                             | 24.72 |
| Integrated Telecommunication Services      | 16.86 |
| Communications Equipment                   | 11.73 |
| Technology Hardware, Storage & Peripherals | 10.96 |
| Wireless Telecommunication Services        | 9.13  |
| Electronic Components                      | 3.70  |
| Telecom Tower REITs                        | 3.14  |
| Consumer Electronics                       | 2.42  |
| Data Center REITs                          | 2.14  |

*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](http://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.**

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.

Communication services companies are subject to certain risks, which may include rapidly changing technologies, short product life cycles, fierce competition, aggressive pricing and reduced profit margins, loss of patent, copyright and trademark protections, cyclical market patterns, evolving industry standards, often unpredictable changes in consumer tastes and frequent new product introductions. Such companies are particularly vulnerable to domestic and international government regulation, rely heavily on intellectual property rights, and may be adversely affected by the loss or impairment of those rights.

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.

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.

Companies with exposure to emerging technologies may be exposed to risks that may not fully emerge until the technology is more widely used. Companies that initially develop or adopt a novel technology may not be able to capitalize on it and there is no assurance that a company will derive any significant revenue from it in the future. An emerging technology may constitute a small portion of a company's overall business and the success of a technology may not significantly affect the value of the equity securities issued by the company. In addition, a company's stock price may be overvalued by market participants that value the company's securities based upon expectations of a technology that are never realized.

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.

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.

Information technology companies are subject to certain risks, including rapidly changing technologies, short product life cycles, fierce competition, aggressive pricing and reduced profit margins, loss of patent, copyright and trademark protections, cyclical market patterns, evolving industry standards and regulation and frequent new product introductions.

The stocks of companies that have recently conducted an initial public offering are often subject to price volatility and speculative trading. These stocks may have exhibited above average price appreciation in connection with the initial public offering prior to inclusion in a fund. The price of stocks included in a fund may not continue to appreciate and their performance may not replicate the performance exhibited in the past.

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

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.

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.

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.

## 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 ACWI Information Technology Index** is a free float-adjusted market capitalization weighted index that is designed to measure the information technology sector performance of developed and emerging markets. The **MSCI ACWI Index** is a free float-adjusted market capitalization-weighted index that is designed to measure the equity market performance of developed and emerging markets.

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