

» 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 Dow Jones Internet Composite IndexSM.

» Fund Facts

Fund Ticker	FDN
CUSIP	33733E302
Intraday NAV	FDNIV
Fund Inception Date	6/19/06
Gross Expense Ratio [*]	0.51%
Net Expense Ratio	0.51%
Rebalance Frequency	Quarterly
Primary Listing	NYSE Arca

» Index Facts

Index Ticker	DJINETT
Index Inception Date	2/18/99

» Index Description

- » The Dow Jones Internet Composite IndexSM is a float-adjusted market capitalization weighted index designed to represent the largest and most actively traded stocks of U.S. companies in the Internet industry.
- » To be eligible for the Dow Jones Internet Composite IndexSM, a stock must be listed on the NYSE, NYSE MKT or Nasdaq stock exchange and meet the following criteria:
 - Generate a majority of sales/revenues from the Internet.
 - Minimum trading history of three months.
 - Minimum three-month average float-adjusted market capitalization of \$100 million.
- » Eligible stocks are ranked first by three-month average float-adjusted market capitalization and then by three-month average share volume. A final rank is calculated based on an equally weighted average of the market cap and volume rankings.
- » Companies are sorted by final rank and 40 companies are selected, consisting of 15 classified as Internet Commerce and 25 classified as Internet Services.
- » The index is weighted by float-adjusted market capitalization.
 - The weight of any individual security is restricted to 10% and the aggregate weight of individual securities with weights of 4.5% or more is restricted to 45%.
- » The index is rebalanced quarterly.

» Performance Summary (%)

	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	Since Fund Inception
Fund Performance*							
Net Asset Value (NAV)	12.31	15.29	43.57	21.16	27.69	21.06	18.17
After Tax Held	12.31	15.29	43.57	21.16	27.69	21.06	18.16
After Tax Sold	7.29	9.05	25.79	16.80	23.09	18.34	16.23
Market Price	12.29	15.29	43.66	21.10	27.68	21.05	18.17
Index Performance**							
Dow Jones Internet Composite Index SM	12.44	15.56	44.27	21.87	28.41	21.74	18.81
S&P Composite 1500 Information Technology Index	11.13	13.66	43.16	29.84	30.68	21.48	16.46
S&P 500 Index	8.55	15.25	40.79	18.67	17.65	14.84	10.89

» Calendar Year Total Returns (%)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	YTD
FDN	-5.74	20.85	53.40	2.42	21.77	6.91	37.62	6.23	19.26	52.65	15.29
S&P Composite 1500 Information Technology Index	1.12	14.75	28.99	18.95	5.60	14.78	37.29	-0.75	49.75	43.23	13.66
S&P 500 Index	2.11	16.00	32.39	13.69	1.38	11.96	21.83	-4.38	31.49	18.40	15.25

» 3-Year Statistics

	Standard Deviation (%)	Alpha	Beta	Sharpe Ratio	Correlation
FDN	22.87	1.75	1.07	0.89	0.86
S&P Composite 1500 Information Technology Index	21.14	8.54	1.06	1.28	0.93
S&P 500 Index	18.52	—	1.00	0.94	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.

^{*}Expenses are capped contractually at 0.60% per year, at least until April 30, 2022.

^{*}**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. The fund's performance reflects fee waivers and expense reimbursements, absent which performance would have been lower. After-tax returns are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. 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 the Dow Jones Internet Composite IndexSM 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	42
Maximum Market Cap.	\$1,734.95 Billion
Median Market Cap.	\$31.19 Billion
Minimum Market Cap.	\$3.62 Billion
Price/Earnings	42.25
Price/Book	9.13
Price/Cash Flow	33.52
Price/Sales	7.16

>> Top Holdings (%)

Amazon.com, Inc.	9.47
Facebook, Inc.	7.46
PayPal Holdings, Inc.	5.49
Alphabet, Inc. (Class A)	4.80
Alphabet Inc. (Class C)	4.66
Netflix, Inc.	4.57
Salesforce.com, Inc.	4.38
Cisco Systems, Inc.	4.23
Zoom Video Communications, Inc. (Class A)	3.26
Snap Inc. (Class A)	2.82

>> Top Sector Exposure (%)

Information Technology	44.59
Communication Services	34.36
Consumer Discretionary	17.05
Health Care	4.00

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

A fund's return may not match the return of its underlying index. A fund invests in securities included in the index regardless of investment merit and the securities held by a fund will generally not be bought or sold in response to market fluctuations.

Investors buying or selling fund shares on the secondary market may incur customary brokerage commissions. Market prices may differ to some degree from the net asset value of the shares. Investors who sell fund shares may receive less than the share's net asset value. Shares may be sold throughout the day on the exchange through any brokerage account. However, unlike mutual funds, shares 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 discount to a fund's net asset value and possibly face delisting.

A fund's shares will change in value, and you could lose money by investing in a fund. One of the principal risks of investing in a fund is market risk. Market risk is the risk that a particular stock owned by a fund, fund shares or stocks in general may fall in value. There can be no assurance that a fund's investment objective will be achieved. The outbreak of the respiratory disease designated as COVID-19 in December 2019 has caused significant volatility and declines in global financial markets, which have caused losses for investors. While the development of vaccines has slowed the spread of the virus and allowed for the resumption of "reasonably" normal business activity in the United States, many countries continue to impose lockdown measures in an attempt to slow the spread. Additionally, there is no guarantee that vaccines will be effective against emerging variants of the disease.

As the use of Internet technology has become more prevalent in the course of business, funds have become more susceptible to potential operational risks through breaches in cyber security.

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.

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 frequent new product introductions. Certain companies may be smaller and less experienced companies, with limited product lines, markets or financial resources. Information technology company stocks, especially those which are Internet related, have experienced extreme price and volume fluctuations that are often unrelated to their operating performance. Many Internet companies have incurred large losses since their inception and may continue to incur large losses in the hope of capturing market share and generating future revenues. Accordingly, many such companies expect to incur significant operating losses for the foreseeable future, and may never be profitable.

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.

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.

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

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

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

Trading on the exchange may be halted due to market conditions or other reasons. There can be no assurance that the requirements to maintain the listing of a fund on the exchange 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 **S&P Composite 1500 Information Technology Index** is a capitalization-weighted index of companies classified by GLCS as information technology within the S&P Composite 1500 Index. The **S&P 500 Index** is an unmanaged index of 500 stocks used to measure large-cap U.S. stock market performance.

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