

2021 Annual Financial Statements

First Trust AlphaDEX™ Emerging Market Dividend ETF (CAD-Hedged) • FDE, FDE.A
First Trust AlphaDEX™ European Dividend Index ETF (CAD-Hedged) • EUR, EUR.A
First Trust Senior Loan ETF (CAD-Hedged) • FSL, FSL.A
First Trust Canadian Capital Strength ETF • FST, FST.A
First Trust Global Risk Managed Income Index ETF • ETP, ETP.A
First Trust Tactical Bond Index ETF • FTB
First Trust Value Line® Dividend Index ETF (CAD-Hedged) • FUD, FUD.A
First Trust NASDAQ® Clean Edge® Green Energy ETF • QCLN (*formerly, First Trust AlphaDEX™ U.S. Financial Sector Index ETF • FHF*)*
First Trust Indxx NextG ETF • NXTG (*formerly, First Trust AlphaDEX™ U.S. Energy Sector Index ETF • FHE*)*
First Trust Nasdaq Cybersecurity ETF • CIBR (*formerly, First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF • FHD*)*
First Trust Dow Jones Internet ETF • FDN, FDN.F (*formerly, First Trust AlphaDEX™ U.S. Consumer Staples Sector Index ETF • FHC, FHC.F*)*
First Trust AlphaDEX™ U.S. Health Care Sector Index ETF • FHH, FHH.F
First Trust NYSE Arca Biotechnology ETF • FBT (*formerly, First Trust AlphaDEX™ U.S. Materials Sector Index ETF • FHM*)*
First Trust AlphaDEX™ U.S. Industrials Sector Index ETF • FHG, FHG.F
First Trust AlphaDEX™ U.S. Technology Sector Index ETF • FHQ, FHQ.F
First Trust Cloud Computing ETF • SKYY (*formerly, First Trust AlphaDEX™ U.S. Utilities Sector Index ETF • FHU*)*
First Trust Morningstar Dividend Leaders ETF (CAD-Hedged) • FDL (*formerly, First Trust Dorsey Wright U.S. Sector Rotation Index ETF (CAD-Hedged) • FSR*)**
First Trust Indxx Innovative Transaction and Process ETF • BLCK
First Trust International Capital Strength ETF • FINT
First Trust Cboe Vest U.S. Equity Buffer ETF – August • AUGB.F
First Trust Cboe Vest U.S. Equity Buffer ETF – November • NOV.B.F
First Trust Cboe Vest U.S. Equity Buffer ETF – February • FEBB.F
First Trust Cboe Vest U.S. Equity Buffer ETF – May • MAYB.F
First Trust JFL Fixed Income Core Plus ETF • FJFB
First Trust JFL Global Equity ETF • FJFG

As at December 31, 2021

*Effective date of name change is February 17, 2021

**Effective date of name change is February 12, 2021

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MANAGEMENT REPORT

Management's Responsibility for Financial Reporting

First Trust AlphaDEX™ Emerging Market Dividend ETF (CAD-Hedged)
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First Trust JFL Global Equity ETF

(collectively referred to as the “First Trust ETFs”)

The accompanying annual financial statements have been prepared by FT Portfolios Canada Co. the Manager of the First Trust ETFs and approved by the Board of Directors of the Manager. The First Trust ETFs' Manager is responsible for the information and representations contained in these financial statements and other sections of the Annual Reports. The First Trust ETFs' Manager maintains appropriate procedures to ensure that relevant and reliable information is produced. These annual financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). The significant accounting policies which management believes are appropriate for the First Trust ETFs are described in Notes 2 and 3 to the financial statements.



Andrew Roggensack
Director



David G. McGarel
Director

Independent Auditor’s Report

To the unitholders of:

- First Trust AlphaDEX™ Emerging Market Dividend ETF (CAD-Hedged)
- First Trust AlphaDEX™ European Dividend Index ETF (CAD-Hedged)
- First Trust Value Line® Dividend Index ETF (CAD-Hedged)
- First Trust Senior Loan ETF (CAD-Hedged)
- First Trust Global Risk Managed Income Index ETF
- First Trust NASDAQ® Clean Edge® Green Energy ETF (formerly, First Trust AlphaDEX™ U.S. Financial Sector Index ETF)
- First Trust Indxx NextG ETF (formerly, First Trust AlphaDEX™ U.S. Energy Sector Index ETF)
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- First Trust AlphaDEX™ U.S. Technology Sector Index ETF
- First Trust Cloud Computing ETF (formerly, First Trust AlphaDEX™ U.S. Utilities Sector Index ETF)
- First Trust Morningstar Dividend Leaders ETF (CAD-Hedged) (formerly, First Trust Dorsey Wright U.S. Sector Rotation Index ETF (CAD-Hedged))
- First Trust Tactical Bond Index ETF
- First Trust Canadian Capital Strength ETF
- First Trust Indxx Innovative Transaction and Process ETF
- First Trust International Capital Strength ETF
- First Trust Cboe Vest U.S. Equity Buffer ETF – August
- First Trust Cboe Vest U.S. Equity Buffer ETF – November
- First Trust Cboe Vest U.S. Equity Buffer ETF – February
- First Trust Cboe Vest U.S. Equity Buffer ETF – May
- First Trust JFL Fixed Income Core Plus ETF
- First Trust JFL Global Equity ETF

(each individually, the “ETF”)

ETF	Statements of Financial Position as at:	Statements of Comprehensive Income, Changes in Net Assets Attributable to Holders of Redeemable Units and Cash Flows for:
First Trust AlphaDEX™ Emerging Market Dividend ETF (CAD-Hedged) First Trust AlphaDEX™ European Dividend Index ETF (CAD-Hedged)	December 31, 2021 and 2020	The years ended December 31, 2021 and 2020

ETF	Statements of Financial Position as at:	Statements of Comprehensive Income, Changes in Net Assets Attributable to Holders of Redeemable Units and Cash Flows for:
<p>First Trust Value Line® Dividend Index ETF (CAD-Hedged)</p> <p>First Trust Senior Loan ETF (CAD-Hedged)</p> <p>First Trust Global Risk Managed Income Index ETF</p> <p>First Trust NASDAQ® Clean Edge® Green Energy ETF (formerly, First Trust AlphaDEX™ U.S. Financial Sector Index ETF)</p> <p>First Trust Indxx NextG ETF (formerly, First Trust AlphaDEX™ U.S. Energy Sector Index ETF)</p> <p>First Trust Nasdaq Cybersecurity ETF (formerly, First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF)</p> <p>First Trust Dow Jones Internet ETF (formerly, First Trust AlphaDEX™ U.S. Consumer Staples Sector Index ETF)</p> <p>First Trust AlphaDEX™ U.S. Health Care Sector Index ETF</p> <p>First Trust NYSE Arca Biotechnology ETF (formerly, First Trust AlphaDEX™ U.S. Materials Sector Index ETF)</p> <p>First Trust AlphaDEX™ U.S. Industrials Sector Index ETF</p> <p>First Trust AlphaDEX™ U.S. Technology Sector Index ETF</p> <p>First Trust Cloud Computing ETF (formerly, First Trust AlphaDEX™ U.S. Utilities Sector Index ETF)</p> <p>First Trust Morningstar Dividend Leaders ETF (CAD-Hedged) (formerly, First Trust</p>		

ETF	Statements of Financial Position as at:	Statements of Comprehensive Income, Changes in Net Assets Attributable to Holders of Redeemable Units and Cash Flows for:
Dorsey Wright U.S. Sector Rotation Index ETF (CAD-Hedged) First Trust Tactical Bond Index ETF First Trust Canadian Capital Strength ETF First Trust Indxx Innovative Transaction and Process ETF First Trust International Capital Strength ETF First Trust Cboe Vest U.S. Equity Buffer ETF – August		
First Trust Cboe Vest U.S. Equity Buffer ETF – November	December 31, 2021 and 2020	The year ended December 31, 2021 and the period February 4, 2020 to December 31, 2020
First Trust Cboe Vest U.S. Equity Buffer ETF – February	December 31, 2021 and 2020	The year ended December 31, 2021 and the period February 25, 2020 to December 31, 2020
First Trust Cboe Vest U.S. Equity Buffer ETF – May	December 31, 2021 and 2020	The year ended December 31, 2021 and the period May 21, 2020 to December 31, 2020
First Trust JFL Fixed Income Core Plus ETF First Trust JFL Global Equity ETF	December 31, 2021	For the period March 19, 2021 to December 31, 2021

Opinion

We have audited the financial statements of the ETF, which comprise the statements of financial position as at the dates listed above, and the statements of comprehensive income, changes in net assets attributable to holders of redeemable units and cash flows for the years or periods listed above, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the “financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the ETF as at the dates listed above, and its financial performance and its cash flows for the years or periods listed above in accordance with International Financial Reporting Standards (“IFRS”).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards (“Canadian GAAS”). Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the ETF in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Management Report of Fund Performance.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the Management Report of Fund Performance prior to the date of this auditor’s report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor’s report. We have nothing to report in this regard.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the ETF’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the ETF or to cease operations, or has no realistic alternative but to do so.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the ETF's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ETF's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the ETF to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Michael Darroch.

The image shows a handwritten signature in cursive script that reads "Deloitte LLP". The signature is written in dark ink on a white background.

Chartered Professional Accountants
Licensed Public Accountants
March 14, 2022

First Trust AlphaDEX™ Emerging Market Dividend ETF (CAD-Hedged)

STATEMENTS OF FINANCIAL POSITION

As at December 31, 2021 and December 31, 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Assets		
Investments (non-derivative financial assets)	6,709,158	5,263,700
Cash	105,785	17,685
Accrued dividend receivable	35,115	16,725
Derivative assets	2,322	118,013
Other assets	2,840	2,151
	6,855,220	5,418,274
Liabilities		
Accrued liabilities	8,349	7,414
Distributions payable to holders of redeemable units	95,632	8,265
Derivative liabilities	7,216	6,811
	111,197	22,490
Total net assets attributable to holders of redeemable units	6,744,023	5,395,784
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Common Class	5,255,463	4,629,953
Advisor Class	1,488,560	765,831
Redeemable units outstanding [note 6]		
Common Class	350,600	300,600
Advisor Class	100,000	50,000
Net assets attributable to holders of redeemable units per unit		
Common Class	14.99	15.40
Advisor Class	14.89	15.32

STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Revenues		
Dividends	536,764	164,945
Other changes in fair value of investments and derivatives		
Net realized gain (loss) on sale of investments	452,288	148,085
Net realized gain (loss) on derivatives	73,915	132,986
Net realized gain (loss) on foreign exchange	(1,215)	684
Net change in unrealized appreciation (depreciation) of investments	(729,015)	144,404
Net change in unrealized appreciation (depreciation) of derivatives	(116,096)	36,646
	216,641	627,750
Foreign exchange gain (loss) on cash	(593)	(158)
	216,048	627,592
Expenses [note 7]		
Management fees	41,042	28,930
Transaction costs [note 3 and note 9]	25,977	19,233
Service fees	9,904	11,864
HST expense	3,738	3,080
Independent Review Committee fees	1,102	971
Interest expense	39	31
	81,802	64,109
Expenses waived by the manager	(1,102)	(971)
	80,700	63,138
Increase (Decrease) in net assets attributable to holders of redeemable units before tax	135,348	564,454
Withholding taxes	31,293	18,150
Increase (Decrease) in net assets attributable to holders of redeemable units	104,055	546,304
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Common Class	69,036	569,125
Advisor Class	35,019	(22,821)
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Common Class	0.22	2.29
Advisor Class	0.56	(0.26)

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,
FT Portfolios Canada Co.



..... Director



..... Director

First Trust AlphaDEX™ Emerging Market Dividend ETF (CAD-Hedged)

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the years ended December 31, 2021 and 2020

	December 31 2021 (\$) Common Class	December 31 2020 (\$) Common Class	December 31 2021 (\$) Advisor Class	December 31 2020 (\$) Advisor Class
Net assets attributable to holders of redeemable units, beginning of year	4,629,953	2,536,258	765,831	1,667,148
Increase (Decrease) in net assets attributable to holders of redeemable units	69,036	569,125	35,019	(22,821)
Redeemable unit transactions [note 6]				
Proceeds from issuance of units	885,800	1,620,301	753,960	548,313
Redemption of units	-	-	-	(1,404,095)
	885,800	1,620,301	753,960	(855,782)
Distributions to holders of redeemable units from:				
Net investment income	(329,326)	(76,819)	(64,713)	(16,268)
Capital gains	-	-	-	-
Return of capital	-	(18,912)	(1,537)	(6,446)
	(329,326)	(95,731)	(66,250)	(22,714)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	625,510	2,093,695	722,729	(901,317)
Net assets attributable to holders of redeemable units, end of year	5,255,463	4,629,953	1,488,560	765,831
			December 31 2021 (\$) Total	December 31 2020 (\$) Total
Net assets attributable to holders of redeemable units, beginning of year			5,395,784	4,203,406
Increase (Decrease) in net assets attributable to holders of redeemable units			104,055	546,304
Redeemable unit transactions [note 6]				
Proceeds from issuance of units			1,639,760	2,168,614
Reinvested distributions			-	-
Redemption of units			-	(1,404,095)
			1,639,760	764,519
Distributions to holders of redeemable units from:				
Net investment income			(394,039)	(93,087)
Capital gains			-	-
Return of capital			(1,537)	(25,358)
			(395,576)	(118,445)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year			1,348,239	1,192,378
Net assets attributable to holders of redeemable units, end of year			6,744,023	5,395,784

See accompanying notes which are an integral part of these financial statements.

First Trust AlphaDEX™ Emerging Market Dividend ETF (CAD-Hedged)

STATEMENTS OF CASH FLOW For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	104,055	546,304
Adjustments for:		
Net realized (gain) loss on sale of investments	(452,288)	(148,085)
Change in unrealized (appreciation) depreciation of investments and derivatives	845,111	(181,050)
Dividends receivable	(18,390)	829
Other assets	(689)	(263)
Other liabilities	935	515
Purchases of investments	(7,710,663)	(7,426,534)
Proceeds from the sale of investments	5,988,478	6,564,036
	(1,243,451)	(644,248)
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	1,639,760	2,168,614
Amount paid on redemptions of units	-	(1,404,095)
Distributions paid to unitholders	(308,209)	(119,186)
	1,331,551	645,333
Increase (Decrease) in cash for the year	88,100	1,085
Cash, beginning of year	17,685	16,600
Cash, end of year	105,785	17,685
Dividends received, net of withholding taxes	487,081	147,624

See accompanying notes which are an integral part of these financial statements.

First Trust AlphaDEX™ Emerging Market Dividend ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust AlphaDEX™ Emerging Market Dividend ETF (CAD-Hedged) (the “First Trust ETF”) seeks to provide unitholders with exposure to the performance of a portfolio of dividend paying equity securities domiciled in the emerging markets and selected from the countries represented in the S&P BMI Emerging Markets Index as well as providing unitholders with monthly distributions.

B. FAIR VALUE MEASUREMENT (NOTE 5) - The following fair value hierarchy tables present information about the First Trust ETF assets measured at fair value on a recurring basis for the years ended December 31, 2021 and 2020:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Equities	6,709,158	–	–	6,709,158
Derivative assets	–	2,322	–	2,322
Derivative liabilities	–	(7,216)	–	(7,216)
Total	6,709,158	(4,894)	–	6,704,264

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2020			
	Level 1	Level 2	Level 3	Total
Equities	5,263,700	–	–	5,263,700
Derivative assets	–	118,013	–	118,013
Derivative liabilities	–	(6,811)	–	(6,811)
Total	5,263,700	111,202	–	5,374,902

There have been no transfers from one Level to another for the years ended December 31, 2021 and 2020.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting periods.

C. REDEEMABLE UNITS (NOTE 6) - The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2021 and 2020:

Redeemable Units	Common Class	Advisor Class
Outstanding units – January 1, 2020	150,600	99,399
Redeemable units issued	150,000	50,000
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	–	(99,399)
Outstanding units – December 31, 2020	300,600	50,000
Redeemable units issued	50,000	50,000
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	–	–
Outstanding units – December 31, 2021	350,600	100,000

D. MANAGEMENT FEES AND EXPENSES (NOTE 7) - Below are the current annual management fees charged to the First Trust ETF:

Annual Management Fee	
Common Class	Advisor Class ¹
0.65%	1.65%

¹Includes a service fee of 1.00%

First Trust AlphaDEX™ Emerging Market Dividend ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

E. TAXATION (NOTE 8)

Tax loss carry-forwards - The net capital losses and/or non-capital losses as at December 31, 2021 and 2020, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2021	2020	2021	2020
614,591	813,490	–	–

F. COMMISSION (NOTE 9) - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2021 and 2020 are as follows:

Transaction Cost (\$)	
2021	2020
25,977	19,233

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the years ended December 31, 2021 and 2020, including amounts owing as at December 31, 2021 and 2020 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2021	2020	2021	2020
41,042	28,930	3,691	3,234

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at December 31, 2021 and 2020, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at December 31, 2021 and 2020, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2021		As at December 31, 2020	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
MSCI Emerging Markets Index (USD)	293,855	(293,855)	309,690	(309,690)

Currency risk - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2021 and 2020:

Currency	As at December 31, 2021		As at December 31, 2020	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	359,272	5.33	126,970	2.35

As December 31, 2021, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$3,593 (December 31, 2020 - \$1,270). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

First Trust AlphaDEX™ Emerging Market Dividend ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

Concentration Risk - The table below summarizes the First Trust ETF's concentration risk for the December 31, 2021 and 2020:

Country	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2021	As at December 31, 2020
Brazil	36.33	29.64
China	13.17	14.60
South Africa	11.11	7.56
Greece	6.71	–
Colombia	6.67	3.78
Taiwan	6.48	13.24
India	5.38	7.43
Chile	4.63	9.06
Mexico	4.03	3.18
Indonesia	2.22	2.65
Russia	2.00	1.75
Peru	0.75	–
Philippines	–	2.57
Cyprus	–	2.09
Total	99.48	97.55

First Trust AlphaDEX™ Emerging Market Dividend ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2021

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Brazil—36.33%				
Ambev SA, ADR	13,561	60,895	48,031	0.71
Banco Bradesco SA, ADR	10,864	69,597	46,999	0.70
Banco Santander (Brasil) SA, ADR	6,571	55,345	44,635	0.66
Centrais Elétricas Brasileiras SA, ADR	19,679	168,563	151,598	2.25
Cia Brasileira de Distribuicao, ADR	42,493	421,661	214,469	3.18
Companhia de Saneamento Basico do Estado de Sao Paulo, ADR	19,058	199,096	176,948	2.63
Companhia Energetica de Minas Gerais SA, ADR	49,883	145,435	153,332	2.27
Companhia Paranaense de Energia-Copel, ADR	40,742	301,799	290,151	4.30
Companhia Siderurgica Nacional SA, ADR	56,021	348,652	314,635	4.67
Gerdau SA, ADR	47,593	246,219	296,198	4.39
Petroleo Brasileiro SA, ADR	20,162	277,403	280,033	4.15
Telefonica Brasil SA, ADR	4,332	47,000	47,400	0.70
TIM SA, ADR	9,443	138,284	139,039	2.06
Vale SA, ADR	13,913	283,815	246,742	3.66
		2,763,764	2,450,210	36.33
Chile—4.63%				
Compania Cervecerias Unidas SA, ADR	2,380	51,249	49,404	0.73
Enel Americas SA, ADR	6,169	48,600	42,451	0.63
Sociedad Quimica y Minera de Chile SA, ADR	3,455	266,702	220,399	3.27
		366,551	312,254	4.63
China—13.17%				
Autohome Inc., ADR	2,518	136,853	93,898	1.39
China Petroleum and Chemical Corp. (Sinopec), ADR	3,933	251,494	231,389	3.43
FinVolution Group, ADR	29,318	293,763	182,833	2.71
NetEase Inc., ADR	799	92,571	102,869	1.53
PetroChina Co. Ltd., ADR	4,952	243,619	276,933	4.11
		1,018,300	887,922	13.17
Colombia—6.67%				
Ecopetrol SA, ADR	13,393	225,800	218,375	3.24
Tecnoglass Inc.	6,989	175,171	231,539	3.43
		400,971	449,914	6.67
Greece—6.71%				
Danaos Corp.	3,132	276,313	295,750	4.39
Star Bulk Carriers Corp.	5,461	132,486	156,602	2.32
		408,799	452,352	6.71
India—5.38%				
ICICI Bank Ltd., ADR	4,661	111,653	116,680	1.73
Infosys Ltd., ADR	3,810	83,883	121,981	1.81
Wipro Ltd., ADR	10,076	70,331	124,397	1.84
		265,867	363,058	5.38
Indonesia—2.22%				
PT Telekomunikasi Indonesia Persero TBK, ADR	4,087	137,833	149,874	2.22
		137,833	149,874	2.22

First Trust AlphaDEX™ Emerging Market Dividend ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

Mexico—4.03%				
America Movil SAB de CV, Series 'L', Class 'L', ADR	2,196	41,630	58,640	0.87
Grupo Aeroportuario del Sureste SAB de CV, ADR	628	155,946	163,771	2.43
Grupo Televisa SA, ADR	4,162	67,798	49,331	0.73
		265,374	271,742	4.03
Peru—0.75%				
Credicorp Ltd.	325	47,961	50,184	0.75
		47,961	50,184	0.75
Russia—2.00%				
HeadHunter Group PLC, ADR	2,088	148,501	134,940	2.00
		148,501	134,940	2.00
South Africa—11.11%				
AngloGold Ashanti Ltd., ADR	4,109	118,231	109,047	1.62
Gold Fields Ltd., ADR	15,176	186,285	210,974	3.13
Harmony Gold Mining Co. Ltd., ADR	40,398	231,762	210,027	3.11
Sibanye Stillwater Ltd., ADR	13,834	251,360	219,441	3.25
		787,638	749,489	11.11
Taiwan—6.48%				
ASE Industrial Holding Co. Ltd., ADR	11,772	82,853	116,299	1.72
Himax Technologies Inc., ADR	8,648	113,883	174,919	2.59
United Microelectronics Corp., ADR	9,865	63,720	146,001	2.17
		260,456	437,219	6.48
Total investments		6,872,015	6,709,158	99.48
Transaction costs		(5,310)		
Unrealized appreciation on derivatives - see Schedule 1			2,322	0.03
Unrealized depreciation on derivatives - see Schedule 1			(7,216)	(0.11)
Other assets, less liabilities			39,759	0.60
Total Net Assets Attributable to Holders of Redeemable Units		6,866,705	6,744,023	100.00

Schedule 1

Counterparty	Credit Rating of Counterparty*	Settlement Date	Currency Sell	Amount Sold	Currency Buy	Amount Bought	Forward		Appreciation (Depreciation) \$
							Rate	Rate	
Bank of New York Mellon (The), New York	A-1+	2022-01-14	USD	5,425,205	CAD	6,865,000	0.790	0.791	2,322
									2,322
Bank of New York Mellon (The), New York	A-1+	2022-01-14	CAD	484,000	USD	376,916	1.284	1.265	(7,216)
									(7,216)

* Commercial paper rating per Standard and Poor's Commercial Paper Guide

First Trust AlphaDEX™ European Dividend Index ETF (CAD-Hedged)

STATEMENTS OF FINANCIAL POSITION As at December 31, 2021 and December 31, 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Assets		
Investments (non-derivative financial assets)	6,436,274	5,732,967
Cash	59,068	15,672
Accrued dividend receivable	92,900	117,177
Derivative assets	8,943	898
Other assets	1,366	1,412
	6,598,551	5,868,126
Liabilities		
Accrued liabilities	5,160	4,596
Payable for portfolio securities purchased	-	11,980
Distributions payable to holders of redeemable units	50,409	8,870
Derivative liabilities	103,524	24,952
	159,093	50,398
Total net assets attributable to holders of redeemable units	6,439,458	5,817,728
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Common Class	5,884,819	5,316,546
Advisor Class	554,639	501,182
Redeemable units outstanding [note 6]		
Common Class	274,022	274,022
Advisor Class	25,979	25,979
Net assets attributable to holders of redeemable units per unit		
Common Class	21.48	19.40
Advisor Class	21.35	19.29

STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Revenues		
Dividends	246,352	319,035
Other changes in fair value of investments and derivatives		
Net realized gain (loss) on sale of investments	626,595	(1,901,660)
Net realized gain (loss) on derivatives	401,146	(284,904)
Net realized gain (loss) on foreign exchange	(10,801)	5,388
Net change in unrealized appreciation (depreciation) of investments	(219,780)	(11,161)
Net change in unrealized appreciation (depreciation) of derivatives	(70,527)	(134,156)
	972,985	(2,007,458)
Foreign exchange gain (loss) on cash	8,030	(1,409)
	981,015	(2,008,867)
Expenses [note 7]		
Management fees	38,336	44,845
Transaction costs [note 3 and note 9]	14,133	20,818
Service fees	5,488	10,029
HST expense	4,100	5,645
Independent Review Committee fees	1,122	1,716
Interest expense	9	69
	63,188	83,122
Expenses waived by manager	(1,122)	(1,716)
	62,066	81,406
Increase (Decrease) in net assets attributable to holders of redeemable units before tax	918,949	(2,090,273)
Withholding taxes	35,947	39,949
Increase (Decrease) in net assets attributable to holders of redeemable units	883,002	(2,130,222)
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Common Class	812,646	(1,845,595)
Advisor Class	70,356	(284,627)
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Common Class	2.96	(5.41)
Advisor Class	2.70	(5.39)

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,
FT Portfolios Canada Co.



..... Director



..... Director

First Trust AlphaDEX™ European Dividend Index ETF (CAD-Hedged)

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the years ended December 31, 2021 and 2020

	December 31 2021 (\$) Common Class	December 31 2020 (\$) Common Class	December 31 2021 (\$) Advisor Class	December 31 2020 (\$) Advisor Class
Net assets attributable to holders of redeemable units, beginning of year	5,316,546	9,882,947	501,182	1,770,235
Increase (decrease) in net assets attributable to holders of redeemable units	812,646	(1,845,595)	70,356	(284,627)
Redeemable unit transactions [note 6]				
Proceeds from issuance of units	-	-	-	-
Reinvested distributions	-	-	-	-
Redemption of units	-	(2,497,302)	-	(953,787)
	-	(2,497,302)	-	(953,787)
Distributions to holders of redeemable units from:				
Net investment income	(244,373)	(194,512)	(16,899)	(17,148)
Capital gains	-	-	-	-
Return of capital	-	(28,992)	-	(13,491)
	(244,373)	(223,504)	(16,899)	(30,639)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	568,273	(4,566,401)	53,457	(1,269,053)
Net assets attributable to holders of redeemable units, end of year	5,884,819	5,316,546	554,639	501,182
			December 31 2021 (\$) Total	December 31 2020 (\$) Total
Net assets attributable to holders of redeemable units, beginning of year			5,817,728	11,653,182
Increase (decrease) in net assets attributable to holders of redeemable units			883,002	(2,130,222)
Redeemable unit transactions [note 6]				
Proceeds from issuance of units			-	-
Reinvested distributions			-	-
Redemption of units			-	(3,451,089)
			-	(3,451,089)
Distributions to holders of redeemable units from:				
Net investment income			(261,272)	(211,660)
Capital gains			-	-
Return of capital			-	(42,483)
			(261,272)	(254,143)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year			621,730	(5,835,454)
Net assets attributable to holders of redeemable units, end of year			6,439,458	5,817,728

See accompanying notes which are an integral part of these financial statements.

First Trust AlphaDEX™ European Dividend Index ETF (CAD-Hedged)

STATEMENTS OF CASH FLOW For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	883,002	(2,130,222)
Adjustments for:		
Net realized (gain) loss on sale of investments	(626,595)	1,901,660
Change in unrealized (appreciation) depreciation of investments and derivatives	290,307	145,317
Dividends receivable	24,277	(3,157)
Other assets	46	1,524
Other liabilities	564	(6,825)
Purchases of investments	(5,289,202)	(6,233,863)
Proceeds from the sale of investments	4,980,730	10,021,739
	263,129	3,696,173
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	-	-
Amount paid on redemptions of units	-	(3,451,089)
Distributions paid to unitholders	(219,733)	(304,133)
	(219,733)	(3,755,222)
Increase (Decrease) in cash for the year	43,396	(59,049)
Cash, beginning of year	15,672	74,721
Cash, end of year	59,068	15,672
Dividends received, net of withholding taxes	234,682	275,929

See accompanying notes which are an integral part of these financial statements.

First Trust AlphaDEX™ European Dividend Index ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust AlphaDEX™ European Dividend Index ETF (CAD-Hedged) (the “First Trust ETF”) seeks to replicate, to the extent possible, the performance of the AlphaDEX™ European Dividend Index (the “Index”), net of expenses. The Index results from applying the AlphaDEX™ methodology to a universe of ADRs of European companies that are listed on the NYSE, NYSE Market and NASDAQ exchanges. The investment strategy of the First Trust ETF is to invest in and hold a proportionate share of the constituent securities of the Index, or other securities, to seek to replicate the performance of the Index. The First Trust ETF may also hold cash and cash equivalents or other money market instruments to fund current liabilities. The First Trust ETF will generally seek to hedge substantially all of its U.S. dollar, British pounds sterling, euros and Swiss francs currency exposure associated with its portfolio investments back to the Canadian dollar.

B. FAIR VALUE MEASUREMENT (NOTE 5) - The following fair value hierarchy tables present information about the First Trust ETF assets measured at fair value on a recurring basis for the years ended December 31, 2021 and 2020:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Equities	6,436,274	–	–	6,436,274
Derivative assets	–	8,943	–	8,943
Derivative liabilities	–	(103,524)	–	(103,524)
Total	6,436,274	(94,581)	–	6,341,693
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2020			
	Level 1	Level 2	Level 3	Total
Equities	5,732,967	–	–	5,732,967
Derivative assets	–	898	–	898
Derivative liabilities	–	(24,952)	–	(24,952)
Total	5,732,967	(24,054)	–	5,708,913

There have been no transfers from one Level to another for the years ended December 31, 2021 and 2020.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting periods.

C. REDEEMABLE UNITS (NOTE 6) - The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2021 and 2020:

Redeemable Units	Common Class	Advisor Class
Outstanding units – January 1, 2020	424,022	75,979
Redeemable units issued	–	–
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(150,000)	(50,000)
Outstanding units – December 31, 2020	274,022	25,979
Redeemable units issued	–	–
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	–	–
Outstanding units – December 31, 2021	274,022	25,979

First Trust AlphaDEX™ European Dividend Index ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

D. MANAGEMENT FEES AND EXPENSES (NOTE 7) - Below are the current annual management fees charged to the First Trust ETF:

Annual Management Fee	
Common Class	Advisor Class ¹
0.60%	1.60%

¹Includes a service fee of 1.00%

E. TAXATION (NOTE 8)

Tax loss carry-forwards - The net capital losses and/or non-capital losses as at December 31, 2021 and 2020, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2021	2020	2021	2020
1,307,667	1,692,895	–	–

F. COMMISSION (NOTE 9) - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2021 and 2020 are as follows:

Transaction Cost (\$)	
2021	2020
14,133	20,818

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the years ended December 31, 2021 and 2020, including amounts owing as at December 31, 2021 and 2020 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2021	2020	2021	2020
38,336	44,845	3,264	2,966

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at December 31, 2021 and 2020, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at December 31, 2021 and 2020, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2021		As at December 31, 2020	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
MSCI Europe Index (Local Currency)	258,327	(258,327)	344,628	(344,628)

First Trust AlphaDEX™ European Dividend Index ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

Currency risk - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2021 and 2020:

Currency	As at December 31, 2021		As at December 31, 2020	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	6,530,084	101.41	5,838,613	100.36
Swiss Francs	(187,759)	(2.92)	(1,173,814)	(20.18)
British Pound Sterling	(2,345,944)	(36.43)	(1,405,836)	(24.17)
Euro	(3,251,758)	(50.50)	(2,683,319)	(46.12)
Total	744,623	11.56	575,644	9.89

As at December 31, 2021, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$7,446 (December 31, 2020 - \$5,756). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Concentration Risk - The table below summarizes the First Trust ETF's concentration risk for the years ended December 31, 2021 and 2020:

Country	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2021	As at December 31, 2020
United Kingdom	36.42	23.50
Netherlands	13.99	17.12
Spain	13.12	8.93
France	8.30	10.18
Luxembourg	6.30	–
Norway	4.73	1.14
Italy	4.72	–
Switzerland	2.86	20.71
Denmark	2.83	1.11
Germany	1.96	4.92
Ireland	1.95	2.31
Russia	1.79	2.21
Sweden	0.98	4.17
Belgium	–	2.24
Total	99.95	98.54

First Trust AlphaDEX™ European Dividend Index ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2021

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Denmark—2.83%				
Novo Nordisk AS, ADR	1,287	179,299	182,335	2.83
		179,299	182,335	2.83
France—8.30%				
Orange SA, ADR	21,381	382,200	285,334	4.43
TotalEnergies SE, ADR	3,987	250,063	249,445	3.87
		632,263	534,779	8.30
Germany—1.96%				
Fresenius Medical Care AG & Co. KGaA, ADR	3,074	161,739	126,219	1.96
		161,739	126,219	1.96
Ireland—1.95%				
CRH PLC, ADR	1,883	89,389	125,764	1.95
		89,389	125,764	1.95
Italy—4.72%				
Eni SPA, ADR	8,685	299,753	303,765	4.72
		299,753	303,765	4.72
Luxembourg—6.30%				
ArcelorMittal SA	8,559	338,092	344,614	5.35
Tenaris SA, ADR	2,325	65,452	61,349	0.95
		403,544	405,963	6.30
Netherlands—13.99%				
AEGON NV	31,255	162,631	195,308	3.03
ASML Holding NV, Registered	174	68,097	175,231	2.72
ING Groep NV, ADR	6,658	111,381	117,235	1.82
Royal Dutch Shell PLC, Class 'A', ADR	3,271	202,294	179,574	2.79
STMicroelectronics NV, ADR	3,778	206,779	233,597	3.63
		751,182	900,945	13.99
Norway—4.73%				
Equinor ASA, ADR	9,146	258,668	304,618	4.73
		258,668	304,618	4.73
Russia—1.79%				
Mobile TeleSystems PJSC, ADR	11,446	125,288	115,105	1.79
		125,288	115,105	1.79
Spain—13.12%				
Banco Bilbao Vizcaya Argentaria SA, ADR	34,596	251,617	256,884	3.99
Banco Santander SA, ADR	29,479	119,153	122,683	1.90
Grifols SA, ADR	12,816	239,208	182,056	2.83
Telefónica SA, ADR	52,775	353,666	283,053	4.40
		963,644	844,676	13.12
Sweden—0.98%				
Telefonaktiebolaget LM Ericsson, Class 'B', ADR	4,584	59,867	63,030	0.98
		59,867	63,030	0.98
Switzerland—2.86%				
ABB Ltd., ADR	1,327	46,375	64,072	1.00
UBS Group AG	5,306	88,972	119,940	1.86
		135,347	184,012	2.86

First Trust AlphaDEX™ European Dividend Index ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

United Kingdom—36.42%				
Barclays PLC, ADR	23,152	300,021	303,111	4.71
BP PLC, ADR	7,063	246,063	237,922	3.69
British American Tobacco PLC, ADR	5,449	281,741	257,856	4.00
Diageo PLC, ADR	677	182,084	188,522	2.93
GlaxoSmithKline PLC, ADR	1,115	61,505	62,199	0.96
HSBC Holdings PLC, ADR	1,656	62,972	63,157	0.98
Lloyds Banking Group PLC, ADR	75,457	255,170	243,396	3.78
National Grid PLC, ADR	1,388	104,900	126,976	1.97
NatWest Group PLC, ADR	8,142	59,348	62,928	0.98
RELX PLC, ADR	1,478	60,014	60,968	0.95
Rio Tinto PLC, ADR	3,656	287,182	309,575	4.81
Vodafone Group PLC, ADR	9,368	219,573	176,921	2.75
WPP PLC, ADR	2,632	228,117	251,532	3.91
	2,348,690	2,345,063		36.42
Total investments	6,408,673	6,436,274		99.95
Transaction costs		(8,531)		
Unrealized appreciation on derivatives - see Schedule 1			8,943	0.13
Unrealized depreciation on derivatives - see Schedule 1			(103,524)	(1.60)
Other assets, less liabilities			97,765	1.52
Total Net Assets Attributable to Holders of Redeemable Units	6,400,142	6,439,458		100.00

Schedule 1

Counterparty	Credit		Settlement Date	Currency	Amount Sold	Currency	Amount Bought	Forward Rate	Current Rate	Appreciation (Depreciation)
	Rating of Counterparty*									
Bank of New York Mellon (The), New York	A-1+		2022-01-14	CAD	573,000	CHF	418,533	1.369	1.389	8,161
Bank of New York Mellon (The), New York	A-1+		2022-01-14	CAD	104,000	GBP	61,199	1.699	1.712	782
										8,943
Bank of New York Mellon (The), New York	A-1+		2022-01-14	CHF	571,605	CAD	776,000	0.737	0.720	(17,711)
Bank of New York Mellon (The), New York	A-1+		2022-01-14	EUR	2,224,374	CAD	3,159,000	0.704	0.694	(45,050)
Bank of New York Mellon (The), New York	A-1+		2022-01-14	EUR	173,234	CAD	247,000	0.701	0.694	(2,532)
Bank of New York Mellon (The), New York	A-1+		2022-01-14	GBP	1,334,898	CAD	2,253,000	0.592	0.584	(32,547)
Bank of New York Mellon (The), New York	A-1+		2022-01-14	GBP	96,741	CAD	162,000	0.597	0.584	(3,635)
Bank of New York Mellon (The), New York	A-1+		2022-01-14	CAD	25,000	CHF	17,854	1.400	1.389	(209)
Bank of New York Mellon (The), New York	A-1+		2022-01-14	CAD	203,000	EUR	139,653	1.454	1.440	(1,840)
										(103,524)

* Commercial paper rating per Standard and Poor's Commercial Paper Guide

First Trust Senior Loan ETF (CAD-Hedged)

STATEMENTS OF FINANCIAL POSITION As at December 31, 2021 and December 31, 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Assets		
Investments (non-derivative financial assets)	50,066,240	41,420,345
Cash	180,957	2,152,873
Accrued interest receivable	-	96,621
Receivable for portfolio securities sold	-	648,995
Derivative assets	46,311	914,019
Other assets	1,411	9,843
	50,294,919	45,242,696
Liabilities		
Accrued liabilities	20,137	47,889
Payable for portfolio securities purchased	-	198,233
Distributions payable to holders of redeemable units	160,639	135,335
Derivative liabilities	796	-
	181,572	381,457
Total net assets attributable to holders of redeemable units	50,113,347	44,861,239
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Common Class	45,036,851	37,431,477
Advisor Class	5,076,496	7,429,762
Redeemable units outstanding [note 6]		
Common Class	2,514,316	2,084,316
Advisor Class	283,948	413,948
Net assets attributable to holders of redeemable units per unit		
Common Class	17.91	17.96
Advisor Class	17.88	17.95

STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Revenues		
Dividends	1,462,580	-
Interest income for distribution purposes	39,211	2,171,440
Other changes in fair value of investments and derivatives		
Net realized gain (loss) on sale of investments	(2,236,844)	(660,220)
Net realized gain (loss) on derivatives	662,496	(218,009)
Net realized gain (loss) on foreign exchange	115,544	194,802
Net change in unrealized appreciation (depreciation) of investments	2,405,874	(1,286,466)
Net change in unrealized appreciation (depreciation) of derivatives	(868,505)	(241,576)
	1,580,356	(40,029)
Foreign exchange gain (loss) on cash	(78,443)	(264,375)
	1,501,913	(304,404)
Expenses [note 7]		
Management fees	83,257	423,064
Transaction costs [note 3 and note 9]	36,356	2,843
Service fees	26,846	37,100
HST expense	10,839	43,584
Independent Review Committee fees	7,678	11,296
	164,976	517,887
Expenses waived by the manager	(7,678)	(11,296)
	157,298	506,591
Increase (decrease) in net assets attributable to holders of redeemable units before tax	1,344,615	(810,995)
Withholding taxes	219,909	2,756
Increase (Decrease) in net assets attributable to holders of redeemable units	1,124,706	(813,751)
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Common Class	1,009,235	(999,257)
Advisor Class	115,471	185,506
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Common Class	0.46	(0.43)
Advisor Class	0.40	0.44

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,
FT Portfolios Canada Co.



..... Director



..... Director

First Trust Senior Loan ETF (CAD-Hedged)

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the years ended December 31, 2021 and 2020

	December 31 2021 (\$) Common Class	December 31 2020 (\$) Common Class	December 31 2021 (\$) Advisor Class	December 31 2020 (\$) Advisor Class
Net assets attributable to holders of redeemable units, beginning of year	37,431,477	54,624,759	7,429,762	8,650,573
Increase (Decrease) in net assets attributable to holders of redeemable units	1,009,235	(999,257)	115,471	185,506
Redeemable unit transactions [note 6]				
Proceeds from issuance of units	15,094,431	936,001	-	1,507,796
Reinvested distributions	-	-	-	-
Redemption of units	(7,376,038)	(15,344,960)	(2,339,663)	(2,623,934)
	7,718,393	(14,408,959)	(2,339,663)	(1,116,138)
Distributions to holders of redeemable units from:				
Net investment income	(1,116,806)	(1,442,502)	(129,074)	(211,336)
Capital gains	(5,448)	-	-	-
Return of capital	-	(342,564)	-	(78,843)
	(1,122,254)	(1,785,066)	(129,074)	(290,179)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	7,605,374	(17,193,282)	(2,353,266)	(1,220,811)
Net assets attributable to holders of redeemable units, end of year	45,036,851	37,431,477	5,076,496	7,429,762
			December 31 2021 (\$) Total	December 31 2020 (\$) Total
Net assets attributable to holders of redeemable units, beginning of year			44,861,239	63,275,332
Increase (Decrease) in net assets attributable to holders of redeemable units			1,124,706	(813,751)
Redeemable unit transactions [note 6]				
Proceeds from issuance of units			15,094,431	2,443,797
Reinvested distributions			-	-
Redemption of units			(9,715,701)	(17,968,894)
			5,378,730	(15,525,097)
Distributions to holders of redeemable units from:				
Net investment income			(1,245,880)	(1,653,838)
Capital gains			(5,448)	-
Return of capital			-	(421,407)
			(1,251,328)	(2,075,245)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year			5,252,108	(18,414,093)
Net assets attributable to holders of redeemable units, end of year			50,113,347	44,861,239

See accompanying notes which are an integral part of these financial statements.

First Trust Senior Loan ETF (CAD-Hedged)

STATEMENTS OF CASH FLOW For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	1,124,706	(813,751)
Adjustments for:		
Net realized (gain) loss on sale of investments	2,236,844	660,220
Change in unrealized (appreciation) depreciation of investments and derivatives	(1,537,369)	1,528,042
Interest receivable	96,621	112,676
Other assets	8,432	7,243
Other liabilities	(27,752)	(17,695)
Purchases of investments	(86,996,258)	(62,265,281)
Proceeds from the sale of investments	78,970,154	76,516,173
	(6,124,622)	15,727,627
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	15,094,431	2,443,797
Amount paid on redemptions of units	(9,715,701)	(17,968,894)
Distributions paid to unitholders	(1,226,024)	(2,217,947)
	4,152,706	(17,743,044)
Increase (Decrease) in cash for the year	(1,971,916)	(2,015,417)
Cash, beginning of year	2,152,873	4,168,290
Cash, end of year	180,957	2,152,873
Interest received	135,832	-
Dividends received, net of withholding taxes	1,242,671	2,281,360

See accompanying notes which are an integral part of these financial statements.

First Trust Senior Loan ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust Senior Loan ETF (CAD-Hedged) (the “First Trust ETF”) seeks to provide unitholders with a high level of current income by investing primarily in a diversified portfolio of senior floating rate loans and debt securities, with capital appreciation as a secondary objective. The First Trust ETF will primarily invest in a portfolio of senior floating rate loans which are generally rated at or below BB+ by Standard & Poor’s, or Ba1 or less by Moody’s Investor Services, Inc., or a similar rating by designated credit rating organization (as defined in NI 81- 102) and debt securities by holding securities of First Trust Senior Loan Fund, a U.S. listed exchange-traded fund (the “Underlying Fund”). The First Trust ETF will generally seek to hedge substantially all of its U.S. dollar currency exposure back to the Canadian dollar.

On January 21, 2021, the First Trust ETF changed its investment strategies to obtaining exposure to Senior Loans by investing its net assets in the Underlying Fund.

B. FAIR VALUE MEASUREMENT (NOTE 5) - The following fair value hierarchy tables present information about the First Trust ETF assets measured at fair value on a recurring basis for the years ended December 31, 2021 and 2020:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Equities	50,066,240	–	–	50,066,240
Derivative assets	–	46,311	–	46,311
Derivative liabilities	–	(796)	–	(796)
Total	50,066,240	45,515	–	50,111,755
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2020			
	Level 1	Level 2	Level 3	Total
Bonds and Senior Loans	–	34,855,063	–	34,855,063
Equities	6,239,247	326,035	–	6,565,282
Derivative assets	–	914,019	–	914,019
Total	6,239,247	36,095,117	–	42,334,364

There have been no transfers from one Level to another for the years ended December 31, 2021 and 2020. All fair value measurements above are recurring. The reconciliation of investments measured at fair value using unobservable inputs (Level 3) is presented below.

	As at December 31, 2021	As at December 31, 2020
Beginning Balance	–	26,358
Purchases	–	–
Sales	–	(7,629)
Net Transfers	–	–
Realized Gains (Losses)	–	(41,836)
Change in Unrealized Appreciation (Depreciation)	–	23,107
Ending Balance	–	–

There were no Level 3 investments as at December 31, 2021 and December 31, 2020. Equity positions are classified as Level 1 when the security is actively traded, and a reliable price is observable. If equities do not trade frequently and observable prices are not available, fair value is determined using observable market data (e.g. transactions for similar securities of the same issuer) and the fair value is classified as Level 2, unless the determination of fair value requires significant unobservable data, in which case the measurement is classified as Level 3.

First Trust Senior Loan ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

C. REDEEMABLE UNITS (NOTE 6) - The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2021 and 2020:

Redeemable Units	Common Class	Advisor Class
Outstanding units - January 1, 2020	2,934,316	463,948
Redeemable units issued	50,000	100,000
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(900,000)	(150,000)
Outstanding units December 31, 2020	2,084,316	413,948
Redeemable units issued	840,000	–
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(410,000)	(130,000)
Outstanding units December 31, 2021	2,514,316	283,948

D. MANAGEMENT FEES AND EXPENSES (NOTE 7) - Below are the current annual management fees charged to the First Trust ETF:

Annual Management Fee ¹	
Common Class	Advisor Class ²
0.15%	0.65%

¹The First Trust ETF will bear the Underlying Fund's management fee of 0.85% per annum on average daily net assets on the First Trust ETF's portfolio assets invested in the Underlying Fund. Accordingly, the management fee cost to unitholders of their investment will be 1.00% per annum of NAV of the First Trust ETF plus applicable taxes.

²Includes a service fee of 0.50%

E. TAXATION (NOTE 8)

Tax loss carry-forwards - The net capital losses and/or non-capital losses as at December 31, 2021 and 2020, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2021	2020	2021	2020
7,774,045	8,353,992	–	–

F. COMMISSION (NOTE 9) - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2021 and 2020 are as follows:

Transaction Cost (\$)	
2021	2020
36,356	2,843

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the years ended December 31, 2021 and 2020, including amounts owing as at December 31, 2021 and 2020 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2021	2020	2021	2020
83,257	423,064	6,163	32,172

First Trust Senior Loan ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Effective January 21, 2021, the First Trust ETF is fully invested in the Underlying Fund (see Note A: Investment Objective (Note 1)).

Market risk - As at December 31, 2021 and 2020, the First Trust ETF's market risk is affected by changes in actual market prices, foreign currency movements, and interest rates. If the following index had increased (decreased) by 5% at December 31, 2021 and 2020, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2021		As at December 31, 2020	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P/LSTA Leveraged Loan 100 CAD Hedged	1,742,968	(1,742,968)	N/A	N/A

Interest rate risk - The table below summarizes the First Trust ETF's exposure to Senior Loans and High Yield bonds as at December 31, 2021 and 2020:

	As at December 31, 2021				
	Less than 1 year (\$)	1-3 years (\$)	3-5 years (\$)	>5 years (\$)	Total (\$)
High Yield Bonds and Senior Loans	N/A	N/A	N/A	N/A	N/A
Total	N/A	N/A	N/A	N/A	N/A
	As at December 31, 2020				
	Less than 1 year (\$)	1-3 years (\$)	3-5 years (\$)	>5 years (\$)	Total (\$)
High Yield Bonds and Senior Loans	–	3,180,078	24,192,802	7,482,183	34,855,063
Total	–	3,180,078	24,192,802	7,482,183	34,855,063

At December 31, 2021, the weighted average duration of the First Trust ETF was Nil years (December 31, 2020 – 0.30 years). If interest rates increased or decreased by 1% at December 31, 2021, with all other variables remaining constant, net assets would have decreased or increased by approximately \$Nil (December 31, 2020 – \$348,551). In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

Effective January 21, 2021, the First Trust ETF is fully invested in the Underlying Fund. There is no look-through of the interest rate risks. Thus, the First Trust ETF is indirectly exposed to the interest rate risk through the investments held by the Underlying Fund in its investment portfolio.

Currency risk - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2021 and 2020:

Currency	As at December 31, 2021		As at December 31, 2020	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	574,046	1.15	366,633	0.82

As at December 31, 2021, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$5,740 (December 31, 2020 - \$3,666). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

First Trust Senior Loan ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

Credit risk – Below are the First Trust ETF’s breakdown by credit rating as at December 31, 2021 and 2020:

Debt Securities by S&P Rating	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2021	As at December 31, 2020
BBB+	N/A	–
BBB	N/A	–
BBB-	N/A	1.95
BB+	N/A	0.07
BB	N/A	6.24
BB-	N/A	7.90
B+	N/A	19.33
B	N/A	24.38
B-	N/A	8.62
CCC+	N/A	0.64
CCC	N/A	5.79
CCC-	N/A	1.38
CC	N/A	0.31
C	N/A	–
D	N/A	1.09
NR	N/A	14.63

Concentration Risk - The table below summarizes the First Trust ETF’s concentration risk for the years ended December 31, 2021 and 2020:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2021	As at December 31, 2020
Exchange-Traded Fund	99.91	N/A
Health Care	N/A	28.50
Financials	N/A	22.57
Consumer Discretionary	N/A	16.74
Information Technology	N/A	11.61
Communication Services	N/A	6.71
Industrials	N/A	3.29
Energy	N/A	1.80
Materials	N/A	0.95
Consumer Staples	N/A	0.16
Total	99.91	92.33

The table below summarizes the First Trust ETF’s breakdown by geographic exposure as at December 31, 2021 and 2020:

Country	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2021	As at December 31, 2020
United States	99.91	85.08
Canada	N/A	3.30
Ireland	N/A	1.09
France	N/A	1.01
United Kingdom	N/A	0.84
Luxembourg	N/A	0.60
Germany	N/A	0.41
Total	99.91	92.33

First Trust Senior Loan ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2021

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Exchange Traded Funds—99.91%				
First Trust Senior Loan Fund	825,952	49,763,496	50,066,240	99.91
Total Exchange Traded Funds		49,763,496	50,066,240	99.91
Total investments		49,763,496	50,066,240	99.91
Transaction costs		(12,069)		
Unrealized appreciation on derivatives - see Schedule 1			46,311	0.09
Unrealized depreciation on derivatives - see Schedule 1			(796)	0.00
Other assets, less liabilities			1,592	—
Total Net Assets Attributable to Holders of Redeemable Units		49,751,427	50,113,347	100.00

Schedule 1

Counterparty	Credit Rating of Counterparty*	Settlement Date	Currency Sell	Amount Sold	Currency Buy	Amount Bought	Forward Rate	Current Rate	Appreciation
									(Depreciation) \$
CIBC World Markets Inc, Toronto	A-1	2022-01-14	USD	36,968,694	CAD	46,800,000	0.790	0.791	36,007
CIBC World Markets Inc, Toronto	A-1	2022-01-14	USD	678,041	CAD	868,000	0.781	0.791	10,304
									46,311
CIBC World Markets Inc, Toronto	A-1	2022-01-14	USD	1,482,887	CAD	1,875,000	0.791	0.791	(796)
									(796)

* Commercial paper rating per Standard and Poor's Commercial Paper Guide

First Trust Canadian Capital Strength ETF

STATEMENTS OF FINANCIAL POSITION As at December 31, 2021 and December 31, 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Assets		
Investments (non-derivative financial assets)	46,233,526	43,340,685
Cash	206,745	328,055
Accrued dividend receivable	80,510	70,738
Other assets	40,531	40,099
	46,561,312	43,779,577
Liabilities		
Accrued liabilities	100,865	94,070
Distributions payable to holders of redeemable units	96,771	134,219
	197,636	228,289
Total net assets attributable to holders of redeemable units	46,363,676	43,551,288
Total Net Assets Attributable to Holders of Redeemable Units per class		
Advisor Class	26,141,128	24,848,754
Common Class	20,222,548	18,702,534
Redeemable units outstanding [note 6]		
Advisor Class	760,726	860,726
Common Class	492,993	542,993
Net assets attributable to holders of redeemable units per unit		
Advisor Class	34.36	28.87
Common Class	41.02	34.44

STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Revenues		
Dividends	1,166,834	1,085,240
Other changes in fair value of investments		
Net realized gain (loss) on investments	5,102,535	(1,191,096)
Change in unrealized appreciation (depreciation) of foreign exchange	(175)	(338)
Change in unrealized appreciation (depreciation) of investments	2,823,457	(865,522)
	9,092,651	(971,716)
Foreign exchange gain (loss) on cash	706	(340)
	9,093,357	(972,056)
Expenses [note 7]		
Management fees	272,432	266,784
Service fees	258,128	238,479
HST expense	52,574	50,084
Transaction costs [note 3 and note 9]	12,843	11,871
Independent Review Committee fees	7,974	10,051
	603,951	577,269
Expenses waived by manager	(7,974)	(10,051)
	595,977	567,218
Increase (Decrease) in net assets attributable to holders of redeemable units	8,497,380	(1,539,274)
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Advisor Class	4,679,285	(2,415)
Common Class	3,818,095	(1,536,859)
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Advisor Class	5.81	-
Common Class	7.53	(2.39)

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,
FT Portfolios Canada Co.



..... Director



..... Director

First Trust Canadian Capital Strength ETF

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the years ended December 31, 2021 and 2020

	December 31 2021 (\$) Advisor Class	December 31 2020 (\$) Advisor Class	December 31 2021 (\$) Common Class	December 31 2020 (\$) Common Class
Net assets attributable to holders of redeemable units, beginning of year	24,848,754	27,809,801	18,702,534	32,614,143
Increase (Decrease) in net assets attributable to holders of redeemable units	4,679,285	(2,415)	3,818,095	(1,536,859)
Redeemable unit transactions [note 6]				
Proceeds from redeemable units issued	-	-	3,470,995	4,577,969
Reinvested distributions	-	-	-	-
Redemption of redeemable units	(3,145,193)	(2,766,522)	(5,383,901)	(16,565,203)
	(3,145,193)	(2,766,522)	(1,912,906)	(11,987,234)
Distributions to holders of redeemable units from:				
Net investment income	(97,517)	(90,804)	(283,415)	(299,338)
Capital gains	(144,201)	-	(101,760)	-
Return of capital	-	(101,306)	-	(88,178)
	(241,718)	(192,110)	(385,175)	(387,516)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	1,292,374	(2,961,047)	1,520,014	(13,911,609)
Net assets attributable to holders of redeemable units, end of year	26,141,128	24,848,754	20,222,548	18,702,534
			December 31 2021 (\$) Total	December 31 2020 (\$) Total
Net assets attributable to holders of redeemable units, beginning of year			43,551,288	60,423,944
Increase (Decrease) in net assets attributable to holders of redeemable units			8,497,380	(1,539,274)
Redeemable unit transactions [note 6]				
Proceeds from redeemable units issued			3,470,995	4,577,969
Reinvested distributions			-	-
Redemption of redeemable units			(8,529,094)	(19,331,725)
			(5,058,099)	(14,753,756)
Distributions to holders of redeemable units from:				
Net investment income			(380,932)	(390,142)
Capital gains			(245,961)	-
Return of capital			-	(189,484)
			(626,893)	(579,626)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year			2,812,388	(16,872,656)
Net assets attributable to holders of redeemable units, end of year			46,363,676	43,551,288

See accompanying notes which are an integral part of these financial statements.

First Trust Canadian Capital Strength ETF

STATEMENTS OF CASH FLOW For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	8,497,380	(1,539,274)
Adjustments for:		
Net realized (gain) loss on investments	(5,102,535)	1,191,096
Change in unrealized (appreciation) depreciation of investments	(2,823,457)	865,522
Dividends receivable	(9,772)	13,349
Other assets	(432)	6,021
Other liabilities	6,795	(20,246)
Purchases of investments	(25,234,698)	(26,647,702)
Proceeds from the sale of investments	30,267,849	41,550,547
	5,601,130	15,419,313
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	3,470,995	4,577,969
Amount paid on redemptions of units	(8,529,094)	(19,331,725)
Distributions paid to unitholders	(664,341)	(649,126)
	(5,722,440)	(15,402,882)
Increase (Decrease) in cash for the year	(121,310)	16,431
Cash, beginning of year	328,055	311,624
Cash, end of year	206,745	328,055
Dividends received, net of withholding taxes	1,157,062	1,098,589

See accompanying notes which are an integral part of these financial statements

First Trust Canadian Capital Strength ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

A. INVESTMENT OBJECTIVE (NOTE 1) - First Trust Canadian Capital Strength ETF (the “First Trust ETF”) seeks to provide unitholders with long term capital appreciation by investing primarily in securities traded on a Canadian exchange or market.

B. FAIR VALUE MEASUREMENT (NOTE 5) - The following fair value hierarchy tables present information about the First Trust ETF assets measured at fair value on a recurring basis for the years ended December 31, 2021 and 2020:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Equities	46,233,526	–	–	46,233,526
Total	46,233,526	–	–	46,233,526
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2020			
	Level 1	Level 2	Level 3	Total
Equities	43,340,685	–	–	43,340,685
Total	43,340,685	–	–	43,340,685

There have been no transfers from one Level to another for the years ended December 31, 2021 and 2020.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting periods.

C. REDEEMABLE UNITS (NOTE 6) - The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2021 and 2020:

Redeemable Units	Common Class	Advisor Class
Outstanding units - January 1, 2020	942,993	960,726
Redeemable units issued	150,000	–
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(550,000)	(100,000)
Outstanding units – December 31, 2020	542,993	860,726
Redeemable units issued	100,000	–
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(150,000)	(100,000)
Outstanding units – December 31, 2021	492,993	760,726

D. MANAGEMENT FEES AND EXPENSES (NOTE 7) - Below are the current annual management fees charged to the First Trust ETF:

Annual Management Fee	
Common Class	Advisor Class ¹
0.60%	1.60%

¹Includes a service fee of 1.00%

First Trust Canadian Capital Strength ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

E. TAXATION (NOTE 8)

Tax loss carry-forwards - The net capital losses and/or non-capital losses as at December 31, 2021 and 2020, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2021	2020	2021	2020
21,457,424	23,029,011	–	–

F. COMMISSION (NOTE 9) - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2021 and 2020 are as follows:

Transaction Cost (\$)	
2021	2020
12,843	11,871

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the years ended December 31, 2021 and 2020, including amounts owing as at December 31, 2021 and 2020 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2021	2020	2021	2020
272,432	266,784	23,095	21,622

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at December 31, 2021 and 2020, the First Trust ETF's market risk is affected by changes in actual market prices. If the following index had increased (decreased) by 5% at December 31, 2021 and 2020 with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2021		As at December 31, 2020	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P/TSX Composite® Index	1,917,138	(1,917,138)	1,990,294	(1,990,294)

Concentration Risk - The table below summarizes the concentration risk for the years ended December 31, 2021 and 2020:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2021	As at December 31, 2020
Financials	27.88	28.38
Information Technology	15.79	20.24
Materials	12.47	15.84
Consumer Discretionary	12.20	4.55
Consumer Staples	11.89	10.96
Industrials	11.65	15.76
Energy	7.84	–
Communication Services	–	3.79
Total	99.72	99.52

First Trust Canadian Capital Strength ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2021

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Consumer Discretionary—12.20%				
Aritzia Inc.	35,151	1,798,701	1,840,155	3.97
Dollarama Inc.	30,829	1,801,955	1,951,784	4.21
Gildan Activewear Inc.	34,751	1,703,494	1,863,696	4.02
		5,304,150	5,655,635	12.20
Consumer Staples—11.89%				
Alimentation Couche-Tard Inc.	35,144	1,107,752	1,862,632	4.02
Canada Goose Holdings Inc.	36,637	1,787,992	1,717,543	3.70
Metro Inc.	28,686	1,443,252	1,931,141	4.17
		4,338,996	5,511,316	11.89
Energy—7.84%				
Canadian Natural Resources Ltd.	34,224	1,387,783	1,829,273	3.95
Tourmaline Oil Corp.	44,167	1,821,889	1,803,780	3.89
		3,209,672	3,633,053	7.84
Financials—27.88%				
Bank of Nova Scotia	20,915	1,405,421	1,872,938	4.04
Canadian Imperial Bank of Commerce	12,695	1,418,737	1,871,878	4.04
iA Financial Corp. Inc.	25,504	1,754,005	1,845,980	3.98
Manulife Financial Corp.	75,074	1,651,057	1,810,034	3.90
Royal Bank of Canada	13,870	1,228,115	1,862,047	4.02
Sun Life Financial Inc.	26,012	1,295,140	1,831,505	3.95
Toronto-Dominion Bank (The)	18,904	1,184,325	1,833,310	3.95
		9,936,800	12,927,692	27.88
Industrials—11.65%				
Canadian Pacific Railway Ltd.	19,539	1,026,214	1,777,658	3.84
Finning International Inc.	56,025	1,776,764	1,786,077	3.85
TFI International Inc.	12,951	897,423	1,837,359	3.96
		3,700,401	5,401,094	11.65
Information Technology—15.79%				
CGI Inc.	16,707	1,179,788	1,868,678	4.03
Constellation Software Inc.	825	920,653	1,936,225	4.18
Enghouse Systems Ltd.	35,546	1,828,036	1,721,493	3.71
Open Text Corp.	29,894	1,352,793	1,794,836	3.87
		5,281,270	7,321,232	15.79
Materials—12.47%				
CCL Industries Inc., Class 'B'	28,113	1,572,925	1,906,905	4.11
Stelco Holdings Inc.	46,972	1,794,861	1,936,186	4.18
West Fraser Timber Co. Ltd.	16,079	1,200,981	1,940,413	4.18
		4,568,767	5,783,504	12.47
Total investments		36,340,056	46,233,526	99.72
Transaction costs		(9,001)		
Other assets, less liabilities			130,150	0.28
Total Net Assets Attributable to Holders of Redeemable Units		36,331,055	46,363,676	100.00

First Trust Global Risk Managed Income Index ETF

STATEMENTS OF FINANCIAL POSITION As at December 31, 2021 and December 31, 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Assets		
Investments (non-derivative financial assets)	26,553,789	23,630,035
Cash	80,335	61,596
Accrued dividend receivable	87,232	77,989
Other assets	37,905	37,204
	26,759,261	23,806,824
Liabilities		
Accrued liabilities	10,787	9,947
Distributions payable to holders of redeemable units	62,362	70,863
	73,149	80,810
Total net assets attributable to holders of redeemable units	26,686,112	23,726,014
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Common Class	25,458,227	22,551,898
Advisor Class	1,227,885	1,174,116
Redeemable units outstanding [note 6]		
Common Class	1,336,214	1,236,214
Advisor Class	63,800	63,800
Net assets attributable to holders of redeemable units per unit		
Common Class	19.05	18.24
Advisor Class	19.25	18.40

STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Revenues		
Dividends	831,694	940,132
Other changes in fair value of investments		
Net realized gain (loss) on sale of investments	276,292	(1,535,009)
Net change in unrealized appreciation (depreciation) of investments	871,878	147,835
	1,979,864	(447,042)
Expenses [note 7]		
Management fees	154,307	147,873
Transaction costs [note 3 and note 9]	8,510	25,855
HST expense	7,942	8,495
Service fees	6,042	7,333
Independent Review Committee fees	4,502	5,564
	181,303	195,120
Expenses waived by manager	(53,399)	(52,335)
	127,904	142,785
Increase (Decrease) in net assets attributable to holders of redeemable units	1,851,960	(589,827)
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Common Class	1,770,757	(470,981)
Advisor Class	81,203	(118,846)
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Common Class	1.36	(0.36)
Advisor Class	1.27	(1.45)

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,
FT Portfolios Canada Co.



..... Director



..... Director

First Trust Global Risk Managed Income Index ETF

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the years ended December 31, 2021 and 2020

	December 31 2021 (\$) Common Class	December 31 2020 (\$) Common Class	December 31 2021 (\$) Advisor Class	December 31 2020 (\$) Advisor Class
Net assets attributable to holders of redeemable units, beginning of year	22,551,898	26,486,344	1,174,116	2,189,825
Increase (Decrease) in net assets attributable to holders of redeemable units	1,770,757	(470,981)	81,203	(118,846)
Redeemable unit transactions [note 6]				
Proceeds from issuance of units	2,772,987	3,626,366	-	-
Reinvested distributions	-	-	-	-
Redemption of units	(916,997)	(6,190,093)	-	(850,497)
	1,855,990	(2,563,727)	-	(850,497)
Distributions to holders of redeemable units from:				
Net investment income	(694,037)	(774,374)	(27,434)	(41,134)
Capital gains	(26,381)	-	-	-
Return of capital	-	(125,364)	-	(5,232)
	(720,418)	(899,738)	(27,434)	(46,366)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	2,906,329	(3,934,446)	53,769	(1,015,709)
Net assets attributable to holders of redeemable units, end of year	25,458,227	22,551,898	1,227,885	1,174,116
			December 31 2021 (\$) Total	December 31 2020 (\$) Total
Net assets attributable to holders of redeemable units, beginning of year			23,726,014	28,676,169
Increase (Decrease) in net assets attributable to holders of redeemable units			1,851,960	(589,827)
Redeemable unit transactions [note 6]				
Proceeds from issuance of units			2,772,987	3,626,366
Reinvested distributions			-	-
Redemption of units			(916,997)	(7,040,590)
			1,855,990	(3,414,224)
Distributions to holders of redeemable units from:				
Net investment income			(721,471)	(815,508)
Capital gains			(26,381)	-
Return of capital			-	(130,596)
			(747,852)	(946,104)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year			2,960,098	(4,950,155)
Net assets attributable to holders of redeemable units, end of year			26,686,112	23,726,014

See accompanying notes which are an integral part of these financial statements.

First Trust Global Risk Managed Income Index ETF

STATEMENTS OF CASH FLOW For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	1,851,960	(589,827)
Adjustments for:		
Net realized (gain) loss on sale of investments	(276,292)	1,535,009
Change in unrealized (appreciation) depreciation of investments	(871,878)	(147,835)
Dividends receivable	(9,243)	40,794
Other assets	(701)	581
Other liabilities	840	(3,031)
Purchases of investments	(11,207,744)	(26,846,640)
Proceeds from the sale of investments	9,432,160	30,343,964
	(1,080,898)	4,333,015
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	2,772,987	3,626,366
Amount paid on redemptions of units	(916,997)	(7,040,590)
Distributions paid to unitholders	(756,353)	(964,104)
	1,099,637	(4,378,328)
Increase (Decrease) in cash for the year	18,739	(45,313)
Cash, beginning of year	61,596	106,909
Cash, end of year	80,335	61,596
Dividends received, net of withholding taxes	822,451	980,926

See accompanying notes which are an integral part of these financial statements

First Trust Global Risk Managed Income Index ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust Global Risk Managed Income Index ETF (the “First Trust ETF”) seeks to replicate, to the extent possible, the performance of the NASDAQ Global Risk Managed Income IndexSM, net of expenses. The investment strategy of the First Trust ETF is to invest in and hold the constituent securities of the Index in the same proportion as they are reflected in the Index or securities intended to replicate the performance of the Index.

B. FAIR VALUE MEASUREMENT (NOTE 5) - The following fair value hierarchy tables present information about the First Trust ETF assets measured at fair value on a recurring basis for the years ended December 31, 2021 and 2020:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Equities	26,553,789	–	–	26,553,789
Total	26,553,789	–	–	26,553,789
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2020			
	Level 1	Level 2	Level 3	Total
Equities	23,630,035	–	–	23,630,035
Total	23,630,035	–	–	23,630,035

There have been no transfers from one Level to another for the years ended December 31, 2021 and 2020.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting periods.

C. REDEEMABLE UNITS (NOTE 6) - The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2021 and 2020:

Redeemable Units	Common Class	Advisor Class
Outstanding units – January 1, 2020	1,386,214	113,800
Redeemable units issued	200,000	–
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(350,000)	(50,000)
Outstanding units – December 31, 2020	1,236,214	63,800
Redeemable units issued	150,000	–
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(50,000)	–
Outstanding units – December 31, 2021	1,336,214	63,800

D. MANAGEMENT FEES AND EXPENSES (NOTE 7) - Below are the current annual management fees charged to the First Trust ETF:

Annual Management Fee ¹	
Common Class	Advisor Class ²
0.41%	0.91%

¹Pays a management fee up to a maximum of 0.60%

²Includes a service fee of 0.50%

First Trust Global Risk Managed Income Index ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

E. TAXATION (NOTE 8)

Tax loss carry-forwards - The net capital losses and/or non-capital losses as at December 31, 2021 and 2020, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2021	2020	2021	2020
1,123,335	1,209,273	–	–

F. COMMISSION (NOTE 9) - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2021 and 2020 are as follows:

Transaction Cost (\$)	
2021	2020
8,510	25,855

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the years ended December 31, 2021 and 2020, including amounts owing as at December 31, 2021 and 2020 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2021	2020	2021	2020
154,307	147,873	9,193	8,458

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at December 31, 2021 and 2020, the First Trust ETF's market risk is affected by changes in actual market prices and interest rates. If the following index had increased (decreased) by 5% at December 31, 2021 and 2020, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Reference Index	As at December 31, 2021		As at December 31, 2020	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
NASDAQ Global Risk Managed Income Index SM	1,250,244	(1,250,244)	1,113,936	(1,113,936)

Concentration Risk - The table below summarizes the concentration risk for the years ended December 31, 2021 and 2020:

Holdings	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2021	As at December 31, 2020
Bonds	45.47	58.69
REITs and Preferred Shares	20.73	14.96
Equities	17.30	14.84
Senior Loans	16.00	11.10
Total	99.50	99.60

First Trust Global Risk Managed Income Index ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2021

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Exchange Traded Funds—99.50%				
BMO Emerging Markets Bond Hedged to CAD Index ETF	138,775	2,114,514	2,060,809	7.72
BMO Equal Weight REITs Index ETF	33,699	728,387	940,876	3.53
BMO Equal Weight Utilities Index ETF	28,935	581,784	734,370	2.75
BMO High Yield US Corporate Bond Hedged to CAD Index ETF	237,194	3,131,667	3,109,613	11.65
BMO Mid-Term US IG Corporate Bond Index ETF	40,830	825,163	776,995	2.91
First Trust Senior Loan ETF (CAD-Hedged)	238,205	4,263,780	4,271,016	16.01
Horizons Cdn Select Universe Bond ETF	10,672	532,942	540,537	2.03
iShares Canadian Corporate Bond Index ETF	32,399	706,749	702,734	2.63
iShares Canadian Government Bond Index ETF	24,663	553,175	545,299	2.04
iShares Convertible Bond Index ETF (CAD - Hedged)	142,455	2,549,410	2,609,776	9.78
iShares Core Canadian Long Term Bond Index ETF	17,170	436,070	436,118	1.63
iShares Core S&P / TSX Composite High Dividend Index ETF	44,841	949,087	1,141,652	4.28
iShares Global Monthly Dividend Index ETF (CAD-Hedged)	25,430	448,331	547,508	2.05
iShares Global Real Estate Index ETF	10,021	286,465	351,136	1.32
iShares S&P/TSX Canadian Preferred Share Index ETF	303,512	3,758,210	4,240,063	15.89
iShares S&P/TSX Capped Financials Index ETF	15,312	601,540	774,940	2.90
Vanguard Canadian Short-Term Bond Index ETF	56,947	1,378,610	1,351,352	5.06
Vanguard FTSE Canadian High Dividend Yield Index ETF	25,772	840,717	1,110,000	4.16
Vanguard U.S. Dividend Appreciation Index ETF	4,179	234,817	308,995	1.16
Total Exchange Traded Funds		24,921,418	26,553,789	99.50
Total investments		24,921,418	26,553,789	99.50
Transaction costs		(9,820)		
Other assets, less liabilities			132,323	0.50
Total Net Assets Attributable to Holders of Redeemable Units		24,911,598	26,686,112	100.00

First Trust Tactical Bond Index ETF

STATEMENTS OF FINANCIAL POSITION As at December 31, 2021 and December 31, 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Assets		
Investments (non-derivative financial assets)	3,277,877	4,939,622
Cash	13,448	10,189
Accrued dividend receivable	10,254	18,983
Other assets	364	865
	3,301,943	4,969,659
Liabilities		
Accrued liabilities	1,570	2,371
Distributions payable to holders of redeemable units	9,500	13,500
	11,070	15,871
Total net assets attributable to holders of redeemable units	3,290,873	4,953,788
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Units	3,290,873	4,953,788
Redeemable units outstanding [note 6]		
Units	200,000	300,000
Net assets attributable to holders of redeemable units per unit		
Units	16.45	16.51

STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Revenues		
Dividends	171,809	235,183
Other changes in fair value of investments		
Net realized gain (loss) on sale of investments	124,049	(1,255,133)
Net realized gain (loss) on foreign exchange	-	27
Net change in unrealized appreciation (depreciation) of investments	(84,602)	206,373
	211,256	(813,550)
Foreign exchange gain (loss) on cash	(1)	(54)
	211,255	(813,604)
Expenses [note 7]		
Management fees	23,243	36,937
Transaction costs [note 3 and note 9]	8,361	28,035
HST expense	2,202	3,572
Independent Review Committee fees	823	1,714
Interest expense	5	9
	34,634	70,267
Expenses waived by manager	(823)	(1,714)
	33,811	68,553
Increase (Decrease) in net assets attributable to holders of redeemable units	177,444	(882,157)
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Units	177,444	(882,157)
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Units	0.64	(1.98)

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,
FT Portfolios Canada Co.



..... Director



..... Director

First Trust Tactical Bond Index ETF

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Net assets attributable to holders of redeemable units, beginning of year	4,953,788	10,972,765
Increase (Decrease) in net assets attributable to holders of redeemable units	177,444	(882,157)
Redeemable unit transactions [note 6]		
Proceeds from issuance of units	-	-
Reinvested distributions	-	-
Redemption of units	(1,674,859)	(4,881,820)
	(1,674,859)	(4,881,820)
Distributions to holders of redeemable units from:		
Net investment income	(146,404)	(192,796)
Capital gains	(19,096)	-
Return of capital	-	(62,204)
	(165,500)	(255,000)
Increase (Decrease) in net assets attributable to holders of redeemable units, for the year	(1,662,915)	(6,018,977)
Net assets attributable to holders of redeemable units, end of year	3,290,873	4,953,788

See accompanying notes which are an integral part of these financial statements.

First Trust Tactical Bond Index ETF

STATEMENTS OF CASH FLOW For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	177,444	(882,157)
Adjustments for:		
Net realized (gain) loss on sale of investments	(124,049)	1,255,133
Change in unrealized (appreciation) depreciation of investments	84,602	(206,373)
Dividends receivable	8,729	14,017
Other assets	501	1,726
Other liabilities	(801)	(3,080)
Purchases of investments	(7,592,566)	(24,233,173)
Proceeds from the sale of investments	9,293,758	29,194,908
	1,847,618	5,141,001
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	-	-
Amount paid on redemptions of units	(1,674,859)	(4,881,820)
Distributions paid to unitholders	(169,500)	(271,500)
	(1,844,359)	(5,153,320)
Increase (Decrease) in cash for the year	3,259	(12,319)
Cash, beginning of year	10,189	22,508
Cash, end of year	13,448	10,189
Dividends received, net of withholding taxes	180,538	249,200

See accompanying notes which are an integral part of these financial statements.

First Trust Tactical Bond Index ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust Tactical Bond Index ETF (the “First Trust ETF”) seeks to replicate, to the extent possible, the performance of the NASDAQ IBIS Canadian Preservation Index CAD TRSM (formerly named NASDAQ Canadian Preservation Index CAD TRSM) (the “Index”), net of expenses. The investment strategy of the First Trust ETF is to invest in and hold the constituent securities of the Index in the same proportion as they are reflected in the Index or securities intended to replicate the performance of such Index.

B. FAIR VALUE MEASUREMENT (NOTE 5) - The below fair value hierarchy table presents information about the First Trust ETF assets measured at fair value on a recurring basis for the years ended December 31, 2021 and 2020:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Equities	3,277,877	–	–	3,277,877
Total	3,277,877	–	–	3,277,877

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2020			
	Level 1	Level 2	Level 3	Total
Equities	4,939,622	–	–	4,939,622
Total	4,939,622	–	–	4,939,622

There have been no transfers from one Level to another for the years ended December 31, 2021 and 2020.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting periods.

C. REDEEMABLE UNITS (NOTE 6) - The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2021 and 2020:

Redeemable Units	Units
Outstanding units - January 1, 2020	600,000
Redeemable units issued	–
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(300,000)
Outstanding units – December 31, 2020	300,000
Redeemable units issued	–
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(100,000)
Outstanding units – December 31, 2021	200,000

D. MANAGEMENT FEES AND EXPENSES (NOTE 7) - Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee
Units
0.50%

First Trust Tactical Bond Index ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

E. TAXATION (NOTE 8)

Tax loss carry-forwards - The net capital losses and/or non-capital losses as at December 31, 2021 and 2020, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2021	2020	2021	2020
1,750,572	1,770,890	–	–

F. COMMISSION (NOTE 9) - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2021 and 2020 are as follows:

Transaction Cost (\$)	
2021	2020
8,361	28,035

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the years ended December 31, 2021 and 2020, including amounts owing as at December 31, 2021 and 2020 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2021	2020	2021	2020
23,243	36,937	1,390	2,098

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at December 31, 2021 and 2020, the First Trust ETF's market risk is affected by changes in actual market prices and interest rates. If the following index had increased (decreased) by 5% at December 31, 2021 and 2020, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2021		As at December 31, 2020	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
NASDAQ IBIS Canadian Preservation Index CAD TR SM	127,028	(127,028)	260,322	(260,322)

Concentration Risk – The table below summarizes the First Trust ETF's concentration risk for years ended December 31, 2021 and 2020:

Holdings	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2021	As at December 31, 2020
Exchange-Traded Funds	99.61	99.71
Total	99.61	99.71

First Trust Tactical Bond Index ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2021

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Exchange Traded Funds—99.61%				
BMO Aggregate Bond Index ETF	42,052	701,694	663,160	20.15
BMO Emerging Markets Bond Hedged to CAD Index ETF	43,869	659,831	651,455	19.80
iShares Canadian Corporate Bond Index ETF	30,425	660,524	659,918	20.05
iShares Convertible Bond Index ETF (CAD - Hedged)	35,156	662,462	644,058	19.57
iShares S&P/TSX Canadian Preferred Share Index ETF	47,193	504,029	659,286	20.04
Total Exchange Traded Funds		3,188,540	3,277,877	99.61
Total investments		3,188,540	3,277,877	99.61
Transaction costs		(1,768)		
Other assets, less liabilities			12,996	0.39
Total Net Assets Attributable to Holders of Redeemable Units		3,186,772	3,290,873	100.00

First Trust Value Line® Dividend Index ETF (CAD-Hedged)

STATEMENTS OF FINANCIAL POSITION

As at December 31, 2021 and December 31, 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Assets		
Investments (non-derivative financial assets)	14,382,325	17,328,957
Cash	48,403	76,425
Accrued dividend receivable	26,899	31,838
Derivative assets	14,359	360,986
Other assets	9,334	5,044
	14,481,320	17,803,250
Liabilities		
Accrued liabilities	24,936	27,879
Distributions payable to holders of redeemable units	14,304	22,054
Derivative liabilities	8,969	-
	48,209	49,933
Total net assets attributable to holders of redeemable units	14,433,111	17,753,317
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Common Class	9,107,086	11,904,424
Advisor Class	5,326,025	5,848,893
Redeemable units outstanding [note 6]		
Common Class	252,160	402,160
Advisor Class	147,835	197,835
Net assets attributable to holders of redeemable units per unit		
Common Class	36.12	29.60
Advisor Class	36.03	29.56

STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Revenues		
Dividends	437,311	583,902
Other changes in fair value of investments and derivatives		
Net realized gain (loss) on sale of investments	2,411,395	(426,997)
Net realized gain (loss) on derivatives	460,651	91,905
Net realized gain (loss) on foreign exchange	98	12,291
Net change in unrealized appreciation (depreciation) of investments	823,311	(601,806)
Net change in unrealized appreciation (depreciation) of derivatives	(355,596)	27,908
	3,777,170	(312,797)
Foreign exchange gain (loss) on cash	422	(5,676)
	3,777,592	(318,473)
Expenses [note 7]		
Management fees	113,637	123,130
Service fees	61,444	49,642
HST expense	13,976	17,790
Transaction costs [note 3 and note 9]	2,936	7,189
Independent Review Committee fees	2,887	3,955
Interest expense	7	120
	194,887	201,826
Expenses waived by manager	(2,887)	(3,955)
	192,000	197,871
Increase (Decrease) in net assets attributable to holders of redeemable units before tax	3,585,592	(516,344)
Withholding taxes	56,681	76,845
Increase (Decrease) in net assets attributable to holders of redeemable units	3,528,911	(593,189)
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Common Class	2,296,949	(708,182)
Advisor Class	1,231,962	114,993
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Common Class	7.48	(1.53)
Advisor Class	6.60	0.64

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,
FT Portfolios Canada Co.



..... Director



..... Director

First Trust Value Line® Dividend Index ETF (CAD-Hedged)

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the years ended December 31, 2021 and 2020

	December 31 2021 (\$) Common Class	December 31 2020 (\$) Common Class	December 31 2021 (\$) Advisor Class	December 31 2020 (\$) Advisor Class
Net assets attributable to holders of redeemable units, beginning of year	11,904,424	13,984,787	5,848,893	4,565,265
Increase (Decrease) in net assets attributable to holders of redeemable units	2,296,949	(708,182)	1,231,962	114,993
Redeemable unit transactions [note 6]				
Proceeds from issuance of units	1,742,150	4,007,237	3,411,871	1,229,660
Reinvested distributions	1,068,351	-	549,089	-
Redemption of units	(6,673,271)	(5,081,796)	(5,122,221)	-
	(3,862,770)	(1,074,559)	(1,161,261)	1,229,660
Distributions to holders of redeemable units from:				
Net investment income	(162,452)	(269,237)	(35,625)	(51,839)
Capital gains	(1,068,790)	-	(554,532)	-
Return of capital	(275)	(28,385)	(3,412)	(9,186)
	(1,231,517)	(297,622)	(593,569)	(61,025)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	(2,797,338)	(2,080,363)	(522,868)	1,283,628
Net assets attributable to holders of redeemable units, end of year	9,107,086	11,904,424	5,326,025	5,848,893
			December 31 2021 (\$) Total	December 31 2020 (\$) Total
Net assets attributable to holders of redeemable units, beginning of year			17,753,317	18,550,052
Increase (Decrease) in net assets attributable to holders of redeemable units			3,528,911	(593,189)
Redeemable unit transactions [note 6]				
Proceeds from issuance of units			5,154,021	5,236,897
Reinvested distributions			1,617,440	-
Redemption of units			(11,795,492)	(5,081,796)
			(5,024,031)	155,101
Distributions to holders of redeemable units from:				
Net investment income			(198,077)	(321,076)
Capital gains			(1,623,322)	-
Return of capital			(3,687)	(37,571)
			(1,825,086)	(358,647)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year			(3,320,206)	(796,735)
Net assets attributable to holders of redeemable units, end of year			14,433,111	17,753,317

See accompanying notes which are an integral part of these financial statements.

First Trust Value Line® Dividend Index ETF (CAD-Hedged)

STATEMENTS OF CASH FLOW For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	3,528,911	(593,189)
Adjustments for:		
Net realized (gain) loss on sale of investments	(2,411,395)	426,997
Change in unrealized (appreciation) depreciation of investments and derivatives	(467,715)	573,898
Dividends receivable	4,939	(131)
Other assets	(4,290)	1,057
Other liabilities	(2,943)	4,155
Purchases of investments	(14,398,877)	(23,558,394)
Proceeds from the sale of investments	20,580,215	23,368,122
	6,828,845	222,515
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	5,154,021	5,236,897
Amount paid on redemptions of units	(11,795,492)	(5,081,796)
Distributions paid to unitholders	(215,396)	(368,897)
	(6,856,867)	(213,796)
Increase (Decrease) in cash for the year	(28,022)	8,719
Cash, beginning of year	76,425	67,706
Cash, end of year	48,403	76,425
Dividends received, net of withholding taxes	385,569	506,926

See accompanying notes which are an integral part of these financial statements

First Trust Value Line® Dividend Index ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust Value Line® Dividend Index ETF (CAD-Hedged) (the “First Trust ETF”) seeks to replicate, to the extent possible, the performance of the Value Line® Dividend Index on a currency hedged basis (the “Index”), net of expenses. The investment strategy of the First Trust ETF is to invest in and hold the Constituent Securities (as defined in the Prospectus) of the Index in the same proportion as they are reflected in the Index or securities intended to replicate the performance of the Index.

B. FAIR VALUE MEASUREMENT (NOTE 5) - The following fair value hierarchy tables present information about the First Trust ETF assets measured at fair value on a recurring basis for the years ended December 31, 2021 and 2020:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Equities	14,382,325	–	–	14,382,325
Derivative assets	–	14,359	–	14,359
Derivative liabilities	–	(8,969)	–	(8,969)
Total	14,382,325	5,390	–	14,387,715

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2020			
	Level 1	Level 2	Level 3	Total
Equities	17,328,957	–	–	17,328,957
Derivative assets	–	360,986	–	360,986
Total	17,328,957	360,986	–	17,689,943

There have been no transfers from one Level to another for the years ended December 31, 2021 and 2020.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting periods.

C. REDEEMABLE UNITS (NOTE 6) - The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2021 and 2020:

Redeemable Units	Common Class	Advisor Class
Outstanding units - January 1, 2020	452,160	147,835
Redeemable units issued	150,000	50,000
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(200,000)	–
Outstanding units – December 31, 2020	402,160	197,835
Redeemable units issued	50,000	100,000
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(200,000)	(150,000)
Outstanding units – December 31, 2021	252,160	147,835

D. MANAGEMENT FEES AND EXPENSES (NOTE 7) - Below are the current annual management fees charged to the First Trust ETF:

Annual Management Fee	
Common Class	Advisor Class ¹
0.70%	1.70%

¹Includes a service fee of 1.00%

First Trust Value Line® Dividend Index ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

E. TAXATION (NOTE 8)

Tax loss carry-forwards - The net capital losses and/or non-capital losses as at December 31, 2021 and 2020, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2021	2020	2021	2020
-	83,701	-	-

F. COMMISSION (NOTE 9) - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2021 and 2020 are as follows:

Transaction Cost (\$)	
2021	2020
2,936	7,189

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the years ended December 31, 2021 and 2020, including amounts owing as at December 31, 2021 and 2020 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2021	2020	2021	2020
113,637	123,130	8,310	10,440

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at December 31, 2021 and 2020, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at December 31, 2021 and 2020, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2021		As at December 31, 2020	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500® Index (CAD-Hedged)	749,010	(749,010)	858,859	(858,859)
Dow Jones U.S. Select Dividend™ Index USD	601,011	(601,011)	877,226	(877,226)

Currency risk - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2021 and 2020:

Currency	As at December 31, 2021		As at December 31, 2020	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	540,497	3.74	74,838	0.42

As at December 31, 2021, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$5,405 (December 31, 2020 - \$748). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

First Trust Value Line® Dividend Index ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

Concentration Risk - The table below summarizes the concentration risk for the years ended December 31, 2021 and 2020:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2021	As at December 31, 2020
<i>Canada</i>		
Financials	2.87	3.13
Communication Services	1.44	1.56
Industrials	0.97	0.52
Information Technology	0.95	1.57
Utilities	0.48	0.52
<i>United States</i>		
Utilities	18.99	21.34
Financials	14.35	15.76
Industrials	14.46	13.49
Consumer Staples	9.71	8.35
Information Technology	7.15	6.29
Health Care	6.69	5.18
Materials	5.33	4.68
Consumer Discretionary	3.39	2.10
Communication Services	1.42	1.56
<i>International</i>		
Switzerland	2.38	2.66
United Kingdom	1.91	2.10
Ireland	1.91	0.53
Bermuda	0.97	1.05
Germany	0.95	1.05
Japan	0.94	1.53
Israel	0.49	–
Denmark	0.48	0.50
India	0.48	0.55
France	0.47	0.53
Taiwan	0.47	0.54
Hong Kong	–	0.52
Total	99.65	97.61

First Trust Value Line® Dividend Index ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2021

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
CANADIAN EQUITIES				
Communication Services—1.44%				
BCE Inc.	1,051	62,567	69,185	0.48
Rogers Communications Inc., Class 'B'	1,163	67,445	70,070	0.48
TELUS Corp.	2,319	59,258	69,141	0.48
		189,270	208,396	1.44
Financials—2.87%				
Bank of Montreal	505	51,862	68,811	0.48
Bank of Nova Scotia	767	54,996	69,555	0.48
Canadian Imperial Bank of Commerce	463	53,554	68,266	0.47
Royal Bank of Canada	515	56,190	69,145	0.48
Sun Life Financial Inc.	979	58,776	68,966	0.48
Toronto-Dominion Bank (The)	712	53,294	69,061	0.48
		328,672	413,804	2.87
Industrials—0.97%				
Canadian National Railway Co.	445	62,058	69,158	0.48
Enbridge Inc.	1,416	66,081	69,999	0.49
		128,139	139,157	0.97
Information Technology—0.95%				
Open Text Corp.	1,134	64,477	68,108	0.47
Thomson Reuters Corp.	459	50,029	69,453	0.48
		114,506	137,561	0.95
Utilities—0.48%				
Fortis Inc.	1,144	61,078	69,852	0.48
		61,078	69,852	0.48
		821,665	968,770	6.71
UNITED STATES EQUITIES				
Communication Services—1.42%				
AT&T Inc.	2,196	84,836	68,334	0.47
Comcast Corp., Class 'A'	1,078	69,449	68,631	0.48
Verizon Communications Inc.	1,033	76,047	67,896	0.47
		230,332	204,861	1.42
Consumer Discretionary—3.39%				
Gentex Corp.	1,562	64,933	68,858	0.48
Home Depot Inc. (The)	135	47,913	70,871	0.49
Lowe's Cos. Inc.	215	51,498	70,297	0.49
McDonald's Corp.	203	56,743	68,836	0.47
Starbucks Corp.	476	61,669	70,430	0.49
Target Corp.	243	72,708	71,141	0.49
Yum! Brands Inc.	394	59,705	69,207	0.48
		415,169	489,640	3.39
Consumer Staples—9.71%				
Archer-Daniels-Midland Co.	824	55,504	70,450	0.49
Campbell Soup Co.	1,290	75,311	70,917	0.49
Clorox Co. (The)	318	77,006	70,137	0.49

First Trust Value Line® Dividend Index ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

Coca-Cola Co. (The)	928	62,135	69,505	0.48
Colgate-Palmolive Co.	649	63,548	70,060	0.48
Constellation Brands Inc., Class 'A'	221	60,826	70,160	0.49
General Mills Inc.	824	61,779	70,231	0.49
Hershey Co. (The)	287	56,221	70,238	0.49
Hormel Foods Corp.	1,134	69,895	70,016	0.48
Ingredion Inc.	568	59,107	69,435	0.48
J&J Snack Foods Corp.	346	68,859	69,135	0.48
J.M. Smucker Co. (The)	407	63,144	69,925	0.48
Kellogg Co.	860	71,493	70,080	0.49
Kimberly-Clark Corp.	389	67,497	70,326	0.49
Lancaster Colony Corp.	335	75,385	70,174	0.49
McCormick & Co. Inc.	578	66,213	70,636	0.49
Mondelez International Inc., Class 'A'	831	60,502	69,703	0.48
PepsiCo Inc.	317	57,259	69,656	0.48
Procter & Gamble Co. (The)	336	56,060	69,525	0.48
Walmart Inc.	387	70,941	70,831	0.49
		1,298,685	1,401,140	9.71
Financials—14.35%				
Aflac Inc.	935	57,518	69,059	0.48
Alexandria Real Estate Equities Inc.	247	62,133	69,662	0.48
Allstate Corp. (The)	469	70,501	69,797	0.48
American Tower Corp.	190	61,209	70,300	0.49
Assurant Inc.	355	60,647	69,990	0.48
Bank of New York Mellon Corp. (The)	930	56,345	68,325	0.47
BlackRock Inc.	59	50,475	68,330	0.47
Camden Property Trust	308	46,028	69,615	0.48
Cboe Global Markets Inc.	419	54,194	69,114	0.48
CME Group Inc.	237	56,755	68,491	0.47
CNA Financial Corp.	1,233	66,550	68,751	0.48
Commerce Bancshares Inc.	796	68,531	69,214	0.48
Crown Castle International Corp.	266	59,291	70,236	0.49
Duke Realty Corp.	846	48,919	70,244	0.49
Erie Indemnity Co., Class 'A'	282	77,645	68,725	0.48
Goldman Sachs Group Inc. (The)	140	51,304	67,747	0.47
Hanover Insurance Group Inc.	416	68,285	68,966	0.48
Hartford Financial Services Group Inc. (The)	791	55,766	69,080	0.48
Houlihan Lokey Inc.	516	46,871	67,569	0.47
JPMorgan Chase & Co.	344	57,509	68,905	0.48
Marsh & McLennan Cos. Inc.	313	49,446	68,820	0.48
Mid-America Apartment Communities Inc.	242	43,143	70,236	0.49
Morgan Stanley	542	54,145	67,299	0.47
Prologis Inc.	328	43,803	69,853	0.48
Public Storage Inc.	148	47,842	70,122	0.48
Realty Income Corp.	767	68,035	69,458	0.48
SEI Investments Co.	878	69,314	67,682	0.47
T. Rowe Price Group Inc.	273	54,421	67,906	0.47
Travelers Cos. Inc. (The)	349	62,209	69,059	0.48
U.S. Bancorp	959	62,351	68,139	0.47
		1,731,185	2,070,694	14.35

First Trust Value Line® Dividend Index ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

Health Care—6.69%				
Abbott Laboratories	385	55,733	68,541	0.47
AmerisourceBergen Corp.	413	56,514	69,425	0.48
Amgen Inc.	242	69,771	68,867	0.48
Baxter International Inc.	628	61,983	68,190	0.47
Becton	217	65,728	69,030	0.48
Bristol-Myers Squibb Co.	874	68,922	68,932	0.48
CVS Health Corp.	531	50,013	69,291	0.48
Eli Lilly and Co.	195	56,816	68,134	0.47
Gilead Sciences Inc.	747	68,498	68,611	0.47
Johnson & Johnson	321	64,610	69,463	0.48
Merck & Co. Inc.	711	67,907	68,928	0.48
Pfizer Inc.	919	48,329	68,645	0.48
Premier Inc., Class 'A'	1,333	57,892	69,420	0.48
Quest Diagnostics Inc.	321	53,536	70,251	0.49
		846,252	965,728	6.69
Industrials—14.46%				
3M Co.	308	73,172	69,206	0.48
A. O. Smith Corp.	643	49,105	69,827	0.48
C.H. Robinson Worldwide Inc.	521	59,832	70,932	0.49
Caterpillar Inc.	264	59,599	69,040	0.48
Cummins Inc.	252	67,484	69,536	0.48
Donaldson Co. Inc.	939	73,485	70,388	0.49
Emerson Electric Co.	590	60,427	69,385	0.48
Fastenal Co.	856	48,458	69,364	0.48
General Dynamics Corp.	263	58,080	69,354	0.48
Honeywell International Inc.	264	64,420	69,631	0.48
Hubbell Inc.	261	53,757	68,761	0.48
Illinois Tool Works Inc.	223	55,813	69,618	0.48
L3Harris Technologies Inc.	259	65,687	69,862	0.48
Lincoln Electric Holdings Inc.	390	57,206	68,805	0.48
Lockheed Martin Corp.	155	72,640	69,684	0.48
MSC Industrial Direct Co. Inc., Class 'A'	644	66,124	68,478	0.47
Norfolk Southern Corp.	187	59,142	70,422	0.49
Northrop Grumman Corp.	142	59,560	69,527	0.48
PACCAR Inc.	634	69,748	70,783	0.49
Raytheon Technologies Corp.	638	65,157	69,454	0.48
Republic Services Inc.	396	49,650	69,853	0.48
Robert Half International Inc.	488	45,879	68,841	0.48
Rockwell Automation Inc.	156	51,883	68,839	0.48
Rollins Inc.	1,644	70,593	71,142	0.49
Snap-On Inc.	254	60,701	69,201	0.48
Union Pacific Corp.	219	55,282	69,791	0.48
United Parcel Service Inc., Class 'B'	253	51,570	68,596	0.48
W.W. Grainger Inc.	105	52,984	68,833	0.48
Waste Management Inc.	332	52,542	70,092	0.49
Watsco Inc., Class 'A'	178	53,015	70,448	0.49
		1,782,995	2,087,693	14.46

First Trust Value Line® Dividend Index ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

Information Technology—7.15%				
Amdocs Ltd.	725	66,634	68,635	0.48
Analog Devices Inc.	310	55,579	68,926	0.48
Automatic Data Processing Inc.	221	49,701	68,932	0.48
Avnet Inc.	1,318	57,713	68,739	0.48
Broadridge Financial Solutions Inc., ADR	295	57,738	68,221	0.47
Cisco Systems Inc.	858	54,268	68,777	0.48
Corning Inc.	1,456	71,367	68,569	0.47
Fidelity National Information Services Inc.	502	69,842	69,311	0.48
Intel Corp.	1,048	70,813	68,272	0.47
International Business Machines Corp.	413	70,465	69,827	0.48
Juniper Networks Inc.	1,550	48,515	70,016	0.49
Maximus Inc.	690	74,158	69,537	0.48
Oracle Corp.	608	55,960	67,072	0.46
Paychex Inc.	401	46,084	69,239	0.48
Texas Instruments Inc.	284	55,810	67,707	0.47
		904,647	1,031,780	7.15
Materials—5.33%				
Air Products and Chemicals Inc.	180	58,341	69,277	0.48
AptarGroup Inc.	454	70,933	70,339	0.49
Avery Dennison Corp.	256	70,951	70,131	0.49
International Flavors & Fragrances Inc.	375	65,741	71,462	0.49
NewMarket Corp.	157	72,172	68,063	0.47
Packaging Corp. of America	409	72,226	70,439	0.49
PPG Industries Inc.	321	65,553	70,019	0.49
Sensient Technologies Corp.	549	53,419	69,488	0.48
Silgan Holdings Inc.	1,299	66,593	70,393	0.49
Sonoco Products Co.	954	72,393	69,860	0.48
WD-40 Co.	224	61,454	69,318	0.48
		729,776	768,789	5.33
Utilities—18.99%				
Allete Inc.	838	73,430	70,333	0.49
Alliant Energy Corp.	907	62,699	70,525	0.49
Ameren Corp.	622	64,065	70,033	0.48
American Electric Power Co. Inc.	625	69,070	70,339	0.49
American States Water Co.	539	55,333	70,526	0.49
Atmos Energy Corp.	523	69,780	69,313	0.48
Avangrid Inc.	1,123	72,618	70,856	0.49
Avista Corp.	1,317	73,065	70,786	0.49
Black Hills Corp.	787	66,936	70,254	0.49
Chesapeake Utilities Corp.	381	50,895	70,273	0.49
CMS Energy Corp.	852	66,606	70,107	0.49
Consolidated Edison Inc.	650	66,212	70,152	0.49
Dominion Energy Inc.	703	70,770	69,860	0.48
DTE Energy Co.	462	61,411	69,860	0.48
Duke Energy Corp.	527	64,570	69,929	0.48
Entergy Corp.	491	69,052	69,966	0.48
Evergy Inc.	806	63,141	69,951	0.48
Eversource Energy	610	65,979	70,202	0.49
Exelon Corp.	993	61,201	72,552	0.50
Hawaiian Electric Industries Inc.	1,337	70,409	70,186	0.49
IDACORP Inc.	494	63,144	70,806	0.49

First Trust Value Line® Dividend Index ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

MGE Energy Inc.	686	64,564	71,373	0.49
New Jersey Resources Corp.	1,333	66,664	69,234	0.48
NextEra Energy Inc.	596	53,799	70,385	0.49
NorthWestern Corp.	976	77,751	70,569	0.49
OGE Energy Corp.	1,451	65,298	70,444	0.49
ONE Gas Inc.	714	71,267	70,077	0.49
Otter Tail Corp.	791	49,325	71,461	0.49
Pinnacle West Capital Corp.	790	81,128	70,541	0.49
PNM Resources Inc.	1,205	73,627	69,522	0.48
Portland General Electric Co.	1,052	62,205	70,422	0.49
PPL Corp.	1,843	68,914	70,079	0.49
Public Services Enterprise Group Inc.	836	63,480	70,567	0.49
Sempra Energy	418	69,354	69,943	0.48
Southern Co. (The)	813	62,564	70,528	0.49
Spire Inc.	843	76,973	69,548	0.48
UGI Corp.	1,191	67,251	69,166	0.48
WEC Energy Group Inc.	571	67,237	70,112	0.49
Xcel Energy Inc.	814	68,646	69,709	0.48
		2,590,433	2,740,489	18.99
		10,529,474	11,760,814	81.49
INTERNATIONAL EQUITIES				
Bermuda—0.97%				
Axis Capital Holdings Ltd.	1,029	66,754	70,900	0.49
Everest Re Group Ltd.	201	62,400	69,645	0.48
		129,154	140,545	0.97
Denmark—0.48%				
Novo Nordisk AS, ADR	488	46,822	69,137	0.48
		46,822	69,137	0.48
France—0.47%				
Sanofi SA, ADR	1,078	68,836	68,317	0.47
		68,836	68,317	0.47
Germany—0.95%				
Fresenius Medical Care AG & Co. KGaA, ADR	1,686	83,896	69,228	0.48
SAP SE, ADR	385	61,776	68,234	0.47
		145,672	137,462	0.95
India—0.48%				
Infosys Ltd., ADR	2,148	42,994	68,770	0.48
		42,994	68,770	0.48
Ireland—1.91%				
Johnson Controls International PLC	682	55,831	70,146	0.49
Linde PLC	158	58,454	69,238	0.48
Medtronic PLC	521	75,303	68,178	0.47
Willis Towers Watson PLC	228	62,308	68,494	0.47
		251,896	276,056	1.91
Israel—0.49%				
Elbit Systems Ltd.	319	62,712	70,265	0.49
		62,712	70,265	0.49
Japan—0.94%				
Canon Inc., ADR	2,155	64,959	66,595	0.46
Toyota Motor Corp., ADR	293	56,409	68,678	0.48
		121,368	135,273	0.94

First Trust Value Line® Dividend Index ETF (CAD-Hedged)
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

Switzerland—2.38%				
ABB Ltd., ADR	1,422	51,924	68,659	0.47
Chubb Ltd.	281	55,082	68,712	0.48
Garmin Ltd.	400	63,358	68,899	0.48
Novartis AG, ADR	621	69,611	68,711	0.48
TE Connectivity Ltd.	334	69,419	68,165	0.47
		309,394	343,146	2.38
Taiwan—0.47%				
Taiwan Semiconductor Manufacturing Co. Ltd., ADR	444	52,602	67,571	0.47
		52,602	67,571	0.47
United Kingdom—1.91%				
AstraZeneca PLC, ADR	937	64,758	69,041	0.48
Diageo PLC, ADR	247	52,258	68,781	0.47
GlaxoSmithKline PLC, ADR	1,234	63,652	68,838	0.48
Unilever PLC, ADR	1,022	74,661	69,539	0.48
		255,329	276,199	1.91
Total investments		12,837,918	14,382,325	99.65
Transaction costs		(1,047)		
Unrealized appreciation on derivatives - see Schedule 1			14,359	0.09
Unrealized depreciation on derivatives - see Schedule 1			(8,969)	(0.06)
Other assets, less liabilities			45,396	0.32
Total Net Assets Attributable to Holders of Redeemable Units		12,836,871	14,433,111	100.00

Schedule 1

Counterparty	Credit		Settlement Date	Currency Sell	Amount Sold	Currency Buy	Amount Bought	Forward Rate	Current Rate	Appreciation (Depreciation) \$
	Rating of Counterparty*									
Bank of New York Mellon (The), New York	A-1+		2022-01-14	USD	11,050,348	CAD	13,983,000	0.790	0.791	4,730
Bank of New York Mellon (The), New York	A-1+		2022-01-14	USD	401,095	CAD	517,000	0.776	0.791	9,629
										14,359
Bank of New York Mellon (The), New York	A-1+		2022-01-14	CAD	621,000	USD	483,833	1.283	1.265	(8,969)
										(8,969)

* Commercial paper rating per Standard and Poor's Commercial Paper Guide

First Trust Nasdaq[®] Clean Edge[®] Green Energy ETF

STATEMENTS OF FINANCIAL POSITION As at December 31, 2021 and December 31, 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Assets		
Investments (non-derivative financial assets)	17,190,916	4,693,688
Cash	20,361	18,873
Accrued dividend receivable	-	6,300
Other assets	513	156
	17,211,790	4,719,017
Liabilities		
Accrued liabilities	2,572	3,094
Distributions payable to holders of redeemable units	14,457	16,350
	17,029	19,444
Total net assets attributable to holders of redeemable units	17,194,761	4,699,573
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Units	17,194,761	4,699,573
Redeemable units outstanding [note 6]		
Units	610,000	150,000
Net assets attributable to holders of redeemable units per unit		
Units	28.19	31.33

STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Revenues		
Dividends	17,199	151,791
Other changes in fair value of investments		
Net realized gain (loss) on sale of investments	1,392,236	(52,703)
Net realized gain (loss) on foreign exchange	30	250
Net change in unrealized appreciation (depreciation) of investments	(2,070,704)	506,178
	(661,239)	605,516
Foreign exchange gain (loss) on cash	(172)	216
	(661,411)	605,732
Expenses [note 7]		
Management fees	21,205	30,775
Transaction costs [note 3 and note 9]	2,488	4,450
HST expense	2,182	3,790
Independent Review Committee fees	1,992	1,005
Interest expense	1	23
	27,868	40,043
Expenses waived by manager	(1,992)	(1,005)
	25,876	39,038
Increase (Decrease) in net assets attributable to holders of redeemable units before tax	(687,287)	566,694
Withholding taxes	2,545	21,286
Increase (Decrease) in net assets attributable to holders of redeemable units	(689,832)	545,408
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Units	(689,832)	545,408
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Units	(1.64)	3.29

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,
FT Portfolios Canada Co.



..... Director



..... Director

First Trust Nasdaq[®] Clean Edge[®] Green Energy ETF

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Net assets attributable to holders of redeemable units, beginning of year	4,699,573	6,205,799
Increase (Decrease) in net assets attributable to holders of redeemable units	(689,832)	545,408
Redeemable unit transactions [note 6]		
Proceeds from issuance of units	16,436,395	4,468,418
Reinvested distributions	224,480	-
Redemption of units	(3,232,218)	(6,423,952)
	13,428,657	(1,955,534)
Distributions to holders of redeemable units from:		
Net investment income	(19,146)	(96,046)
Capital gains	(224,480)	-
Return of capital	(11)	(54)
	(243,637)	(96,100)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	12,495,188	(1,506,226)
Net assets attributable to holders of redeemable units, end of year	17,194,761	4,699,573

See accompanying notes which are an integral part of these financial statements.

First Trust Nasdaq[®] Clean Edge[®] Green Energy ETF

STATEMENTS OF CASH FLOW For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	(689,832)	545,408
Adjustments for:		
Net realized (gain) loss on sale of investments	(1,392,236)	52,703
Change in unrealized (appreciation) depreciation of investments	2,070,704	(506,178)
Dividends receivable	6,300	5,100
Other assets	(357)	461
Other liabilities	(522)	(1,123)
Purchases of investments	(22,755,713)	(9,385,391)
Proceeds from the sale of investments	9,580,017	11,332,978
	(13,181,639)	2,043,958
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	16,436,395	4,468,418
Amount paid on redemptions of units	(3,232,218)	(6,423,952)
Distributions paid to unitholders	(21,050)	(108,750)
	13,183,127	(2,064,284)
Increase (Decrease) in cash for the year	1,488	(20,326)
Cash, beginning of year	18,873	39,199
Cash, end of year	20,361	18,873
Dividends received, net of withholding taxes	20,954	135,605

See accompanying notes which are an integral part of these financial statements

First Trust Nasdaq® Clean Edge® Green Energy ETF
(formerly, First Trust AlphaDEX™ U.S. Financial Sector Index ETF)
 Notes to Financial Statements - Specific Information
 For the year ended December 31, 2021

A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust NASDAQ® Clean Edge® Green Energy ETF (the “First Trust ETF”) seeks to replicate, to the extent possible, the performance of an index of U.S. listed companies designed to track the performance of clean energy companies engaged in manufacturing, development, distribution and installation of clean-energy technologies including, but not limited to, solar photovoltaics, wind power, advanced batteries, fuel cells, and electric vehicles, initially the NASDAQ® Clean Edge® Green Energy IndexSM.

The NASDAQ® Clean Edge® Green Energy IndexSM is a modified market capitalization weighted index designed to track the performance of clean energy companies that are publicly traded in the United States and includes companies engaged in manufacturing, development, distribution and installation of emerging clean-energy technologies including, but not limited to, solar photovoltaics, wind power, advanced batteries, fuel cells, and electric vehicles.

On February 17, 2021, the First Trust AlphaDEX™ U.S. Financial Sector Index ETF changed its investment objectives and its name to the First Trust ETF. The First Trust ETF provides exposure to its new index by investing all or substantially all of its assets in an underlying U.S. index exchange traded fund known as First Trust NASDAQ® Clean Edge® Green Energy Index Fund (the “Underlying Fund”), which is managed by the First Trust ETF's portfolio advisor.

B. FAIR VALUE MEASUREMENT (NOTE 5) - The following fair value hierarchy tables present information about the First Trust ETF assets measured at fair value on a recurring basis for the years ended December 31, 2021 and 2020:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Equities	17,190,916	–	–	17,190,916
Total	17,190,916	–	–	17,190,916
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2020			
	Level 1	Level 2	Level 3	Total
Equities	4,693,688	–	–	4,693,688
Total	4,693,688	–	–	4,693,688

There have been no transfers from one Level to another for the years ended December 31, 2021 and 2020.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting periods.

C. REDEEMABLE UNITS (NOTE 6) - The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2021 and 2020:

Redeemable Units	Units
Outstanding units – January 1, 2020	200,000
Redeemable units issued	200,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(250,000)
Outstanding units – December 31, 2020	150,000
Redeemable units issued	570,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(110,000)
Outstanding units – December 31, 2021	610,000

First Trust Nasdaq[®] Clean Edge[®] Green Energy ETF
 (formerly, First Trust AlphaDEX[™] U.S. Financial Sector Index ETF)
 Notes to Financial Statements - Specific Information
 For the year ended December 31, 2021

D. MANAGEMENT FEES AND EXPENSES (NOTE 7) - Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee ¹
Units
0.15%

¹ The First Trust ETF will bear the Underlying Fund's management fee of 0.40% per annum on average daily net assets on the First Trust ETF's portfolio assets invested in the Underlying Fund. Accordingly, the management fee cost to unitholders of their investment will be 0.55% per annum of NAV of the First Trust ETF plus applicable taxes.

E. TAXATION (NOTE 8)

Tax loss carry-forwards - The net capital losses and/or non-capital losses as at December 31, 2021 and 2020, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2021	2020	2021	2020
-	422,266	-	-

F. COMMISSION (NOTE 9) - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2021 and 2020 are as follows:

Transaction Cost (\$)	
2021	2020
2,488	4,450

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the years ended December 31, 2021 and 2020, including amounts owing as at December 31, 2021 and 2020 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2021	2020	2021	2020
21,205	30,775	2,275	2,738

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Effective February 17, 2021, the First Trust ETF is fully invested in the Underlying Fund (see Note A: Investment Objective (Note 1)).

Market risk - As at December 31, 2021 and 2020, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at December 31, 2021 and 2020, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

First Trust Nasdaq® Clean Edge® Green Energy ETF
 (formerly, First Trust AlphaDEX™ U.S. Financial Sector Index ETF)
 Notes to Financial Statements - Specific Information
 For the year ended December 31, 2021

Index	As at December 31, 2021		As at December 31, 2020	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
Russell 1000® Financials Index	N/A	N/A	248,844	(248,844)
Russell 1000® Index	N/A	N/A	255,451	(255,451)
S&P 500® Financials Index	N/A	N/A	240,270	(240,270)
S&P 500® Index	1,071,004	(1,071,004)	N/A	N/A

Currency risk - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2021 and 2020:

Currency	As at December 31, 2021		As at December 31, 2020	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	17,192,971	99.99	4,698,273	99.97

As at December 31, 2021, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$171,930 (December 31, 2020 – \$46,983). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Concentration Risk – The table below summarizes the concentration risk for the years ended December 31, 2021 and 2020:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2021	As at December 31, 2020
Exchange-Traded Fund	99.98	N/A
Financials	N/A	98.79
Information Technology	N/A	1.08
Total	99.98	99.87

First Trust Nasdaq® Clean Edge® Green Energy ETF
 (formerly, First Trust AlphaDEX™ U.S. Financial Sector Index ETF)
 Notes to Financial Statements - Specific Information
 For the year ended December 31, 2021

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2021

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Exchange Traded Funds—99.98%				
First Trust NASDAQ® Clean Edge® Green Energy Index Fund	199,944	18,315,743	17,190,916	99.98
Total Exchange Traded Funds		18,315,743	17,190,916	99.98
Total investments		18,315,743	17,190,916	99.98
Transaction costs		(680)		
Other assets, less liabilities			3,845	0.02
Total Net Assets Attributable to Holders of Redeemable Units		18,315,063	17,194,761	100.00

First Trust Indxx NextG ETF

STATEMENTS OF FINANCIAL POSITION As at December 31, 2021 and December 31, 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Assets		
Investments (non-derivative financial assets)	2,406,816	1,075,774
Cash	31,796	4,697
Accrued dividend receivable	-	279
Other assets	61	40
	2,438,673	1,080,790
Liabilities		
Accrued liabilities	353	737
	353	737
Total net assets attributable to holders of redeemable units	2,438,320	1,080,053
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Units	2,438,320	1,080,053
Redeemable units outstanding [note 6]		
Units	250,000	150,000
Net assets attributable to holders of redeemable units per unit		
Units	9.75	7.20

STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Revenues		
Dividends	60,030	38,129
Other changes in fair value of investments		
Net realized gain (loss) on sale of investments	383,760	(583,571)
Net realized gain (loss) on foreign exchange	120	232
Net change in unrealized appreciation (depreciation) of investments	135,164	204,411
	579,074	(340,799)
Foreign exchange gain (loss) on cash	(258)	171
	578,816	(340,628)
Expenses [note 7]		
Management fees	4,644	7,805
Transaction costs [note 3 and note 9]	1,158	2,425
HST expense	501	934
Independent Review Committee fees	413	248
Interest expense	-	2
	6,716	11,414
Expenses waived by manager	(413)	(248)
	6,303	11,166
Increase (Decrease) in net assets attributable to holders of redeemable units before tax	572,513	(351,794)
Withholding taxes	9,051	10,286
Increase (Decrease) in net assets attributable to holders of redeemable units	563,462	(362,080)
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Units	563,462	(362,080)
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Units	2.07	(2.03)

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,
FT Portfolios Canada Co.



..... Director



..... Director

First Trust Indxx NextG ETF

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Net assets attributable to holders of redeemable units, beginning of year	1,080,053	1,392,259
Increase (Decrease) in net assets attributable to holders of redeemable units	563,462	(362,080)
Redeemable unit transactions [note 6]		
Proceeds from issuance of units	3,889,387	1,525,434
Redemption of units	(3,094,582)	(1,475,560)
	794,805	49,874
Distributions to holders of redeemable units from:		
Net investment income	-	-
Capital gains	-	-
Return of capital	-	-
	-	-
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	1,358,267	(312,206)
Net assets attributable to holders of redeemable units, end of year	2,438,320	1,080,053

See accompanying notes which are an integral part of these financial statements

First Trust Indxx NextG ETF

STATEMENTS OF CASH FLOW For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	563,462	(362,080)
Adjustments for:		
Net realized (gain) loss on sale of investments	(383,760)	583,571
Change in unrealized (appreciation) depreciation of investments	(135,164)	(204,411)
Dividends receivable	279	5,440
Other assets	(21)	594
Other liabilities	(384)	(162)
Purchases of investments	(5,904,044)	(2,501,124)
Proceeds from the sale of investments	5,091,926	2,431,842
	(767,706)	(46,330)
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	3,889,387	1,525,434
Amount paid on redemptions of units	(3,094,582)	(1,475,560)
	794,805	49,874
Increase (Decrease) in cash for the year	27,099	3,544
Cash, beginning of year	4,697	1,153
Cash, end of year	31,796	4,697
Dividends received, net of withholding taxes	51,258	33,283

See accompanying notes which are an integral part of these financial statements

First Trust Indxx NextG ETF
(formerly, First Trust AlphaDEX™ U.S. Energy Sector Index ETF)
 Notes to Financial Statements - Specific Information
 For the year ended December 31, 2021

A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust Indxx NextG ETF (the “First Trust ETF”) seeks to replicate, to the extent possible, the performance of an index of U.S. companies that have devoted or have committed to devote, material resources to the research, development and application of fifth generation and next generation digital cellular technologies as they emerge, initially the Indxx 5G & NextG Thematic IndexSM.

The Indxx 5G & NextG Thematic IndexSM 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 and next generation digital cellular technologies as they emerge. Eligible securities must have a minimum market capitalization of US\$500 million, six-month average daily trading volume of at least US\$2 million (US\$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 US\$10,000 for new index constituents.

On February 17, 2021, the First Trust AlphaDEX™ U.S. Energy Sector Index ETF changed its investment objectives and its name to the First Trust ETF. The First Trust ETF provides exposure to its new index by investing all or substantially all of its assets in an underlying U.S. index exchange-traded fund known as First Trust Indxx NextG ETF (the “Underlying Fund”), which is managed by the First Trust ETF's portfolio advisor.

B. FAIR VALUE MEASUREMENT (NOTE 5) - The following fair value hierarchy tables present information about the First Trust ETF assets measured at fair value on a recurring basis for the years ended December 31, 2021 and 2020:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Equities	2,406,816	–	–	2,406,816
Total	2,406,816	–	–	2,406,816
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2020			
	Level 1	Level 2	Level 3	Total
Equities	1,075,774	–	–	1,075,774
Total	1,075,774	–	–	1,075,774

There have been no transfers from one Level to another for the years ended December 31, 2021 and 2020.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting periods.

C. REDEEMABLE UNITS (NOTE 6) - The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2021 and 2020:

Redeemable Units	Units
Outstanding units – January 1, 2020	150,000
Redeemable units issued	250,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(250,000)
Outstanding units – December 31, 2020	150,000
Redeemable units issued	460,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(360,000)
Outstanding units – December 31, 2021	250,000

First Trust Indxx NextG ETF
(formerly, First Trust AlphaDEX™ U.S. Energy Sector Index ETF)
 Notes to Financial Statements - Specific Information
 For the year ended December 31, 2021

D. MANAGEMENT FEES AND EXPENSES (NOTE 7) - Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee ¹
Units
0.15%

¹ The First Trust ETF will bear the Underlying Fund's management fee of 0.70% per annum on average daily net assets on the First Trust ETF's portfolio assets invested in the Underlying Fund. Accordingly, the management fee cost to unitholders of their investment will be 0.85% per annum of NAV of the First Trust ETF plus applicable taxes.

E. TAXATION (NOTE 8)

Tax loss carry-forwards - The net capital losses and/or non-capital losses as at December 31, 2021 and 2020, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2021	2020	2021	2020
-	-	960,094	1,523,820

F. COMMISSION (NOTE 9) - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2021 and 2020:

Transaction Cost (\$)	
2021	2020
1,158	2,425

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the years ended December 31, 2021 and 2020, including amounts owing as at December 31, 2021 and 2020 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2021	2020	2021	2020
4,644	7,805	307	646

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Effective February 17, 2021, the First Trust ETF is fully invested in the Underlying Fund (see Note A: Investment Objective (Note 1)).

Market risk - As at December 31, 2021 and 2020, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at December 31, 2021 and 2020, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

First Trust Indxx NextG ETF
(formerly, First Trust AlphaDEX™ U.S. Energy Sector Index ETF)
 Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

Index	As at December 31, 2021		As at December 31, 2020	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
Russell 1000® Energy Index	N/A	N/A	52,179	(52,179)
Russell 1000® Index	N/A	N/A	63,747	(63,747)
S&P 500® Energy Index	N/A	N/A	56,556	(56,556)
MSCI ACWI Index CAD	100,844	(100,844)	N/A	N/A

Currency risk - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2021 and 2020:

Currency	As at December 31, 2021		As at December 31, 2020	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	2,435,810	99.90	1,079,098	99.91

As at December 31, 2021, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$24,358 (December 31, 2020 - \$10,791). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Concentration Risk – The table below summarizes the First Trust ETF's concentration risk for the years ended December 31, 2021 and 2020.

Sector	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2021	As at December 31, 2020
Exchange-Traded Fund	98.71	N/A
Energy	N/A	99.60
Total	98.71	99.60

First Trust Indxx NextG ETF
(formerly, First Trust AlphaDEX™ U.S. Energy Sector Index ETF)
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2021

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Exchange Traded Funds—98.71%				
First Trust Indxx NextG ETF	23,031	2,169,112	2,406,816	98.71
Total Exchange Traded Funds		2,169,112	2,406,816	98.71
Total investments		2,169,112	2,406,816	98.71
Transaction costs		(132)		
Other assets, less liabilities			31,504	1.29
Total Net Assets Attributable to Holders of Redeemable Units		2,168,980	2,438,320	100.00

First Trust Nasdaq Cybersecurity ETF

STATEMENTS OF FINANCIAL POSITION As at December 31, 2021 and December 31, 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Assets		
Investments (non-derivative financial assets)	32,784,160	4,549,018
Cash	243,592	15,317
Accrued dividend receivable	-	1,646
Other assets	883	1,898
	33,028,635	4,567,879
Liabilities		
Accrued liabilities	3,332	4,045
Distributions payable to holders of redeemable units	268,716	4,650
	272,048	8,695
Total net assets attributable to holders of redeemable units	32,756,587	4,559,184
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Units	32,756,587	4,559,184
Redeemable units outstanding [note 6]		
Units	840,000	150,000
Net assets attributable to holders of redeemable units per unit		
Units	39.00	30.39

STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Revenues		
Dividends	143,064	97,753
Other changes in fair value of investments		
Net realized gain (loss) on sale of investments	1,239,229	(1,359,051)
Net realized gain (loss) on foreign exchange	799	38
Net change in unrealized appreciation (depreciation) of investments	706,056	67,927
	2,089,148	(1,193,333)
Foreign exchange gain (loss) on cash	(245)	(416)
	2,088,903	(1,193,749)
Expenses [note 7]		
Management fees	19,689	47,755
Transaction costs [note 3 and note 9]	2,482	1,756
Independent Review Committee fees	1,748	1,544
HST expense	1,657	4,210
Interest expense	4	-
	25,580	55,265
Expenses waived by manager	(1,748)	(1,544)
	23,832	53,721
Increase (Decrease) in net assets attributable to holders of redeemable units before tax	2,065,071	(1,247,470)
Withholding taxes	21,663	13,679
Increase (Decrease) in net assets attributable to holders of redeemable units	2,043,408	(1,261,149)
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Units	2,043,408	(1,261,149)
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Units	7.07	(4.97)

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,
FT Portfolios Canada Co.



..... Director



..... Director

First Trust Nasdaq Cybersecurity ETF

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Net assets attributable to holders of redeemable units, beginning of year	4,559,184	2,783,990
Increase (Decrease) in net assets attributable to holders of redeemable units	2,043,408	(1,261,149)
Redeemable unit transactions [note 6]		
Proceeds from issuance of units	37,126,830	31,284,063
Redemption of units	(10,704,119)	(28,213,570)
	26,422,711	3,070,493
Distributions to holders of redeemable units from:		
Net investment income	(175,910)	(34,106)
Capital gains	(92,806)	-
Return of capital	-	(44)
	(268,716)	(34,150)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	28,197,403	1,775,194
Net assets attributable to holders of redeemable units, end of year	32,756,587	4,559,184

See accompanying notes which are an integral part of these financial statements.

First Trust Nasdaq Cybersecurity ETF

STATEMENTS OF CASH FLOW For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	2,043,408	(1,261,149)
Adjustments for:		
Net realized (gain) loss on sale of investments	(1,239,229)	1,359,051
Change in unrealized (appreciation) depreciation of investments	(706,056)	(67,927)
Dividends receivable	1,646	748
Other assets	1,015	(583)
Other liabilities	(713)	2,166
Purchases of investments	(43,024,726)	(34,317,814)
Proceeds from the sale of investments	16,734,869	31,256,392
	(26,189,786)	(3,029,116)
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	37,126,830	31,284,063
Amount paid on redemptions of units	(10,704,119)	(28,213,570)
Distributions paid to unitholders	(4,650)	(40,150)
	26,418,061	3,030,343
Increase (decrease) in cash for the year	228,275	1,227
Cash, beginning of year	15,317	14,090
Cash, end of year	243,592	15,317
Dividends received, net of withholding taxes	123,047	84,822

See accompanying notes which are an integral part of these financial statements.

First Trust Nasdaq Cybersecurity ETF
(formerly, First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF)

Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust Nasdaq Cybersecurity ETF (the “First Trust ETF”) seeks to replicate, to the extent possible, the performance of an index of U.S. companies in the cybersecurity industry, initially the Nasdaq CTA Cybersecurity Index™.

The Nasdaq CTA Cybersecurity Index™ is designed to track the performance of companies engaged in the cybersecurity segment of the technology and industrials sectors. It includes companies primarily involved in the building, implementation, and management of security protocols applied to private and public networks, computers, and mobile devices in order to provide protection of the integrity of data and network operations.

On February 17, 2021, the First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF changed its investment objectives and its name to the First Trust ETF. The First Trust ETF provides exposure to its new index by investing all or substantially all of its assets in an underlying U.S. exchange traded fund known as First Trust Nasdaq Cybersecurity ETF (the “Underlying Fund”), which is managed by the First Trust ETF's portfolio advisor.

B. FAIR VALUE MEASUREMENT (NOTE 5) - The following fair value hierarchy tables present information about the First Trust ETF assets measured at fair value on a recurring basis for the years ended December 31, 2021 and 2020:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Equities	32,784,160	–	–	32,784,160
Total	32,784,160	–	–	32,784,160
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2020			
	Level 1	Level 2	Level 3	Total
Equities	4,549,018	–	–	4,549,018
Total	4,549,018	–	–	4,549,018

There have been no transfers from one Level to another for the years ended December 31, 2021 and 2020.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting periods.

C. REDEEMABLE UNITS (NOTE 6) - The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2021 and 2020:

Redeemable Units	Units
Outstanding units – January 1, 2020	100,000
Redeemable units issued	1,150,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(1,100,000)
Outstanding units – December 31, 2020	150,000
Redeemable units issued	990,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(300,000)
Outstanding units – December 31, 2021	840,000

First Trust Nasdaq Cybersecurity ETF
(formerly, First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF)

Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

D. MANAGEMENT FEES AND EXPENSES (NOTE 7) - Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee ¹
Units
0.15%

¹The First Trust ETF will bear the Underlying Fund's management fee of 0.60% per annum on average daily net assets on the First Trust ETF's portfolio assets invested in the Underlying Fund. Accordingly, the management fee cost to unitholders of their investment will be 0.75% per annum of NAV of the First Trust ETF plus applicable taxes.

E. TAXATION (NOTE 8)

Tax loss carry-forwards - The net capital losses and/or non-capital losses as at December 31, 2021 and 2020 were as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2021	2020	2021	2020
436,557	653,430	-	-

F. COMMISSION (NOTE 9) - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2021 and 2020 are as follows:

Transaction Cost (\$)	
2021	2020
2,482	1,756

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the years ended December 31, 2021 and 2020, including amounts owing as at December 31, 2021 and 2020 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2021	2020	2021	2020
19,689	47,755	2,949	3,580

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Effective February 17, 2021, the First Trust ETF is fully invested in the Underlying ETF (see Note A: Investment Objective (Note 1)).

Currency risk - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2021 and 2020:

Currency	As at December 31, 2021		As at December 31, 2020	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	32,810,343	100.16	4,555,981	99.93

First Trust Nasdaq Cybersecurity ETF
(formerly, First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF)

Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

As at December 31, 2021, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$328,103 (December 31, 2020 - \$45,560). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Market risk - As at December 31, 2021 and 2020, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at December 31, 2021 and 2020, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As December 31, 2021		As at December 31, 2020	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
Russell 1000® Consumer Discretionary Index	N/A	N/A	246,890	(246,890)
Russell 1000® Index	N/A	N/A	234,606	(234,606)
S&P 500® Consumer Discretionary Index	N/A	N/A	239,522	(239,522)
S&P 500® Index	1,685,516	(1,685,516)	N/A	N/A

Concentration Risk – The table below summarizes the First Trust ETF's concentration risk for the years ended December 31, 2021 and 2020:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2021	As at December 31, 2020
Exchange-Traded Fund	100.08	N/A
Consumer Discretionary	N/A	77.20
Communication Services	N/A	12.42
Consumer Staples	N/A	5.07
Information Technology	N/A	3.26
Industrials	N/A	1.83
Total	100.08	99.78

First Trust Nasdaq Cybersecurity ETF
(formerly, First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF)

Notes to Financial Statements - Specific Information
 For the year ended December 31, 2021

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2021

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Exchange Traded Funds—100.08%				
First Trust Nasdaq Cybersecurity ETF	490,952	31,788,506	32,784,160	100.08
Total Exchange Traded Funds		31,788,506	32,784,160	100.08
Total investments		31,788,506	32,784,160	100.08
Transaction costs		(1,002)		
Other assets, less liabilities			(27,573)	(0.08)
Total Net Assets Attributable to Holders of Redeemable Units		31,787,504	32,756,587	100.00

First Trust Dow Jones Internet ETF

STATEMENTS OF FINANCIAL POSITION

As at December 31, 2021 and December 31, 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Assets		
Investments (non-derivative financial assets)	4,040,359	4,657,632
Cash	844	259,843
Accrued dividend receivable	-	3,288
Derivative assets	253	20,885
Other assets	195	-
	4,041,651	4,941,648
Liabilities		
Accrued liabilities	2,598	5,123
Redemptions payable	246	-
Distributions payable to holders of redeemable units	-	256,250
Derivative liabilities	3,114	-
	5,958	261,373
Total net assets attributable to holders of redeemable units	4,035,693	4,680,275
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Units	3,499,654	3,713,396
Hedged Units	536,039	966,879
Redeemable units outstanding [note 6]		
Units	150,000	150,000
Hedged Units	30,000	50,000
Net assets attributable to holders of redeemable units per unit		
Units	23.33	24.76
Hedged Units	17.87	19.34

STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Revenues		
Dividends	13,756	66,322
Other changes in fair value of investments and derivatives		
Net realized gain (loss) on sale of investments	337,560	126,661
Net realized gain (loss) on derivatives	25,242	14,504
Net realized gain (loss) on foreign exchange	(447)	(574)
Net change in unrealized appreciation (depreciation) of investments	(425,341)	(3,738)
Net change in unrealized appreciation (depreciation) of derivatives	(23,746)	2,780
	(72,976)	205,955
Foreign exchange gain (loss) on cash	(13)	(208)
	(72,989)	205,747
Expenses [note 7]		
Management fees	10,134	23,556
Transaction costs [note 3 and note 9]	1,717	1,607
HST expense	935	2,585
Independent Review Committee fees	765	730
Interest expense	2	-
	13,553	28,478
Expenses waived by manager	(765)	(730)
	12,788	27,748
Increase (Decrease) in net assets attributable to holders of redeemable units before tax	(85,777)	177,999
Withholding taxes	1,805	9,686
Increase (Decrease) in net assets attributable to holders of redeemable units	(87,582)	168,313
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Units	(77,475)	138,333
Hedged Units	(10,107)	29,980
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Units	(0.62)	1.45
Hedged Units	(0.14)	0.59

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,
FT Portfolios Canada Co.



..... Director



..... Director

First Trust Dow Jones Internet ETF

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)	December 31 2021 (\$) Hedged Units	December 31 2020 (\$) Hedged Units
Net assets attributable to holders of redeemable units, beginning of year	3,713,396	1,285,323	966,879	1,012,024
Increase (Decrease) in net assets attributable to holders of redeemable units	(77,475)	138,333	(10,107)	29,980
Redeemable unit transactions [note 6]				
Proceeds from issuance of units	4,905,354	2,499,740	1,366,893	-
Reinvested distributions	-	82,525	-	25,005
Redemption of units	(4,964,051)	-	(1,744,110)	-
	(58,697)	2,582,265	(377,217)	25,005
Distributions to holders of redeemable units from:				
Net investment income	(70,133)	(277,090)	(43,515)	(100,016)
Capital gains	-	(15,435)	-	(114)
Return of capital	(7,437)	-	(1)	-
	(77,570)	(292,525)	(43,516)	(100,130)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	(213,742)	2,428,073	(430,840)	(45,145)
Net assets attributable to holders of redeemable units, end of year	3,499,654	3,713,396	536,039	966,879
			December 31 2021 (\$) Total	December 31 2020 (\$) Total
Net assets attributable to holders of redeemable units, beginning of year			4,680,275	2,297,347
Increase (Decrease) in net assets attributable to holders of redeemable units			(87,582)	168,313
Redeemable unit transactions [note 6]				
Proceeds from issuance of units			6,272,247	2,499,740
Reinvested distributions			-	107,530
Redemption of units			(6,708,161)	-
			(435,914)	2,607,270
Distributions to holders of redeemable units from:				
Net investment income			(113,648)	(377,106)
Capital gains			-	(15,549)
Return of capital			(7,438)	-
			(121,086)	(392,655)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year			(644,582)	2,382,928
Net assets attributable to holders of redeemable units, end of year			4,035,693	4,680,275

See accompanying notes which are an integral part of these financial statements.

First Trust Dow Jones Internet ETF

STATEMENTS OF CASH FLOW For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	(87,582)	168,313
Adjustments for:		
Net realized (gain) loss on sale of investments	(337,560)	(126,661)
Change in unrealized (appreciation) depreciation of investments and derivatives	449,087	958
Dividends receivable	3,288	(866)
Other assets	(195)	-
Other liabilities	(2,525)	1,675
Purchases of investments	(12,206,984)	(6,063,037)
Proceeds from the sale of investments	12,736,476	3,806,023
	554,005	(2,213,595)
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	6,272,247	2,499,740
Amount paid on redemptions of units	(6,707,915)	-
Distributions paid to unitholders	(377,336)	(45,875)
	(813,004)	2,453,865
Increase (decrease) in cash for the year	(258,999)	240,270
Cash, beginning of year	259,843	19,573
Cash, end of year	844	259,843
Dividends received, net of withholding taxes	15,239	55,770

See accompanying notes which are an integral part of these financial statements.

First Trust Dow Jones Internet ETF
(formerly, First Trust AlphaDEX™ U.S. Consumer Staples Sector Index ETF)
 Notes to Financial Statements - Specific Information
 For the year ended December 31, 2021

A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust Dow Jones Internet ETF (the “First Trust ETF”) seeks to replicate, to the extent possible, the performance of an index of U.S. companies involved in the internet industry, initially the Dow Jones Internet Composite IndexSM.

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.

On February 17, 2021, the First Trust AlphaDEX™ U.S. Consumer Staples Sector Index ETF changed its investment objectives and its name to the First Trust ETF and offer both units and hedged units to the U.S. dollar. The First Trust ETF provides exposure to its new index by investing all or substantially all of its assets in an underlying U.S. index exchange traded fund known as First Trust Dow Jones Internet Index Fund (the “Underlying Fund”), which is managed by the First Trust ETF's portfolio advisor.

B. FAIR VALUE MEASUREMENT (NOTE 5) - The following fair value hierarchy tables present information about the First Trust ETF assets measured at fair value on a recurring basis for the years ended December 31, 2021 and 2020:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Equities	4,040,359	–	–	4,040,359
Derivative assets*	–	253	–	253
Derivative liabilities*	–	(3,114)	–	(3,114)
Total	4,040,359	(2,861)	–	4,037,498

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2020			
	Level 1	Level 2	Level 3	Total
Equities	4,657,632	–	–	4,657,632
Derivative assets*	–	20,885	–	20,885
Total	4,657,632	20,885	–	4,678,517

* The derivative assets and derivative liabilities relate to the Hedged Units only.

There have been no transfers from one Level to another for the years ended December 31, 2021 and 2020.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting periods.

C. REDEEMABLE UNITS (NOTE 6) - The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2021 and 2020:

Redeemable Units	Units	Hedged Units
Outstanding units – January 1, 2020	50,000	50,000
Redeemable units issued	100,000	–
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	–	–
Outstanding units – December 31, 2020	150,000	50,000
Redeemable units issued	200,000	70,000
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(200,000)	(90,000)
Outstanding units – December 31, 2021	150,000	30,000

First Trust Dow Jones Internet ETF
(formerly, First Trust AlphaDEX™ U.S. Consumer Staples Sector Index ETF)
 Notes to Financial Statements - Specific Information
 For the year ended December 31, 2021

D. MANAGEMENT FEES AND EXPENSES (NOTE 7) - Below are the current annual management fees charged to the First Trust ETF:

Annual Management Fee ¹	
Units	Hedged Units
0.15%	0.15%

¹ The First Trust ETF will bear the Underlying Fund's management fee of 0.40% per annum on average daily net assets on the First Trust ETF's portfolio assets invested in the Underlying Fund. Accordingly, the management fee cost to unitholders of their investment will be 0.55% per annum of NAV of the First Trust ETF plus applicable taxes.

E. TAXATION (NOTE 8)

Tax loss carry-forwards – The net capital losses and/or non-capital losses as at December 31, 2021 and 2020 were as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2021	2020	2021	2020
129,875	–	2,158	–

F. COMMISSION (NOTE 9) - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2021 and 2020 are as follows:

Transaction Cost (\$)	
2021	2020
1,717	1,607

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the years ended December 31, 2021 and 2020, including amounts owing as at December 31, 2021 and 2020 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2021	2020	2021	2020
10,134	23,556	541	2,928

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Effective February 17, 2021, the First Trust ETF is fully invested in the Underlying Fund (see Note A: Investment Objective (Note 1)).

Currency risk - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2021 and 2020:

Currency	As at December 31, 2021		As at December 31, 2020	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	3,500,529	86.74	3,659,451	78.19

First Trust Dow Jones Internet ETF
(formerly, First Trust AlphaDEX™ U.S. Consumer Staples Sector Index ETF)
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

As at December 31, 2021, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$ 35,005 (December 31, 2020 - \$36,595). A portion of this currency risk exposure has been hedged. Please refer to the Schedule of Portfolio Investments for more information. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Market risk - As at December 31, 2021 and 2020, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at December 31, 2021 and 2020, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2021		As at December 31, 2020	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
Units				
Russell 1000® Consumer Staples Index	N/A	N/A	210,062	(210,062)
Russell 1000® Index	N/A	N/A	184,680	(184,680)
S&P 500® Consumer Staples Index	N/A	N/A	211,235	(211,235)
S&P 500® Index	186,142	(186,142)	N/A	N/A
Hedged Units				
Russell 1000® Consumer Staples Index USD	N/A	N/A	233,835	(233,835)
Russell 1000® Index USD	N/A	N/A	211,005	(211,005)
S&P 500® Consumer Staples Index USD	N/A	N/A	239,845	(239,845)
S&P 500® CAD Hedged Index	158,462	(158,462)	N/A	N/A

Concentration Risk – The table below summarizes the First Trust ETF's concentration risk for the years ended December 31, 2021 and 2020:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2021	As at December 31, 2020
Exchange-Traded Fund	100.11	N/A
Consumer Staples	N/A	89.68
Consumer Discretionary	N/A	3.37
Health Care	N/A	3.36
Materials	N/A	3.11
Total	100.11	99.52

First Trust Dow Jones Internet ETF
(formerly, First Trust AlphaDEX™ U.S. Consumer Staples Sector Index ETF)
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2021

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Exchange Traded Funds—100.11%				
First Trust Dow Jones Internet Index Fund	14,125	4,310,515	4,040,359	100.11
Total Exchange Traded Funds		4,310,515	4,040,359	100.11
Total investments				
		4,310,515	4,040,359	100.11
Transaction costs		(148)		
Unrealized appreciation on derivatives - see Schedule 1			253	0.01
Unrealized depreciation on derivatives - see Schedule 1			(3,114)	(0.08)
Other assets, less liabilities			(1,805)	(0.04)
Total Net Assets Attributable to Holders of Redeemable Units		4,310,367	4,035,693	100.00

Schedule 1

Counterparty	Credit		Currency Amount		Currency Amount		Forward Current		Appreciation
	Rating of Counterparty*	Settlement Date	Sell	Sold	Buy	Bought	Rate	Rate	(Depreciation)
Bank of New York Mellon (The), New York	A-1+	2022-01-14	USD	590,332	CAD	747,000	0.790	0.791	253
									253
Bank of New York Mellon (The), New York	A-1+	2022-01-14	USD	39,549	CAD	50,000	0.791	0.791	(28)
Bank of New York Mellon (The), New York	A-1+	2022-01-14	CAD	148,000	USD	116,126	1.274	1.265	(1,105)
Bank of New York Mellon (The), New York	A-1+	2022-01-14	CAD	67,000	USD	52,201	1.284	1.265	(968)
Bank of New York Mellon (The), New York	A-1+	2022-01-14	CAD	45,000	USD	34,774	1.294	1.265	(1,013)
									(3,114)

* Commercial paper rating per Standard and Poor's Commercial Paper Guide

First Trust AlphaDEX™ U.S. Health Care Sector Index ETF

STATEMENTS OF FINANCIAL POSITION As at December 31, 2021 and December 31, 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Assets		
Investments (non-derivative financial assets)	18,749,300	16,376,377
Cash	14,881	21,442
Accrued dividend receivable	2,812	3,718
Derivative assets	1,965	28,996
Other assets	6,802	1,887
	18,775,760	16,432,420
Liabilities		
Accrued liabilities	12,335	10,876
Derivative liabilities	1,155	-
	13,490	10,876
Total net assets attributable to holders of redeemable units	18,762,270	16,421,544
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Units	17,040,299	14,920,708
Hedged Units	1,721,971	1,500,836
Redeemable units outstanding [note 6]		
Units	400,000	400,000
Hedged Units	50,000	50,000
Net assets attributable to holders of redeemable units per unit		
Units	42.60	37.30
Hedged Units	34.44	30.02

STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Revenues		
Dividends	121,356	94,706
Other changes in fair value of investments and derivatives		
Net realized gain (loss) on sale of investments	2,475,944	1,947,621
Net realized gain (loss) on derivatives	51,798	34,925
Net realized gain (loss) on foreign exchange	(2,907)	210
Net change in unrealized appreciation (depreciation) of investments	63,495	1,227,749
Net change in unrealized appreciation (depreciation) of derivatives	(28,186)	7,647
	2,681,500	3,312,858
Foreign exchange gain (loss) on cash	5,385	(233)
	2,686,885	3,312,625
Expenses [note 7]		
Management fees	156,027	98,412
HST expense	13,297	10,726
Independent Review Committee fees	3,839	3,095
Transaction costs [note 3 and note 9]	3,828	4,281
Other expense	68	-
Interest expense	3	21
	177,062	116,535
Expenses waived by manager	(3,839)	(3,095)
	173,223	113,440
Increase (Decrease) in net assets attributable to holders of redeemable units before tax	2,513,662	3,199,185
Withholding taxes	15,071	12,799
Increase (Decrease) in net assets attributable to holders of redeemable units	2,498,591	3,186,386
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Units	2,204,339	2,868,819
Hedged Units	294,252	317,567
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Units	4.31	7.66
Hedged Units	4.91	5.15

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,
FT Portfolios Canada Co.



..... Director



..... Director

First Trust AlphaDEX™ U.S. Health Care Sector Index ETF

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)	December 31 2021 (\$) Hedged Units	December 31 2020 (\$) Hedged Units
Net assets attributable to holders of redeemable units, beginning of year	14,920,708	8,948,671	1,500,836	1,197,618
Increase (Decrease) in net assets attributable to holders of redeemable units	2,204,339	2,868,819	294,252	317,567
Redeemable unit transactions [note 6]				
Proceeds from issuance of units	9,939,723	9,711,155	1,544,530	1,294,322
Reinvested distributions	910,960	828,000	61,995	83,500
Redemption of units	(10,024,471)	(6,607,937)	(1,617,647)	(1,308,671)
	826,212	3,931,218	(11,122)	69,151
Distributions to holders of redeemable units from:				
Net investment income	-	-	-	-
Capital gains	(910,960)	(828,000)	(61,995)	(83,500)
Return of capital	-	-	-	-
	(910,960)	(828,000)	(61,995)	(83,500)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	2,119,591	5,972,037	221,135	303,218
Net assets attributable to holders of redeemable units, end of year	17,040,299	14,920,708	1,721,971	1,500,836
			December 31 2021 (\$) Total	December 31 2020 (\$) Total
Net assets attributable to holders of redeemable units, beginning of year			16,421,544	10,146,289
Increase (Decrease) in net assets attributable to holders of redeemable units			2,498,591	3,186,386
Redeemable unit transactions [note 6]				
Proceeds from issuance of units			11,484,253	11,005,477
Reinvested distributions			972,955	911,500
Redemption of units			(11,642,118)	(7,916,608)
			815,090	4,000,369
Distributions to holders of redeemable units from:				
Net investment income			-	-
Capital gains			(972,955)	(911,500)
Return of capital			-	-
			(972,955)	(911,500)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year			2,340,726	6,275,255
Net assets attributable to holders of redeemable units, end of year			18,762,270	16,421,544

See accompanying notes which are an integral part of these financial statements.

First Trust AlphaDEX™ U.S. Health Care Sector Index ETF

STATEMENTS OF CASH FLOW For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	2,498,591	3,186,386
Adjustments for:		
Net realized (gain) loss on sale of investments	(2,475,944)	(1,947,621)
Change in unrealized (appreciation) depreciation of investments and derivatives	(35,309)	(1,235,396)
Dividends receivable	906	402
Other assets	(4,915)	(195)
Other liabilities	1,459	4,022
Purchases of investments	(31,637,895)	(27,167,662)
Proceeds from the sale of investments	31,804,411	24,074,573
	151,304	(3,085,491)
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	11,484,253	11,005,477
Amount paid on redemptions of units	(11,642,118)	(7,916,608)
Distributions paid to unitholders	-	-
	(157,865)	3,088,869
Increase (Decrease) in cash for the year	(6,561)	3,378
Cash, beginning of year	21,442	18,064
Cash, end of year	14,881	21,442
Dividends received, net of withholding taxes	107,191	82,309

See accompanying notes which are an integral part of these financial statements

First Trust AlphaDEX™ U.S. Health Care Sector Index ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust AlphaDEX™ U.S. Health Care Sector Index ETF (the “First Trust ETF”) seeks to replicate, to the extent possible, the performance of the StrataQuant® Health Care Index (“Index”), net of expenses. The investment strategy of the First Trust ETF is to invest in and hold the constituent securities of the applicable Index in the same proportion as they are reflected in the Index or securities intended to replicate the performance of such Index. The Index results from applying the AlphaDEX™ methodology to the Russell 1000® Index, a market index representing the large capitalization segment of the U.S. equity universe, and then selecting the constituent securities for the Index from those qualifying stocks included in the Health Care Sector.

B. FAIR VALUE MEASUREMENT (NOTE 5) - The following fair value hierarchy tables present information about the First Trust ETF assets measured at fair value on a recurring basis for the years ended December 31, 2021 and 2020:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Equities	18,749,300	–	–	18,749,300
Derivative assets*	–	1,965	–	1,965
Derivative liabilities*	–	(1,155)	–	(1,155)
Total	18,749,300	810	–	18,750,110
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2020			
	Level 1	Level 2	Level 3	Total
Equities	16,376,377	–	–	16,376,377
Derivative assets*	–	28,996	–	28,996
Total	16,376,377	28,996	–	16,405,373

* The derivative assets and derivative liabilities relate to the Hedged Units only.

There have been no transfers from one Level to another for the years ended December 31, 2021 and 2020.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting periods.

C. REDEEMABLE UNITS (NOTE 6) - The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2021 and 2020:

Redeemable Units	Units	Hedged Units
Outstanding units – January 1, 2020	300,000	50,000
Redeemable units issued	300,000	50,000
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(200,000)	(50,000)
Outstanding units – December 31, 2020	400,000	50,000
Redeemable units issued	250,000	50,000
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(250,000)	(50,000)
Outstanding units – December 31, 2021	400,000	50,000

First Trust AlphaDEX™ U.S. Health Care Sector Index ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

D. MANAGEMENT FEES AND EXPENSES (NOTE 7) - Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee	
Units	Hedged Units
0.70%	0.70%

E. TAXATION (NOTE 8)

Tax loss carry-forwards – There were no net capital losses nor non-capital losses as at December 31, 2021 and 2020.

F. COMMISSION (NOTE 9) - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2021 and 2020 are as follows:

Transaction Cost (\$)	
2021	2020
3,828	4,281

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the years ended December 31, 2021 and 2020, including amounts owing as at December 31, 2021 and 2020:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2021	2020	2021	2020
156,027	98,412	10,916	9,624

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As December 31, 2021 and 2020, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at December 31, 2021 and 2020, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2021		As at December 31, 2020	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
Units				
Russell 1000® Health Care Index	855,213	(855,213)	810,595	(810,595)
Russell 1000® Index	833,070	(833,070)	726,720	(726,720)
S&P 500® Health Care Index	808,715	(808,715)	796,802	(796,802)
Hedged Units				
Russell 1000® Health Care Index USD	830,286	(830,286)	890,467	(890,467)
Russell 1000® Index USD	810,343	(810,343)	818,230	(818,230)
S&P 500® Health Care Index USD	785,156	(785,156)	888,998	(888,998)

First Trust AlphaDEX™ U.S. Health Care Sector Index ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

Currency risk - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2021 and 2020:

Currency	As at December 31, 2021		As at December 31, 2020	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	17,059,125	90.92	14,939,319	90.97

As at December 31, 2021, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$ 170,591 (December 31, 2020 - \$149,393). A portion of this currency risk exposure has been hedged. Please refer to the Schedule of Portfolio Investments for more information. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Concentration Risk – The table below summarizes the First Trust ETF's concentration risk for the years ended December 31, 2021 and 2020:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2021	As at December 31, 2020
Health Care	99.93	99.72
Total	99.93	99.72

First Trust AlphaDEX™ U.S. Health Care Sector Index ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2021

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Health Care—99.93%				
Abbott Laboratories	459	67,818	81,715	0.44
AbbVie Inc.	503	67,211	86,151	0.46
ABIOMED Inc.	167	69,779	75,873	0.40
Acadia Healthcare Co. Inc.	851	42,367	65,342	0.35
Agilent Technologies Inc.	1,459	243,801	294,644	1.57
Align Technology Inc.	432	280,854	359,122	1.91
Alnylam Pharmaceuticals Inc.	1,217	261,252	261,059	1.39
Amedisys Inc.	1,092	224,327	223,609	1.19
Amgen Inc.	255	78,150	72,567	0.39
Anthem Inc.	308	129,320	180,597	0.96
Avantor Inc.	7,024	252,354	374,414	2.00
Baxter International Inc.	675	71,388	73,294	0.39
Becton	221	69,725	70,302	0.38
Biogen Inc.	406	145,667	123,216	0.66
BioMarin Pharmaceutical Inc.	2,974	308,613	332,369	1.77
Bio-Rad Laboratories Inc., Class 'A'	385	262,471	367,967	1.96
Bio-Techne Corp.	474	222,203	310,190	1.65
Bruker Corp.	2,943	236,630	312,376	1.67
Catalent Inc.	2,159	326,907	349,653	1.86
Centene Corp.	1,844	153,215	192,204	1.02
Cerner Corp.	1,630	161,642	191,486	1.02
Charles River Laboratories International Inc.	696	230,244	331,719	1.77
Chemed Corp.	247	148,558	165,295	0.88
Cigna Corp.	1,435	382,364	416,825	2.22
Cooper Cos. Inc. (The)	695	345,771	368,307	1.96
Danaher Corp.	755	249,007	314,217	1.68
DaVita Inc.	467	62,229	67,202	0.36
Dentsply Sirona Inc.	1,980	149,863	139,732	0.75
Dexcom Inc.	420	271,598	285,270	1.52
Edwards Lifesciences Corp.	1,438	196,067	235,651	1.26
Eli Lilly and Co.	705	179,366	246,330	1.31
Encompass Health Corp.	1,531	151,674	126,385	0.67
Envista Holdings Corp.	3,894	202,167	221,953	1.18
Gilead Sciences Inc.	2,331	197,955	214,098	1.14
Globus Medical Inc., Class 'A'	2,125	180,181	194,075	1.03
HCA Healthcare Inc.	1,184	255,820	384,789	2.05
Henry Schein Inc.	2,138	176,043	209,677	1.12
Hologic Inc.	3,892	347,457	376,919	2.01
Horizon Therapeutics PLC	2,098	189,048	285,980	1.52
Humana Inc.	295	148,523	173,094	0.92
ICU Medical Inc.	233	61,139	69,952	0.37
IDEXX Laboratories Inc.	262	173,899	218,225	1.16
Incyte Corp.	789	77,877	73,257	0.39
Insulet Corp.	191	68,938	64,284	0.34

First Trust AlphaDEX™ U.S. Health Care Sector Index ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

Integra LifeSciences Holdings	792	69,426	67,113	0.36
Intuitive Surgical Inc.	491	201,177	223,158	1.19
IQVIA Holdings Inc.	959	256,779	342,260	1.82
Jazz Pharmaceuticals PLC	417	83,344	67,201	0.36
Johnson & Johnson	712	144,727	154,073	0.82
Laboratory Corp. of America Holdings	1,021	298,637	405,807	2.16
Masimo Corp.	425	141,086	157,400	0.84
Medtronic PLC	433	62,694	56,662	0.30
Mirati Therapeutics Inc.	307	60,806	56,966	0.30
Moderna Inc.	746	119,573	239,669	1.28
Molina Healthcare Inc.	1,059	299,144	426,094	2.27
Natera Inc.	1,031	150,089	121,796	0.65
Novavax Inc.	1,109	298,688	200,703	1.07
Organon & Co.	4,965	202,793	191,241	1.02
Penumbra Inc.	204	70,416	74,143	0.40
PerkinElmer Inc.	939	156,579	238,817	1.27
Pfizer Inc.	3,785	192,591	282,722	1.51
Premier Inc., Class 'A'	5,930	272,899	308,822	1.65
QIAGEN NV	2,224	144,135	156,360	0.83
Quest Diagnostics Inc.	1,977	317,738	432,664	2.31
Quidel Corp.	2,035	345,548	347,488	1.85
Regeneron Pharmaceuticals Inc.	380	280,573	303,560	1.62
Repligen Corp.	994	306,551	332,999	1.78
ResMed Inc.	618	195,662	203,627	1.09
Royalty Pharma PLC, Class 'A'	4,505	243,292	227,089	1.21
Sage Therapeutics Inc.	6,484	492,764	348,910	1.86
Sarepta Therapeutics Inc.	1,243	148,174	141,589	0.75
Seagen Inc.	959	199,268	187,543	1.00
STERIS PLC	266	65,024	81,902	0.44
Stryker Corp.	206	68,025	69,684	0.37
Syneos Health Inc.	1,861	176,299	241,716	1.29
Tandem Diabetes Care Inc.	1,364	209,589	259,706	1.38
Thermo Fisher Scientific Inc.	402	244,176	339,298	1.81
United Therapeutics Corp.	1,245	249,595	340,296	1.81
UnitedHealth Group Inc.	294	130,613	186,744	1.00
Universal Health Services Inc., Class 'B'	2,076	331,936	340,492	1.82
Vertex Pharmaceuticals Inc.	634	158,127	176,114	0.94
Viatis Inc.	12,015	225,105	205,634	1.10
West Pharmaceutical Services Inc.	541	233,396	320,961	1.71
Zimmer Biomet Holdings Inc.	785	158,026	126,149	0.67
Zoetis Inc.	592	135,603	182,742	0.97
		16,262,149	18,749,300	99.93
Total investments		16,262,149	18,749,300	99.93
Transaction costs		(944)		
Unrealized appreciation on derivatives - see Schedule 1			1,965	0.01
Unrealized depreciation on derivatives - see Schedule 1			(1,155)	(0.01)
Other assets, less liabilities			12,160	0.07
Total Net Assets Attributable to Holders of Redeemable Units		16,261,205	18,762,270	100.00

First Trust AlphaDEX™ U.S. Health Care Sector Index ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

Schedule 1

Counterparty	Credit				Appreciation				
	Rating of Counterparty*	Settlement Date	Currency	Amount	Currency	Amount	Forward Rate	Current Rate	(Depreciation) \$
Bank of New York Mellon (The), New York	A-1+	2022-01-14	USD	1,307,897	CAD	1,655,000	0.790	0.791	560
Bank of New York Mellon (The), New York	A-1+	2022-01-14	USD	93,753	CAD	120,000	0.781	0.791	1,405
									1,965
Bank of New York Mellon (The), New York	A-1+	2022-01-14	CAD	80,000	USD	62,330	1.283	1.265	(1,155)
									(1,155)

* Commercial paper rating per Standard and Poor's Commercial Paper Guide

First Trust NYSE Arca Biotechnology ETF

STATEMENTS OF FINANCIAL POSITION As at December 31, 2021 and December 31, 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Assets		
Investments (non-derivative financial assets)	772,365	1,429,138
Cash	68,236	4,576
Accrued dividend receivable	-	1,605
Other assets	313	164
	840,914	1,435,483
Liabilities		
Accrued liabilities	121	2,059
Distributions payable to holders of redeemable units	66,408	-
	66,529	2,059
Total net assets attributable to holders of redeemable units	774,385	1,433,424
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Units	774,385	1,433,424
Redeemable units outstanding [note 6]		
Units	30,000	50,000
Net assets attributable to holders of redeemable units per unit		
Units	25.81	28.67

STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Revenues		
Dividends	1,201	87,470
Other changes in fair value of investments		
Net realized gain (loss) on sale of investments	217,473	1,586,604
Net realized gain (loss) on foreign exchange	(338)	66
Net change in unrealized appreciation (depreciation) of investments	(156,184)	70,336
	62,152	1,744,476
Foreign exchange gain (loss) on cash	12	32
	62,164	1,744,508
Expenses [note 7]		
Management fees	2,583	18,701
Transaction costs [note 3 and note 9]	544	804
HST expense	245	2,463
Independent Review Committee fees	181	560
Interest expense	5	82
	3,558	22,610
Expenses waived by manager	(181)	(560)
	3,377	22,050
Increase (Decrease) in net assets attributable to holders of redeemable units before tax	58,787	1,722,458
Withholding taxes	144	10,743
Increase (Decrease) in net assets attributable to holders of redeemable units	58,643	1,711,715
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Units	58,643	1,711,715
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Units	1.65	15.79

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,
FT Portfolios Canada Co.



..... Director



..... Director

First Trust NYSE Arca Biotechnology ETF

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Net assets attributable to holders of redeemable units, beginning of year	1,433,424	1,201,943
Increase (Decrease) in net assets attributable to holders of redeemable units	58,643	1,711,715
Redeemable unit transactions [note 6]		
Proceeds from issuance of units	1,150,160	13,498,986
Reinvested distributions	-	1,727,872
Redemption of units	(1,801,434)	(14,979,220)
	(651,274)	247,638
Distributions to holders of redeemable units from:		
Net investment income	(60,242)	(1,727,872)
Capital gains	-	-
Return of capital	(6,166)	-
	(66,408)	(1,727,872)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	(659,039)	231,481
Net assets attributable to holders of redeemable units, end of year	774,385	1,433,424

See accompanying notes which are an integral part of these financial statements.

First Trust NYSE Arca Biotechnology ETF

STATEMENTS OF CASH FLOW For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	58,643	1,711,715
Adjustments for:		
Net realized (gain) loss on sale of investments	(217,473)	(1,586,604)
Change in unrealized (appreciation) depreciation of investments	156,184	(70,336)
Dividends receivable	1,605	16,151
Other assets	(149)	665
Other liabilities	(1,938)	(18,255)
Purchases of investments	(2,945,251)	(14,585,323)
Proceeds from the sale of investments	3,663,313	16,074,724
	714,934	1,542,737
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	1,150,160	13,498,986
Amount paid on redemptions of units	(1,801,434)	(14,979,220)
Distributions paid to unitholders	-	(69,000)
	(651,274)	(1,549,234)
Increase (Decrease) in cash for the year	63,660	(6,497)
Cash, beginning of year	4,576	11,073
Cash, end of year	68,236	4,576
Dividends received, net of withholding taxes	2,662	92,878

See accompanying notes which are an integral part of these financial statements

First Trust NYSE Arca Biotechnology ETF
(formerly, First Trust AlphaDEX™ U.S. Materials Sector Index ETF)
 Notes to Financial Statements - Specific Information
 For the year ended December 31, 2021

A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust NYSE Arca Biotechnology ETF (the “First Trust ETF”) seeks to replicate, to the extent possible, the performance of an index of U.S. companies in the biotechnology industry, initially the NYSE® Arca Biotechnology Index.

The NYSE® Arca Biotechnology Index is an equal dollar weighted index designed to measure the performance of a cross section of companies in the biotechnology industry that are primarily involved in the use of biological processes to develop products or provide services.

On February 17, 2021, the First Trust AlphaDEX™ U.S. Materials Sector Index ETF changed its investment objectives and its name to the First Trust ETF. The First Trust ETF provides exposure to its new index by investing all or substantially all of its assets in an underlying U.S. index exchange traded fund known as First Trust NYSE Arca Biotechnology Index Fund (the “Underlying Fund”), which is managed by the First Trust ETF’s portfolio advisor.

B. FAIR VALUE MEASUREMENT (NOTE 5) - The following fair value hierarchy tables present information about the First Trust ETF assets measured at fair value on a recurring basis for the years ended December 31, 2021 and 2020:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Equities	772,365	–	–	772,365
Total	772,365	–	–	772,365
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2020			
	Level 1	Level 2	Level 3	Total
Equities	1,429,138	–	–	1,429,138
Total	1,429,138	–	–	1,429,138

There have been no transfers from one Level to another for the years ended December 31, 2021 and 2020.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting periods.

C. REDEEMABLE UNITS (NOTE 6) - The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2021 and 2020:

Redeemable Units	Units
Outstanding units – January 1, 2020	50,000
Redeemable units issued	550,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(550,000)
Outstanding units – December 31, 2020	50,000
Redeemable units issued	40,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(60,000)
Outstanding units – December 31, 2021	30,000

First Trust NYSE Arca Biotechnology ETF
(formerly, First Trust AlphaDEX™ U.S. Materials Sector Index ETF)
 Notes to Financial Statements - Specific Information
 For the year ended December 31, 2021

D. MANAGEMENT FEES AND EXPENSES (NOTE 7) - Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee ¹
Units
0.15%

¹ The First Trust ETF will bear the Underlying Fund's management fee of 0.40% per annum on average daily net assets on the First Trust ETF's portfolio assets invested in the Underlying Fund. Accordingly, the management fee cost to unitholders of their investment will be 0.55% per annum of NAV of the First Trust ETF plus applicable taxes.

E. TAXATION (NOTE 8)

Tax loss carry-forwards - There were no net capital losses nor non-capital losses as at December 31, 2021 and 2020.

F. COMMISSION (NOTE 9) - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2021 and 2020 are as follows:

Transaction Cost (\$)	
2021	2020
544	804

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the years ended December 31, 2021 and 2020, including amounts owing as at December 31, 2021 and 2020 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2021	2020	2021	2020
2,583	18,701	107	1,822

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Effective February 17, 2021, the First Trust ETF is fully invested in the Underlying Fund (see Note A: Investment Objective (Note 1)).

Market risk - As at December 31, 2021 and 2020, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at December 31, 2021 and 2020, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2021		As at December 31, 2020	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
Russell 1000® Basic Materials Index	N/A	N/A	73,903	(73,903)
Russell 1000® Index	N/A	N/A	73,478	(73,478)
S&P 500® Materials Index	N/A	N/A	74,687	(74,687)
S&P 500® Index	29,152	(29,152)	N/A	N/A

First Trust NYSE Arca Biotechnology ETF
 (formerly, First Trust AlphaDEX™ U.S. Materials Sector Index ETF)
 Notes to Financial Statements - Specific Information
 For the year ended December 31, 2021

Currency risk - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2021 and 2020:

Currency	As at December 31, 2021		As at December 31, 2020	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	773,216	99.85	1,432,089	99.91

As at December 31, 2021, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$7,732 (December 31, 2020 - \$14,321). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Concentration Risk – The table below summarizes the First Trust ETF's concentration risk for the years ended December 31, 2021 and 2020:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2021	As at December 31, 2020
Exchange-Traded Fund	99.74	N/A
Materials	N/A	82.37
Industrials	N/A	17.33
Total	99.74	99.70

First Trust NYSE Arca Biotechnology ETF
 (formerly, First Trust AlphaDEX™ U.S. Materials Sector Index ETF)
 Notes to Financial Statements - Specific Information
 For the year ended December 31, 2021

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2021

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Exchange Traded Funds—99.74%				
First Trust NYSE Arca Biotechnology Index Fund	3,770	802,496	772,365	99.74
Total Exchange Traded Funds		802,496	772,365	99.74
Total investments		802,496	772,365	99.74
Transaction costs		(35)		
Other assets, less liabilities			2,020	0.26
Total Net Assets Attributable to Holders of Redeemable Units		802,461	774,385	100.00

First Trust AlphaDEX™ U.S. Industrials Sector Index ETF

STATEMENTS OF FINANCIAL POSITION

As at December 31, 2021 and December 31, 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Assets		
Investments (non-derivative financial assets)	50,909,143	15,903,487
Cash	98,464	204,100
Accrued dividend receivable	29,460	9,296
Derivative assets	3,693	48,043
Other assets	5,901	4,166
	51,046,661	16,169,092
Liabilities		
Accrued liabilities	33,989	12,310
Distributions payable to holders of redeemable units	63,045	82,100
Derivative liabilities	15,963	-
	112,997	94,410
Total net assets attributable to holders of redeemable units	50,933,664	16,074,682
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Units	46,519,992	13,687,417
Hedged Units	4,413,672	2,387,265
Redeemable units outstanding [note 6]		
Units	1,100,000	400,000
Hedged Units	150,000	100,000
Net assets attributable to holders of redeemable units per unit		
Units	42.29	34.22
Hedged Units	29.42	23.87

STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Revenues		
Dividends	554,863	266,529
Other changes in fair value of investments and derivatives		
Net realized gain (loss) on sale of investments	3,215,682	3,087,302
Net realized gain (loss) on derivatives	(18,823)	10,547
Net realized gain (loss) on foreign exchange	(505)	841
Net change in unrealized appreciation (depreciation) of investments	3,788,688	480,971
Net change in unrealized appreciation (depreciation) of derivatives	(60,313)	8,024
	7,479,592	3,854,214
Foreign exchange gain (loss) on cash	(1,726)	(1,626)
	7,477,866	3,852,588
Expenses [note 7]		
Management fees	267,539	89,622
HST expense	29,028	7,980
Transaction costs [note 3 and note 9]	8,251	4,001
Independent Review Committee fees	6,531	2,717
Interest expense	25	-
	311,374	104,320
Expenses waived by manager	(6,531)	(2,717)
	304,843	101,603
Increase (Decrease) in net assets attributable to holders of redeemable units before tax	7,173,023	3,750,985
Withholding taxes	65,072	37,977
Increase (Decrease) in net assets attributable to holders of redeemable units	7,107,951	3,713,008
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Units	6,227,005	3,516,772
Hedged Units	880,946	196,236
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Units	7.35	9.86
Hedged Units	5.08	1.96

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,
FT Portfolios Canada Co.



..... Director



..... Director

First Trust AlphaDEX™ U.S. Industrials Sector Index ETF

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)	December 31 2021 (\$) Hedged Units	December 31 2020 (\$) Hedged Units
Net assets attributable to holders of redeemable units, beginning of year	13,687,417	7,887,435	2,387,265	2,227,929
Increase (Decrease) in net assets attributable to holders of redeemable units	6,227,005	3,516,772	880,946	196,236
Redeemable unit transactions [note 6]				
Proceeds from issuance of units	38,403,005	28,740,989	2,623,126	-
Reinvested distributions	2,141,700	-	356,760	-
Redemption of units	(11,651,845)	(26,339,329)	(1,450,960)	-
	28,892,860	2,401,660	1,528,926	-
Distributions to holders of redeemable units from:				
Net investment income	(145,560)	(118,428)	(26,705)	(36,823)
Capital gains	(2,141,700)	-	(356,760)	-
Return of capital	(30)	(22)	-	(77)
	(2,287,290)	(118,450)	(383,465)	(36,900)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	32,832,575	5,799,982	2,026,407	159,336
Net assets attributable to holders of redeemable units, end of year	46,519,992	13,687,417	4,413,672	2,387,265
			December 31 2021 (\$) Total	December 31 2020 (\$) Total
Net assets attributable to holders of redeemable units, beginning of year			16,074,682	10,115,364
Increase (Decrease) in net assets attributable to holders of redeemable units			7,107,951	3,713,008
Redeemable unit transactions [note 6]				
Proceeds from issuance of units			41,026,131	28,740,989
Reinvested distributions			2,498,460	-
Redemption of units			(13,102,805)	(26,339,329)
			30,421,786	2,401,660
Distributions to holders of redeemable units from:				
Net investment income			(172,265)	(155,251)
Capital gains			(2,498,460)	-
Return of capital			(30)	(99)
			(2,670,755)	(155,350)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year			34,858,982	5,959,318
Net assets attributable to holders of redeemable units, end of year			50,933,664	16,074,682

See accompanying notes which are an integral part of these financial statements.

First Trust AlphaDEX™ U.S. Industrials Sector Index ETF

STATEMENTS OF CASH FLOW For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	7,107,951	3,713,008
Adjustments for:		
Net realized (gain) loss on sale of investments	(3,215,682)	(3,087,302)
Change in unrealized (appreciation) depreciation of investments and derivatives	(3,728,375)	(488,995)
Dividends receivable	(20,164)	19,938
Other assets	(1,735)	(1,503)
Other liabilities	21,679	(2,482)
Purchases of investments	(73,186,128)	(38,545,017)
Proceeds from the sale of investments	45,184,842	36,244,413
	(27,837,612)	(2,147,940)
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	41,026,131	28,740,989
Amount paid on redemptions of units	(13,102,805)	(26,339,329)
Distributions paid to unitholders	(191,350)	(87,600)
	27,731,976	2,314,060
Increase (Decrease) in cash for the year	(105,636)	166,120
Cash, beginning of year	204,100	37,980
Cash, end of year	98,464	204,100
Dividends received, net of withholding taxes	469,627	248,490

See accompanying notes which are an integral part of these financial statements.

First Trust AlphaDEX™ U.S. Industrials Sector Index ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust AlphaDEX™ U.S. Industrials Sector Index ETF (the “First Trust ETF”) seeks to replicate, to the extent possible, the performance of the StrataQuant® Industrials Index (“Index”), net of expenses. The investment strategy of the First Trust ETF is to invest in and hold the constituent securities of the applicable Index in the same proportion as they are reflected in the Index or securities intended to replicate the performance of such Index. The Index results from applying the AlphaDEX™ methodology to the Russell 1000® Index, a market index representing the large capitalization segment of the U.S. equity universe, and then selecting the constituent securities for the Index from those qualifying stocks included in the Industrials/Producer Durables Sector.

B. FAIR VALUE MEASUREMENT (NOTE 5) - The following fair value hierarchy tables present information about the First Trust ETF assets measured at fair value on a recurring basis for the years ended December 31, 2021 and 2020:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Equities	50,909,143	–	–	50,909,143
Derivative assets*	–	3,693	–	3,693
Derivative liabilities*	–	(15,963)	–	(15,963)
Total	50,909,143	(12,270)	–	50,896,873
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2020			
	Level 1	Level 2	Level 3	Total
Equities	15,903,487	–	–	15,903,487
Derivative assets*	–	48,043	–	48,043
Total	15,903,487	48,043	–	15,951,530

* The derivative assets and derivative liabilities relate to the Hedged Units only.

There have been no transfers from one Level to another for the years ended December 31, 2021 and 2020.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting periods.

C. REDEEMABLE UNITS (NOTE 6) - The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2021 and 2020:

Redeemable Units	Units	Hedged Units
Outstanding units – January 1, 2020	250,000	100,000
Redeemable units issued	950,000	–
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(800,000)	–
Outstanding units – December 31, 2020	400,000	100,000
Redeemable units issued	1,000,000	100,000
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(300,000)	(50,000)
Outstanding units – December 31, 2021	1,100,000	150,000

First Trust AlphaDEX™ U.S. Industrials Sector Index ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

D. MANAGEMENT FEES AND EXPENSES (NOTE 7) - Below are the current annual management fees charged to the First Trust ETF:

Annual Management Fee	
Units	Hedged Units
0.70%	0.70%

E. TAXATION (NOTE 8)

Tax loss carry-forwards – There were no net capital losses nor non-capital losses as at December 31, 2021 and 2020.

F. COMMISSION (NOTE 9) - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2021 and 2020 are as follows:

Transaction Cost (\$)	
2021	2020
8,251	4,001

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the years ended December 31, 2021 and 2020, including amounts owing as at December 31, 2021 and 2020 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2021	2020	2021	2020
267,539	89,622	30,026	10,840

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at December 31, 2021 and 2020, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at December 31, 2021 and 2020, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2021		As at December 31, 2020	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
Units				
Russell 1000® Industrials Index	2,280,746	(2,280,746)	787,222	(787,222)
Russell 1000® Index	2,352,075	(2,352,075)	798,746	(798,746)
S&P 500® Industrials Index	2,188,103	(2,188,103)	783,630	(783,630)
Hedged Units				
Russell 1000® Industrials Index USD	2,294,275	(2,294,275)	863,763	(863,763)
Russell 1000® Index USD	2,723,665	(2,723,665)	911,670	(911,670)
S&P 500® Industrials Index USD	2,227,298	(2,227,298)	872,862	(872,862)

First Trust AlphaDEX™ U.S. Industrials Sector Index ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

Currency risk - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2021 and 2020:

Currency	As at December 31, 2021		As at December 31, 2020	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	46,551,819	91.40	13,713,810	85.31

As at December 31, 2021, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$465,518 (December 31, 2020 – \$137,138). A portion of this currency risk exposure has been hedged. Please refer to the Schedule of Portfolio Investments for more information. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Concentration Risk – The table below summarizes the concentration risk for the years ended December 31, 2021 and 2020:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2021	As at December 31, 2020
Industrials	61.55	67.53
Materials	15.91	13.74
Information Technology	11.63	13.42
Consumer Discretionary	4.40	0.29
Financials	3.43	1.91
Health Care	1.81	0.77
Utilities	1.22	1.27
Total	99.95	98.93

First Trust AlphaDEX™ U.S. Industrials Sector Index ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2021

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Consumer Discretionary—4.40%				
Axon Enterprise Inc.	2,157	400,622	428,374	0.84
Brunswick Corp.	4,951	582,581	630,848	1.24
Fortune Brands Home & Security Inc.	4,220	519,758	570,642	1.12
Mohawk Industries Inc.	2,659	658,479	612,763	1.20
		2,161,440	2,242,627	4.40
Financials—3.43%				
American Express Co.	1,127	239,630	233,228	0.46
Capital One Financial Corp.	2,912	520,249	534,444	1.05
Fiserv Inc.	838	120,794	110,020	0.22
Global Payments Inc.	1,198	256,259	204,853	0.40
Synchrony Financial	7,719	394,370	452,959	0.89
Western Union Co. (The)	9,337	271,934	210,705	0.41
		1,803,236	1,746,209	3.43
Health Care—1.81%				
Mettler-Toledo International Inc.	198	355,078	425,084	0.83
Waters Corp.	1,056	440,949	497,714	0.98
		796,027	922,798	1.81
Industrials—61.55%				
3M Co.	1,553	359,465	348,948	0.68
A. O. Smith Corp.	4,462	365,177	484,555	0.95
Acuity Brands Inc.	1,573	293,321	421,273	0.83
ADT Inc.	33,709	366,984	358,604	0.70
AGCO Corp.	3,849	627,445	564,877	1.11
Air Lease Corp.	11,989	655,334	670,769	1.32
Allison Transmission Holdings Inc.	10,683	526,418	491,214	0.96
Ametek Inc.	733	115,235	136,337	0.27
Armstrong World Industries Inc.	952	128,960	139,835	0.27
Builders FirstSource Inc.	9,116	517,729	988,346	1.94
BWX Technologies Inc.	3,505	269,891	212,283	0.42
C.H. Robinson Worldwide Inc.	3,134	382,630	426,683	0.84
Carlisle Cos. Inc.	1,898	423,695	595,705	1.17
Carrier Global Corp.	9,112	503,293	625,182	1.23
Colfax Corp.	4,113	224,268	239,170	0.47
Crane Co.	3,980	479,831	512,160	1.00
CSX Corp.	9,163	362,286	435,812	0.86
Cummins Inc.	1,680	518,722	463,573	0.91
Curtiss-Wright Corp.	2,161	323,610	379,062	0.74
Deere & Co.	271	118,770	117,543	0.23
Donaldson Co. Inc.	3,289	245,654	246,547	0.48
Dover Corp.	585	103,753	134,383	0.26
Emerson Electric Co.	2,004	219,144	235,675	0.46
Equifax Inc.	1,861	557,397	689,249	1.35
Expeditors International of Washington Inc.	3,167	437,937	537,979	1.06
FedEx Corp.	2,151	704,195	703,735	1.38

First Trust AlphaDEX™ U.S. Industrials Sector Index ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

Flowserve Corp.	2,622	117,098	101,491	0.20
Fortive Corp.	6,683	602,307	644,930	1.27
FTI Consulting Inc.	2,024	322,266	392,795	0.77
Gates Industrial Corp. PLC	23,191	503,709	466,727	0.92
Generac Holdings Inc.	1,154	458,211	513,716	1.01
General Dynamics Corp.	1,391	304,454	366,812	0.72
Graco Inc.	2,698	241,355	275,143	0.54
Hayward Holdings Inc.	8,489	260,571	281,662	0.55
Hubbell Inc.	503	114,144	132,516	0.26
Huntington Ingalls Industries Inc.	2,443	591,130	577,078	1.13
J.B. Hunt Transport Services Inc.	1,631	330,726	421,704	0.83
Johnson Controls International PLC	1,335	117,750	137,309	0.27
Kirby Corp.	7,867	563,750	591,310	1.16
Knight-Swift Transportation Holdings Inc.	9,221	546,496	710,810	1.40
L3Harris Technologies Inc.	857	228,501	231,165	0.45
Landstar System Inc.	1,728	351,417	391,308	0.77
Lincoln Electric Holdings Inc.	706	110,507	124,554	0.24
Lockheed Martin Corp.	790	366,849	355,165	0.70
ManpowerGroup Inc.	840	117,374	103,419	0.20
MasTec Inc.	5,466	665,358	638,044	1.25
Middleby Corp. (The)	1,598	350,942	397,729	0.78
MSC Industrial Direct Co. Inc., Class 'A'	3,400	356,016	361,528	0.71
Nordson Corp.	792	243,133	255,740	0.50
Norfolk Southern Corp.	789	254,269	297,128	0.58
Northrop Grumman Corp.	1,048	437,465	513,126	1.01
Old Dominion Freight Line Inc.	1,649	590,790	747,546	1.47
Oshkosh Corp.	4,607	618,892	656,832	1.29
Owens Corning	5,516	657,472	631,460	1.24
PACCAR Inc.	4,784	551,652	534,107	1.05
Parker Hannifin Corp.	975	353,799	392,346	0.77
Pentair PLC	2,600	201,342	240,186	0.47
Quanta Services Inc.	1,659	176,951	240,620	0.47
Raytheon Technologies Corp.	1,057	117,879	115,067	0.23
Regal Rexnord Corp.	1,901	323,422	409,227	0.80
Robert Half International Inc.	4,701	508,149	663,157	1.30
Rockwell Automation Inc.	309	106,867	136,355	0.27
Ryder System Inc.	5,702	524,022	594,547	1.17
Schneider National Inc.	20,741	627,460	706,020	1.39
Sensata Technologies Holding PLC	3,450	250,382	269,220	0.53
Snap-On Inc.	2,257	592,185	614,908	1.21
Stanley Black & Decker Inc.	2,152	523,025	513,456	1.01
Textron Inc.	3,904	296,834	381,242	0.75
TopBuild Corp.	921	230,157	321,440	0.63
Toro Co. (The)	933	120,145	117,914	0.23
Trane Technologies PLC	527	122,256	134,679	0.26
Union Pacific Corp.	463	125,669	147,548	0.29
United Rentals Inc.	1,075	392,707	451,855	0.89
Valmont Industries Inc.	386	105,585	122,312	0.24
Vontier Corp.	8,110	330,509	315,251	0.62
W.W. Grainger Inc.	231	120,598	151,432	0.30

First Trust AlphaDEX™ U.S. Industrials Sector Index ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

Wabtec Corp.	2,190	216,862	255,167	0.50
Watsco Inc., Class 'A'	343	117,615	135,752	0.27
Woodward Governor Co.	803	117,681	111,185	0.22
XPO Logistics Inc.	4,741	420,859	464,358	0.91
Xylem Inc.	2,203	335,734	334,179	0.66
		28,164,442	31,351,776	61.55
Information Technology—11.63%				
Accenture PLC, Class 'A'	1,179	467,035	618,250	1.21
Alliance Data Systems Corp.	5,861	667,089	493,541	0.97
Bill.com Holdings Inc.	1,767	387,106	556,892	1.09
Block Inc., Class 'A'	1,137	320,184	232,291	0.46
Coherent Inc.	754	245,359	254,218	0.50
Fidelity National Information Services Inc.	747	112,287	103,138	0.20
Genpact Ltd.	3,974	219,985	266,828	0.52
Jack Henry & Associates Inc.	554	109,884	117,024	0.23
Keysight Technologies Inc.	2,298	445,842	600,295	1.18
Littelfuse Inc.	690	241,484	274,658	0.54
Mercury Systems Inc.	3,978	277,193	277,060	0.54
MKS Instruments Inc.	2,500	484,807	550,791	1.08
Paychex Inc.	809	119,733	139,687	0.28
Paylocity Holding Corp.	1,682	584,798	502,465	0.99
TransUnion	1,681	242,228	252,146	0.50
Verisk Analytics Inc., Class 'A'	454	116,181	131,357	0.26
Zebra Technologies Corp., Class 'A'	732	432,133	551,122	1.08
		5,473,328	5,921,763	11.63
Materials—15.91%				
Advanced Drainage Systems Inc.	2,519	363,063	433,766	0.85
Amcor PLC	23,530	351,199	357,469	0.70
AptarGroup Inc.	1,582	258,250	245,101	0.48
Axalta Coating Systems Ltd.	3,114	116,038	130,462	0.26
Ball Corp.	3,031	350,075	369,105	0.72
Berry Global Group Inc.	6,198	470,384	578,447	1.14
Crown Holdings Inc.	2,706	342,969	378,647	0.74
DuPont de Nemours Inc.	5,550	502,174	567,114	1.11
Eagle Materials Inc.	2,877	479,636	605,791	1.19
Graphic Packaging Holding Co.	19,817	438,072	488,817	0.96
Louisiana Pacific Corp.	7,685	556,907	761,651	1.50
Martin Marietta Materials Inc.	552	233,240	307,594	0.60
Packaging Corp. of America	2,745	471,825	472,752	0.93
PPG Industries Inc.	636	127,150	138,729	0.27
RPM International Inc.	2,432	261,839	310,712	0.61
Sealed Air Corp.	4,974	341,342	424,512	0.83
Sherwin-Williams Co. (The)	674	243,502	300,243	0.59
Silgan Holdings Inc.	9,836	503,060	533,017	1.05
Trex Co. Inc.	2,673	324,068	456,565	0.90
Vulcan Materials Co.	537	115,611	141,005	0.28
WestRock Co.	1,824	115,025	102,351	0.20
		6,965,429	8,103,850	15.91

First Trust AlphaDEX™ U.S. Industrials Sector Index ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

Utilities—1.22%				
MDU Resources Group Inc.	15,896	587,953	620,120	1.22
		587,953	620,120	1.22
Total investments		45,951,855	50,909,143	99.95
Transaction costs		(2,563)		
Unrealized appreciation on derivatives - see Schedule 1			3,693	0.01
Unrealized depreciation on derivatives - see Schedule 1			(15,963)	(0.03)
Other assets, less liabilities			36,791	0.07
Total Net Assets Attributable to Holders of Redeemable Units		45,949,292	50,933,664	100.00

Schedule 1

Counterparty	Credit Rating of Counterparty*	Settlement Date	Currency Sell	Amount Sold	Currency Buy	Amount Bought	Forward Rate	Current Rate	Appreciation
									(Depreciation) \$
Bank of New York Mellon (The), New York	A-1+	2022-01-14	USD	4,667,336	CAD	5,906,000	0.790	0.791	1,998
Bank of New York Mellon (The), New York	A-1+	2022-01-14	USD	178,112	CAD	227,000	0.785	0.791	1,695
									3,693
Bank of New York Mellon (The), New York	A-1+	2022-01-14	CAD	1,150,000	USD	904,648	1.271	1.265	(5,654)
Bank of New York Mellon (The), New York	A-1+	2022-01-14	CAD	372,000	USD	289,832	1.283	1.265	(5,373)
Bank of New York Mellon (The), New York	A-1+	2022-01-14	CAD	240,056	USD	185,871	1.292	1.265	(4,936)
									(15,963)

* Commercial paper rating per Standard and Poor's Commercial Paper Guide

First Trust AlphaDEX™ U.S. Technology Sector Index ETF

STATEMENTS OF FINANCIAL POSITION

As at December 31, 2021 and December 31, 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Assets		
Investments (non-derivative financial assets)	69,423,830	64,596,934
Cash	789,561	338,036
Accrued dividend receivable	30,835	27,995
Derivative assets	7,082	119,962
Other assets	9,185	9,764
	70,260,493	65,092,691
Liabilities		
Accrued liabilities	49,230	44,788
Distributions payable to holders of redeemable units	731,460	270,750
Derivative liabilities	9,244	-
	789,934	315,538
Total net assets attributable to holders of redeemable units	69,470,559	64,777,153
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Units	59,747,512	58,481,027
Hedged Units	9,723,047	6,296,126
Redeemable units outstanding [note 6]		
Units	750,000	850,000
Hedged Units	200,000	150,000
Net assets attributable to holders of redeemable units per unit		
Units	79.66	68.80
Hedged Units	48.62	41.97

STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Revenues		
Dividends	1,389,167	739,388
Other changes in fair value of investments and derivatives		
Net realized gain (loss) on sale of investments	19,941,356	10,696,466
Net realized gain (loss) on derivatives	216,944	161,750
Net realized gain (loss) on foreign exchange	(899)	(746)
Net change in unrealized appreciation (depreciation) of investments	(10,592,155)	13,368,968
Net change in unrealized appreciation (depreciation) of derivatives	(122,124)	69,847
	10,832,289	25,035,673
Foreign exchange gain (loss) on cash	(1,498)	(4,526)
	10,830,791	25,031,147
Expenses [note 7]		
Management fees	442,680	373,796
HST expense	48,521	38,986
Transaction costs [note 3 and note 9]	17,759	23,279
Independent Review Committee fees	11,082	11,748
Interest expense	52	33
	520,094	447,842
Expenses waived by manager	(11,082)	(11,748)
	509,012	436,094
Increase (Decrease) in net assets attributable to holders of redeemable units before tax	10,321,779	24,595,053
Withholding taxes	67,060	44,113
Increase (Decrease) in net assets attributable to holders of redeemable units	10,254,719	24,550,940
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Units	8,724,077	22,537,924
Hedged Units	1,530,642	2,013,016
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Units	11.82	24.70
Hedged Units	8.38	15.72

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,
FT Portfolios Canada Co.



..... Director



..... Director

First Trust AlphaDEX™ U.S. Technology Sector Index ETF

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)	December 31 2021 (\$) Hedged Units	December 31 2020 (\$) Hedged Units
Net assets attributable to holders of redeemable units, beginning of year	58,481,027	34,430,521	6,296,126	2,789,816
Increase (Decrease) in net assets attributable to holders of redeemable units	8,724,077	22,537,924	1,530,642	2,013,016
Redeemable unit transactions [note 6]				
Proceeds from issuance of units	19,551,086	16,827,806	12,878,152	3,282,661
Reinvested distributions	11,753,175	4,741,045	1,002,940	405,405
Redemption of units	(26,289,278)	(15,065,324)	(10,873,813)	(1,768,517)
	5,014,983	6,503,527	3,007,279	1,919,549
Distributions to holders of redeemable units from:				
Net investment income	(719,353)	(259,930)	(108,053)	(25,330)
Capital gains	(11,753,175)	(4,731,015)	(1,002,940)	(400,925)
Return of capital	(47)	-	(7)	-
	(12,472,575)	(4,990,945)	(1,111,000)	(426,255)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	1,266,485	24,050,506	3,426,921	3,506,310
Net assets attributable to holders of redeemable units, end of year	59,747,512	58,481,027	9,723,047	6,296,126
			December 31 2021 (\$) Total	December 31 2020 (\$) Total
Net assets attributable to holders of redeemable units, beginning of year			64,777,153	37,220,337
Increase (Decrease) in net assets attributable to holders of redeemable units			10,254,719	24,550,940
Redeemable unit transactions [note 6]				
Proceeds from issuance of units			32,429,238	20,110,467
Reinvested distributions			12,756,115	5,146,450
Redemption of units			(37,163,091)	(16,833,841)
			8,022,262	8,423,076
Distributions to holders of redeemable units from:				
Net investment income			(827,406)	(285,260)
Capital gains			(12,756,115)	(5,131,940)
Return of capital			(54)	-
			(13,583,575)	(5,417,200)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year			4,693,406	27,556,816
Net assets attributable to holders of redeemable units, end of year			69,470,559	64,777,153

See accompanying notes which are an integral part of these financial statements.

First Trust AlphaDEX™ U.S. Technology Sector Index ETF

STATEMENTS OF CASH FLOW For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	10,254,719	24,550,940
Adjustments for:		
Net realized (gain) loss on sale of investments	(19,941,356)	(10,696,466)
Change in unrealized (appreciation) depreciation of investments and derivatives	10,714,279	(13,438,815)
Dividends receivable	(2,840)	(12,214)
Other assets	579	(4,028)
Other liabilities	4,442	19,893
Purchases of investments	(100,624,211)	(81,152,287)
Proceeds from the sale of investments	105,146,516	77,766,339
	5,552,128	(2,966,638)
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	32,429,238	20,110,467
Amount paid on redemptions of units	(37,163,091)	(16,833,841)
Distributions paid to unitholders	(366,750)	(32,500)
	(5,100,603)	3,244,126
Increase (Decrease) in cash for the year	451,525	277,488
Cash, beginning of year	338,036	60,548
Cash, end of period	789,561	338,036
Dividends received, net of withholding taxes	1,319,267	683,061

See accompanying notes which are an integral part of these financial statements

First Trust AlphaDEX™ U.S. Technology Sector Index ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust AlphaDEX™ U.S. Technology Sector Index ETF (the “First Trust ETF”) seeks to replicate, to the extent possible, the performance of the StrataQuant® Technology Index (“Index”), net of expenses. The investment strategy of the First Trust ETF is to invest in and hold the constituent securities of the applicable Index in the same proportion as they are reflected in the Index or securities intended to replicate the performance of such Index. The Index results from applying the AlphaDEX™ methodology to the Russell 1000® Index, a market index representing the large capitalization segment of the U.S. equity universe, and then selecting the constituent securities for the Index from those qualifying stocks included in the Technology Sector.

B. FAIR VALUE MEASUREMENT (NOTE 5) - The following fair value hierarchy tables present information about the First Trust ETF assets measured at fair value on a recurring basis for the years ended December 31, 2021 and 2020:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Equities	69,423,830	–	–	69,423,830
Derivative assets*	–	7,082	–	7,082
Derivative liabilities*	–	(9,244)	–	(9,244)
Total	69,423,830	(2,162)	–	69,421,668

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2020			
	Level 1	Level 2	Level 3	Total
Equities	64,596,934	–	–	64,596,934
Derivative assets*	–	119,962	–	119,962
Total	64,596,934	119,962	–	64,716,896

* The derivative assets and derivative liabilities relate to the Hedged Units only.

There have been no transfers from one Level to another for the years ended December 31, 2021 and 2020.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting periods.

C. REDEEMABLE UNITS (NOTE 6) - The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2021 and 2020:

Redeemable Units	Units	Hedged Units
Outstanding units – January 1, 2020	750,000	100,000
Redeemable units issued	350,000	100,000
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(250,000)	(50,000)
Outstanding units – December 31, 2020	850,000	150,000
Redeemable units issued	250,000	300,000
Redeemable units issued on reinvestments	–	–
Redeemable units redeemed	(350,000)	(250,000)
Outstanding units – December 31, 2021	750,000	200,000

First Trust AlphaDEX™ U.S. Technology Sector Index ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

D. MANAGEMENT FEES AND EXPENSES (NOTE 7) - Below are the current annual management fees charged to the First Trust ETF:

Annual Management Fee	
Units	Hedged Units
0.70%	0.70%

E. TAXATION (NOTE 8)

Tax loss carry-forwards – There were no net capital losses nor non-capital losses as at December 31, 2021 and 2020.

F. COMMISSION (NOTE 9) - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2021 and 2020 are as follows:

Transaction Cost (\$)	
2021	2020
17,759	23,279

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the years ended December 31, 2021 and 2020, including amounts owing as at December 31, 2021 and 2020 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2021	2020	2021	2020
442,680	373,796	43,566	39,635

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at December 31, 2021 and 2020, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at December 31, 2021 and 2020, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2021		As at December 31, 2020	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
Units				
Russell 1000® Technology Index	2,567,049	(2,567,049)	3,043,137	(3,043,137)
Russell 1000® Index	3,253,704	(3,253,704)	3,308,528	(3,308,528)
S&P 500® Information Technology Index	2,565,498	(2,565,498)	2,994,759	(2,994,759)
Hedged Units				
Russell 1000® Technology Index USD	2,697,033	(2,697,033)	3,311,983	(3,311,983)
Russell 1000® Index USD	3,073,143	(3,073,143)	3,650,744	(3,650,744)
S&P 500® Information Technology Index USD	2,716,847	(2,716,847)	3,296,154	(3,296,154)

First Trust AlphaDEX™ U.S. Technology Sector Index ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

Currency risk - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2021 and 2020:

Currency	As at December 31, 2021		As at December 31, 2020	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	59,718,237	85.96	58,282,369	89.97

As at December 31, 2021, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$597,182 (December 31, 2020 - \$582,824). A portion of this currency risk exposure has been hedged. Please refer to the Schedule of Portfolio Investments for more information. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Concentration Risk – The table below summarizes the First Trust ETF's concentration risk for the years ended December 31, 2021 and 2020:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2021	As at December 31, 2020
Information Technology	93.24	95.46
Communication Services	5.75	3.97
Industrials	0.94	0.29
Total	99.93	99.72

First Trust AlphaDEX™ U.S. Technology Sector Index ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2021

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Communication Services—5.75%				
Alphabet Inc., Class 'A'	304	914,724	1,114,042	1.60
IAC / InterActiveCorp.	6,245	1,148,444	1,032,558	1.49
Match Group Inc.	1,979	384,590	331,066	0.48
Meta Platforms Inc., Class 'A'	915	369,849	389,301	0.56
Switch Inc., Class 'A'	24,473	695,114	886,612	1.27
VeriSign Inc.	758	201,644	243,371	0.35
		3,714,365	3,996,950	5.75
Industrials—0.94%				
Avalara Inc.	2,667	548,706	435,568	0.63
Roper Technologies Inc.	348	193,013	216,518	0.31
		741,719	652,086	0.94
Information Technology—93.24%				
Adobe Inc.	270	204,372	193,672	0.28
Advanced Micro Devices Inc.	6,039	741,083	1,099,257	1.58
Akamai Technologies Inc.	2,971	394,641	439,856	0.63
Amdocs Ltd.	8,207	744,559	776,947	1.12
Amphenol Corp., Class 'A'	6,364	575,018	704,065	1.01
Analog Devices Inc.	1,855	356,891	412,441	0.59
Anaplan Inc.	5,102	386,350	295,906	0.43
Apple Inc.	3,294	588,689	739,889	1.07
Applied Materials Inc.	2,413	339,775	480,314	0.69
Arrow Electronics Inc.	7,246	971,773	1,230,696	1.77
Atlassian Corp. PLC	2,079	925,545	1,002,728	1.44
Autodesk Inc.	545	192,614	193,852	0.28
Avnet Inc.	16,808	854,620	876,603	1.26
Azenta Inc.	7,950	946,547	1,036,911	1.49
Bentley Systems Inc., Class 'B'	5,123	378,509	313,195	0.45
Black Knight Inc.	2,158	215,204	226,270	0.33
Broadcom Inc.	320	178,525	269,347	0.39
CACI International Inc., Class 'A'	2,371	757,650	807,414	1.16
Cadence Design Systems Inc.	3,077	600,017	725,321	1.04
CDK Global Inc.	3,651	236,445	192,769	0.28
CDW Corp.	3,414	756,386	884,350	1.27
Change Healthcare Inc.	14,837	416,553	401,261	0.58
Cirrus Logic Inc.	5,659	582,549	658,712	0.95
CloudFlare Inc., Class 'A'	7,223	831,104	1,201,480	1.73
Cognizant Technology Solutions Corp., Class 'A'	6,280	597,119	704,782	1.01
Concentrix Corp.	1,755	357,042	396,534	0.57
Corning Inc.	17,029	870,486	801,965	1.15
CrowdStrike Holdings Inc., Class 'A'	1,896	427,356	491,061	0.71
Datadog Inc., Class 'A'	4,396	731,763	990,420	1.43
Dell Technologies Inc., Class 'C'	15,461	1,328,881	1,098,539	1.58
DocuSign Inc.	603	205,484	116,177	0.17
Dolby Laboratories Inc., Class 'A'	3,531	445,309	425,304	0.61

First Trust AlphaDEX™ U.S. Technology Sector Index ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

Dropbox Inc.	10,633	372,065	330,068	0.48
Dun & Bradstreet Holdings Inc.	9,241	256,954	239,516	0.34
DXC Technology Co.	18,488	883,999	752,808	1.08
Dynatrace Inc.	11,465	864,559	875,235	1.26
Elastic NV	3,128	552,616	487,038	0.70
Entergris Inc.	3,702	456,145	648,949	0.93
EPAM Systems Inc.	1,089	621,421	920,810	1.33
Everbridge Inc.	3,085	562,658	262,747	0.38
F5 Inc.	781	189,822	241,755	0.35
Fortinet Inc.	2,786	837,726	1,266,580	1.82
Gartner Inc.	2,045	593,374	864,827	1.25
Globant SA	2,211	767,461	878,448	1.26
Hewlett Packard Enterprise Co.	57,102	1,037,073	1,139,086	1.64
HP Inc.	11,356	435,463	541,121	0.78
HubSpot Inc.	1,204	671,605	1,003,885	1.45
Intel Corp.	15,272	1,084,943	994,893	1.43
International Business Machines Corp.	2,341	401,244	395,800	0.57
Intuit Inc.	1,152	756,978	937,315	1.35
IPG Photonics Corp.	1,961	445,723	427,005	0.61
Jabil Inc.	10,645	634,609	947,290	1.36
Jamf Holding Corp.	8,066	405,269	387,819	0.56
KLA Corp.	1,393	551,192	757,886	1.09
Lam Research Corp.	273	181,911	248,345	0.36
Leidos Holdings Inc.	4,848	597,067	545,177	0.78
Manhattan Associates Inc.	2,030	358,095	399,275	0.57
Microchip Technology Inc.	2,024	191,361	222,896	0.32
Micron Technology Inc.	11,464	997,483	1,350,804	1.94
Microsoft Corp.	1,653	599,721	703,232	1.01
MongoDB Inc.	1,726	916,384	1,155,732	1.66
Monolithic Power Systems Inc.	1,679	1,011,130	1,047,759	1.51
nCino Inc.	4,374	390,583	303,534	0.44
NCR Corp.	4,008	209,532	203,811	0.29
NetApp Inc.	6,923	652,791	805,579	1.16
New Relic Inc.	4,329	425,288	602,138	0.87
NortonLifeLock Inc.	6,140	209,987	201,781	0.29
Nuance Communications Inc.	5,645	386,838	395,020	0.57
Nutanix Inc., Class 'A'	12,362	558,560	498,205	0.72
NVIDIA Corp.	2,999	734,776	1,115,731	1.61
NXP Semiconductors NV	793	202,140	228,487	0.33
Okta Inc.	655	164,713	185,734	0.27
ON Semiconductor Corp.	17,778	1,034,201	1,527,404	2.20
Oracle Corp.	5,349	569,229	590,082	0.85
Palantir Technologies Inc.	12,924	379,776	297,701	0.43
Palo Alto Networks Inc.	1,699	877,483	1,196,561	1.72
Paycom Software Inc.	1,253	790,252	658,069	0.95
Pure Storage Inc., Class 'A'	24,697	813,705	1,016,877	1.46
Qorvo Inc.	2,787	634,128	551,340	0.79
QUALCOMM Inc.	1,204	209,202	278,511	0.40
salesforce.com inc.	1,718	539,700	552,271	0.80
Science Applications International Corp.	5,447	612,697	575,950	0.83

First Trust AlphaDEX™ U.S. Technology Sector Index ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

ServiceNow Inc.	749	584,949	614,998	0.89
Skyworks Solutions Inc.	2,828	603,017	554,979	0.80
Smartsheet Inc., Class 'A'	2,257	187,785	221,119	0.32
Snowflake Inc., Class 'A'	2,055	810,328	880,571	1.27
SolarWinds Corp.	48,637	1,520,675	873,017	1.26
SS&C Technologies Holdings Inc.	4,477	405,068	464,268	0.67
Synopsys Inc.	1,556	579,716	725,305	1.04
TD SYNEX Corp.	5,969	770,736	863,474	1.24
Teradata Corp.	14,188	644,589	762,214	1.10
Texas Instruments Inc.	808	193,079	192,631	0.28
Tyler Technologies Inc.	339	201,843	230,683	0.33
Unity Software Inc.	4,922	835,944	890,268	1.28
VMware Inc., Class 'A'	1,274	209,810	186,746	0.27
Western Digital Corp.	11,009	825,701	908,104	1.31
Workday Inc., Class 'A'	622	202,515	214,938	0.31
Xerox Holdings Corp.	40,342	1,045,867	1,155,333	1.66
Xilinx Inc.	3,087	623,596	827,956	1.19
Zscaler Inc.	3,103	738,524	1,261,265	1.82
		57,754,233	64,774,794	93.24

Total investments		62,210,317	69,423,830	99.93
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Transaction costs		(6,034)		
Unrealized appreciation on derivatives - see Schedule 1			7,082	0.01
Unrealized depreciation on derivatives - see Schedule 1			(9,244)	(0.01)
Other assets, less liabilities			48,891	0.07
Total Net Assets Attributable to Holders of Redeemable Units		62,204,283	69,470,559	100.00

Schedule 1

Counterparty	Credit Rating of Counterparty*	Settlement Date	Currency	Amount		Currency	Amount Bought	Forward Rate	Current Rate	Appreciation (Depreciation) \$
				Sell	Sold					
Bank of New York Mellon (The), New York	A-1+	2022-01-14	USD	7,806,289		CAD	9,878,000	0.790	0.791	3,341
Bank of New York Mellon (The), New York	A-1+	2022-01-14	USD	393,102		CAD	501,000	0.785	0.791	3,741
										7,082
Bank of New York Mellon (The), New York	A-1+	2022-01-14	CAD	640,000		USD	498,637	1.284	1.265	(9,244)
										(9,244)

* Commercial paper rating per Standard and Poor's Commercial Paper Guide

First Trust Cloud Computing ETF

STATEMENTS OF FINANCIAL POSITION As at December 31, 2021 and December 31, 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Assets		
Investments (non-derivative financial assets)	4,473,001	1,251,300
Cash	44,286	17,731
Accrued dividend receivable	-	2,942
Other assets	183	573
	4,517,470	1,272,546
Liabilities		
Accrued liabilities	663	852
Distributions payable to holders of redeemable units	41,781	15,250
	42,444	16,102
Total net assets attributable to holders of redeemable units	4,475,026	1,256,444
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Units	4,475,026	1,256,444
Redeemable units outstanding [note 6]		
Units	190,000	50,000
Net assets attributable to holders of redeemable units per unit		
Units	23.55	25.13

STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Revenues		
Dividends	37,244	64,372
Other changes in fair value of investments		
Net realized gain (loss) on sale of investments	(31,844)	(3,508)
Net realized gain on foreign exchange	72	299
Net change in unrealized appreciation (depreciation) of investments	(9,610)	(106,184)
	(4,138)	(45,021)
Foreign exchange gain (loss) on cash	(56)	176
	(4,194)	(44,845)
Expenses [note 7]		
Management fees	5,196	13,715
Independent Review Committee fees	487	460
Transaction costs [note 3 and note 9]	441	918
HST expense	441	1,211
Interest expense	-	10
	6,565	16,314
Expenses waived by manager	(487)	(460)
	6,078	15,854
Increase (Decrease) in net assets attributable to holders of redeemable units before tax	(10,272)	(60,699)
Withholding taxes	5,637	9,667
Increase (Decrease) in net assets attributable to holders of redeemable units	(15,909)	(70,366)
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Units	(15,909)	(70,366)
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Units	(0.13)	(0.92)

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,
FT Portfolios Canada Co.



..... Director



..... Director

First Trust Cloud Computing ETF

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Net assets attributable to holders of redeemable units, beginning of year	1,256,444	2,617,451
Increase (Decrease) in net assets attributable to holders of redeemable units	(15,909)	(70,366)
Redeemable unit transactions [note 6]		
Proceeds from issuance of units	4,229,674	-
Reinvested distributions	-	1,022
Redemption of units	(946,202)	(1,247,891)
	3,283,472	(1,246,869)
Distributions to holders of redeemable units from:		
Net investment income	(48,981)	(43,772)
Capital gains	-	-
Return of capital	-	-
	(48,981)	(43,772)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	3,218,582	(1,361,007)
Net assets attributable to holders of redeemable units, end of year	4,475,026	1,256,444

See accompanying notes which are an integral part of these financial statements.

First Trust Cloud Computing ETF

STATEMENTS OF CASH FLOW For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	(15,909)	(70,366)
Adjustments for:		
Net realized (gain) loss on sale of investments	31,844	3,508
Change in unrealized (appreciation) depreciation of investments	9,610	106,184
Dividends receivable	2,942	3,760
Other assets	390	32
Other liabilities	(189)	(1,430)
Purchases of investments	(5,577,605)	(1,832,771)
Proceeds from the sale of investments	2,314,450	3,076,647
	(3,234,467)	1,285,564
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	4,229,674	-
Amount paid on redemptions of units	(946,202)	(1,247,891)
Distributions paid to unitholders	(22,450)	(40,750)
	3,261,022	(1,288,641)
Increase (Decrease) in cash for the year	26,555	(3,077)
Cash, beginning of year	17,731	20,808
Cash, end of year	44,286	17,731
Dividends received, net of withholding taxes	34,549	58,465

See accompanying notes which are an integral part of these financial statements

First Trust Cloud Computing ETF
(formerly, First Trust AlphaDEX™ U.S. Utilities Sector Index ETF)
 Notes to Financial Statements - Specific Information
 For the year ended December 31, 2021

A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust Cloud Computing ETF (the “First Trust ETF”) seeks to replicate, to the extent possible, the performance of an index of U.S. companies involved in the cloud computing industry, initially the ISE CTA Cloud Computing Index™.

The ISE CTA Cloud Computing Index™ is a modified equal weighted index designed to track the performance of companies involved in the cloud computing industry. To be included in the index, a security must be classified as a Cloud Computing company by the Consumer Technology Association.

On February 17, 2021, the First Trust AlphaDEX™ U.S. Utilities Sector Index ETF changed its investment objectives (see Investment Objective and Strategy) and its name to the First Trust ETF. The First Trust ETF provides exposure to its new index by investing all or substantially all of its assets in an underlying U.S. exchange traded fund known as First Trust Cloud Computing ETF (the “Underlying Fund”), which is managed by the First Trust ETF’s portfolio advisor.

B. FAIR VALUE MEASUREMENT (NOTE 5) - The following fair value hierarchy tables present information about the First Trust ETF assets measured at fair value on a recurring basis for the years ended December 31, 2021 and 2020:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Equities	4,473,001	–	–	4,473,001
Total	4,473,001	–	–	4,473,001
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2020			
	Level 1	Level 2	Level 3	Total
Equities	1,251,300	–	–	1,251,300
Total	1,251,300	–	–	1,251,300

There have been no transfers from one Level to another for the years ended December 31, 2021 and 2020.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting periods.

C. REDEEMABLE UNITS (NOTE 6) - The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2021 and 2020:

Redeemable Units	Units
Outstanding units – January 1, 2020	100,000
Redeemable units issued	–
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(50,000)
Outstanding units – December 31, 2020	50,000
Redeemable units issued	180,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(40,000)
Outstanding units – December 31, 2021	190,000

First Trust Cloud Computing ETF
(formerly, First Trust AlphaDEX™ U.S. Utilities Sector Index ETF)
 Notes to Financial Statements - Specific Information
 For the year ended December 31, 2021

D. MANAGEMENT FEES AND EXPENSES (NOTE 7) - Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee ¹
Units
0.15%

¹ The First Trust ETF will bear the Underlying Fund's management fee of 0.60% per annum on average daily net assets on the First Trust ETF's portfolio assets invested in the Underlying Fund. Accordingly, the management fee cost to unitholders of their investment will be 0.75% per annum of NAV of the First Trust ETF plus applicable taxes.

E. TAXATION (NOTE 8)

Tax loss carry-forwards – The net capital losses and non-capital losses as at December 31, 2021 and 2020 were as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2021	2020	2021	2020
7,961	330	–	–

F. COMMISSION (NOTE 9) - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2021 and 2020 are as follows:

Transaction Cost (\$)	
2021	2020
441	918

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the years ended December 31, 2021 and 2020, including amounts owing as at December 31, 2021 and 2020 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2021	2020	2021	2020
5,196	13,715	581	748

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Effective February 17, 2021, the First Trust ETF is fully invested in the Underlying Fund (see Note A: Investment Objective (Note 1)).

Market risk - As at December 31, 2021 and 2020, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at December 31, 2021 and 2020, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

First Trust Cloud Computing ETF
 (formerly, First Trust AlphaDEX™ U.S. Utilities Sector Index ETF)
 Notes to Financial Statements - Specific Information
 For the year ended December 31, 2021

Index	As at December 31, 2021		As at December 31, 2020	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
Russell 1000® Utilities Index	N/A	N/A	61,967	(61,967)
Russell 1000® Index	N/A	N/A	57,213	(57,213)
S&P 500® Utilities Index	N/A	N/A	56,892	(56,892)
S&P 500® Index	229,078	(229,078)	N/A	N/A

Currency risk - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2021 and 2020:

Currency	As at December 31, 2021		As at December 31, 2020	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	4,473,747	99.97	1,254,434	99.84

As at December 31, 2021, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$44,737 (December 31, 2020 - \$12,544). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Concentration Risk – The table below summarizes the First Trust ETF's concentration risk for the years ended December 31, 2021 and 2020:

Sector	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2021	As at December 31, 2020
Exchange-Traded Fund	99.95	N/A
Utilities	N/A	93.23
Industrials	N/A	6.36
Total	99.95	99.59

First Trust Cloud Computing ETF
 (formerly, First Trust AlphaDEX™ U.S. Utilities Sector Index ETF)
 Notes to Financial Statements - Specific Information
 For the year ended December 31, 2021

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2021

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Exchange Traded Funds—99.95%				
First Trust Cloud Computing ETF	33,900	4,471,244	4,473,001	99.95
Total Exchange Traded Funds		4,471,244	4,473,001	99.95
Total investments		4,471,244	4,473,001	99.95
Transaction costs		(108)		
Other assets, less liabilities			2,025	0.05
Total Net Assets Attributable to Holders of Redeemable Units		4,471,136	4,475,026	100.00

First Trust Morningstar Dividend Leaders ETF (CAD-Hedged)

STATEMENTS OF FINANCIAL POSITION

As at December 31, 2021 and December 31, 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Assets		
Investments (non-derivative financial assets)	4,886,129	2,388,372
Cash	56,346	56,641
Accrued dividend receivable	-	4,712
Derivative assets	5,527	48,602
Other assets	147	350
	4,948,149	2,498,677
Liabilities		
Accrued liabilities	687	705
Distributions payable to holders of redeemable units	55,264	54,800
	55,951	55,505
Total net assets attributable to holders of redeemable units	4,892,198	2,443,172
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Units	4,892,198	2,443,172
Redeemable units outstanding [note 6]		
Units	160,000	100,000
Net assets attributable to holders of redeemable units per unit		
Units	30.58	24.43

STATEMENTS OF COMPREHENSIVE INCOME

For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Revenues		
Dividends	146,298	65,135
Interest income for distribution purposes		
Other changes in fair value of investments and derivatives		
Net realized gain (loss) on sale of investments	652,168	(260,603)
Net realized gain (loss) on derivatives	18,237	91,896
Net realized gain (loss) on foreign exchange	(1,040)	(10,910)
Net change in unrealized appreciation (depreciation) of investments	20,114	436,799
Net change in unrealized appreciation (depreciation) of derivatives	(43,075)	3,770
	792,702	326,087
Foreign exchange gain (loss) on cash	(117)	(22,822)
	792,585	303,265
Expenses [note 7]		
Management fees	5,202	8,025
Transaction costs [note 3 and note 9]	1,697	4,942
Independent Review Committee fees	545	594
HST expense	436	599
Interest expense	18	-
Other expense	-	796
	7,898	14,956
Expenses waived by manager	(545)	(594)
	7,353	14,362
Increase (decrease) in net assets attributable to holders of redeemable units before tax	785,232	288,903
Withholding taxes	20,518	-
Increase (Decrease) in net assets attributable to holders of redeemable units	764,714	288,903
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Units	764,714	288,903
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Units	6.88	2.30

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,
FT Portfolios Canada Co.



..... Director



..... Director

First Trust Morningstar Dividend Leaders ETF (CAD-Hedged)

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Net assets attributable to holders of redeemable units, beginning of year	2,443,172	2,504,273
Increase (Decrease) in net assets attributable to holders of redeemable units	764,714	288,903
Redeemable unit transactions [note 6]		
Proceeds from issuance of units	3,132,466	4,630,556
Reinvested distributions	338,688	7,100
Redemption of units	(1,329,490)	(4,925,760)
	2,141,664	(288,104)
Distributions to holders of redeemable units from:		
Net investment income	(118,658)	(61,900)
Capital gains	(338,688)	-
Return of capital	(6)	-
	(457,352)	(61,900)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	2,449,026	(61,101)
Net assets attributable to holders of redeemable units, end of year	4,892,198	2,443,172

See accompanying notes which are an integral part of these financial statements.

First Trust Morningstar Dividend Leaders ETF (CAD-Hedged)

STATEMENTS OF CASH FLOW For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	764,714	288,903
Adjustments for:		
Net realized (gain) loss on sale of investments	(652,168)	260,603
Change in unrealized (appreciation) depreciation of investments and derivatives	22,961	(440,569)
Dividends receivable	4,712	574
Other assets	203	(4)
Other liabilities	(18)	(6)
Purchases of investments	(6,039,599)	(12,057,645)
Proceeds from the sale of investments	4,214,124	12,298,517
	(1,685,071)	350,373
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	3,132,466	4,630,556
Amount paid on redemptions of units	(1,329,490)	(4,925,760)
Distributions paid to unitholders	(118,200)	-
	1,684,776	(295,204)
Increase (Decrease) in cash for the year	(295)	55,169
Cash, beginning of year	56,641	1,472
Cash, end of year	56,346	56,641
Dividends received, net of withholding taxes	130,492	65,709

See accompanying notes which are an integral part of these financial statements.

First Trust Morningstar Dividend Leaders ETF (CAD-Hedged)
(formerly, First Trust Dorsey Wright U.S. Sector Rotation Index ETF (CAD-Hedged))

Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust Morningstar Dividend Leaders ETF (CAD-Hedged) (the “First Trust ETF”) to replicate, to the extent possible, the performance of an index of U.S. companies that have shown dividend consistency and dividend sustainability, initially the Morningstar® Dividend Leaders IndexSM.

The Morningstar® Dividend Leaders IndexSM consist of stocks listed on one of the three major exchanges, NYSE, NYSE Amex or Nasdaq, that have shown dividend consistency and dividend sustainability. Real Estate Investment Trusts (REITs) are not included.

In February 2021, the First Trust Dorsey Wright U.S. Sector Rotation Index ETF (CAD-Hedged) changed its investment objectives and its name to the First Trust ETF. The First Trust ETF provides exposure to its new index by investing all or substantially all of its assets in an underlying U.S. index exchange traded fund known as First Trust Morningstar Dividend Leaders Index Fund (the “Underlying Fund”), which is managed by the First Trust ETF’s portfolio advisor. The effective date of change is February 12, 2021.

B. FAIR VALUE MEASUREMENT (NOTE 5) - The following fair value hierarchy tables present information about the First Trust ETF assets measured at fair value on a recurring basis for the years ended December 31, 2021 and 2020:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Equities	4,886,129	–	–	4,886,129
Derivative assets	–	5,527	–	5,527
Total	4,886,129	5,527	–	4,891,656
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2020			
	Level 1	Level 2	Level 3	Total
Equities	2,388,372	–	–	2,388,372
Derivative assets	–	48,602	–	48,602
Total	2,388,372	48,602	–	2,436,974

There have been no transfers from one Level to another for the years ended December 31, 2021 and 2020.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of either reporting periods.

C. REDEEMABLE UNITS (NOTE 6) - The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2021 and 2020:

Redeemable Units	Units
Outstanding units - January 1, 2020	100,000
Redeemable units issued	250,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(250,000)
Outstanding units – December 31, 2020	100,000
Redeemable units issued	110,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(50,000)
Outstanding units – December 31, 2021	160,000

First Trust Morningstar Dividend Leaders ETF (CAD-Hedged)
 (formerly, First Trust Dorsey Wright U.S. Sector Rotation Index ETF (CAD-Hedged))

Notes to Financial Statements - Specific Information
 For the year ended December 31, 2021

D. MANAGEMENT FEES AND EXPENSES (NOTE 7) - Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee ¹
Units
0.15%

¹ The First Trust ETF will bear the Underlying Fund's management fee of 0.30% per annum on average daily net assets on the First Trust ETF's portfolio assets invested in the Underlying Fund. Accordingly, the management fee cost to unitholders of their investment will be 0.45% per annum of NAV of the First Trust ETF plus applicable taxes.

E. TAXATION (NOTE 8)

Tax loss carry-forwards - The net capital losses and/or non-capital losses as at December 31, 2021 and 2020, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2021	2020	2021	2020
-	80,988	-	-

F. COMMISSION (NOTE 9) - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2021 and 2020 are as follows:

Transaction Cost (\$)	
2021	2020
1,697	4,942

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the years ended December 31, 2021 and 2020, including amounts owing as December 31, 2021 and 2020 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2021	2020	2021	2020
5,202	8,025	608	624

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Effective February 12, 2021, the First Trust ETF is fully invested in the Underlying Fund (see Note A: Investment Objective (Note 1)).

Market risk - As at December 31, 2021 and 2020, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at December 31, 2021 and 2020, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2021		As at December 31, 2020	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
Dorsey Wright® U.S. Sector Focus Five Index USD	N/A	N/A	104,690	(104,690)
S&P 500® Index (CAD Hedged)	221,150	(221,150)	101,758	(101,758)

First Trust Morningstar Dividend Leaders ETF (CAD-Hedged)
 (formerly, First Trust Dorsey Wright U.S. Sector Rotation Index ETF (CAD-Hedged))

Notes to Financial Statements - Specific Information
 For the year ended December 31, 2021

Currency risk - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2021 and 2020:

Currency	As at December 31, 2021		As at December 31, 2020	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	90,875	1.86	(2,413,067)	(98.77)

As at December 31, 2021, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$909 (December 31, 2020 - \$(24,131)). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Concentration Risk – The table below summarizes the First Trust ETF's concentration risk for the December 31, 2021 and 2020:

Holdings	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2021	As at December 31, 2020
Exchange-Traded Fund	99.88	97.76
Total	99.88	97.76

First Trust Morningstar Dividend Leaders ETF (CAD-Hedged)
 (formerly, First Trust Dorsey Wright U.S. Sector Rotation Index ETF (CAD-Hedged))

Notes to Financial Statements - Specific Information
 For the year ended December 31, 2021

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2021

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Exchange Traded Funds—99.88%				
First Trust Morningstar Dividend Leaders Index Fund	108,625	4,413,616	4,886,129	99.88
		4,413,616	4,886,129	99.88
Total investments		4,413,616	4,886,129	99.88
Transaction costs		(689)		
Unrealized appreciation on derivatives - see Schedule 1			5,527	0.12
Other assets, less liabilities			542	—
Total Net Assets Attributable to Holders of Redeemable Units		4,412,927	4,892,198	100.00

Schedule 1

Counterparty	Credit Rating of Counterparty*	Settlement Date	Currency Sell	Amount Sold	Currency Buy	Amount Bought	Forward Rate	Current Rate	Appreciation
									(Depreciation) \$
Bank of New York Mellon (The), New York	A-1+	2022-01-14	USD	3,492,204	CAD	4,419,000	0.790	0.791	1,495
Bank of New York Mellon (The), New York	A-1+	2022-01-14	USD	214,851	CAD	275,000	0.781	0.791	3,222
Bank of New York Mellon (The), New York	A-1+	2022-01-14	USD	83,947	CAD	107,000	0.785	0.791	810
									5,527

* Commercial paper rating per Standard and Poor's Commercial Paper Guide

First Trust Indxx Innovative Transaction and Process ETF

STATEMENTS OF FINANCIAL POSITION As at December 31, 2021 and December 31, 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Assets		
Investments (non-derivative financial assets)	2,919,624	2,048,612
Cash	26,730	5,742
Other assets	219	121
	2,946,573	2,054,475
Liabilities		
Accrued liabilities	421	291
Distributions payable to holders of redeemable units	21,976	-
	22,397	291
Total net assets attributable to holders of redeemable units	2,924,176	2,054,184
Total Net Assets Attributable to Holders of Redeemable Units per class		
Units	2,924,176	2,054,184
Redeemable units outstanding [note 6]		
Units	105,000	85,000
Net assets attributable to holders of redeemable units per unit		
Units	27.85	24.17

STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Revenues		
Dividends	52,034	22,961
Other changes in fair value of investments		
Net realized gain (loss) on investments	1,871	23,396
Change in unrealized appreciation (depreciation) of foreign exchange	121	19
Change in unrealized appreciation (depreciation) of investments	347,516	247,377
	401,542	293,753
Foreign exchange gain (loss) on cash	166	26
	401,708	293,779
Expenses [note 7]		
Management fees	3,951	3,048
Independent Review Committee fees	457	455
HST expense	311	292
Transaction costs [note 3 and note 9]	5	4
Interest expense	1	-
	4,725	3,799
Expenses waived by manager	(457)	(455)
	4,268	3,344
Increase (Decrease) in net assets attributable to holders of redeemable units before tax	397,440	290,435
Withholding taxes	4,599	3,455
Increase (Decrease) in net assets attributable to holders of redeemable units	392,841	286,980
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Units	392,841	286,980
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Units	3.98	2.94

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,
FT Portfolios Canada Co.



..... Director



..... Director

First Trust Indxx Innovative Transaction and Process ETF

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Net assets attributable to holders of redeemable units, beginning of year	2,054,184	2,090,768
Increase (Decrease) in net assets attributable to holders of redeemable units	392,841	286,980
Redeemable unit transactions [note 6]		
Proceeds from redeemable units issued	514,377	-
Reinvested distributions	956	-
Redemption of redeemable units	-	(317,564)
	515,333	(317,564)
Distributions to holders of redeemable units from:		
Net investment income	(37,221)	(525)
Capital gains	(956)	-
Return of capital	(5)	(5,475)
	(38,182)	(6,000)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	869,992	(36,584)
Net assets attributable to holders of redeemable units, end of year	2,924,176	2,054,184

See accompanying notes which are an integral part of these financial statements.

First Trust Indxx Innovative Transaction and Process ETF

STATEMENTS OF CASH FLOW For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	392,841	286,980
Adjustments for:		
Net realized (gain) loss on investments	(1,871)	(23,396)
Change in unrealized (appreciation) depreciation of investments	(347,516)	(247,377)
Other assets	(98)	171
Other liabilities	130	(13)
Purchases of investments	(527,620)	(12,483)
Proceeds from the sale of investments	5,995	317,264
	(478,139)	321,146
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	514,377	(317,564)
Amount paid on redemptions of units	-	-
Distributions paid to unitholders	(15,250)	(35,000)
	499,127	(352,564)
Increase (Decrease) in cash for the year	20,988	(31,418)
Cash, beginning of year	5,742	37,160
Cash, end of year	26,730	5,742
Dividends received, net of withholding taxes	47,435	19,506

See accompanying notes which are an integral part of these financial statements.

First Trust Indxx Innovative Transaction and Process ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust Indxx Innovative Transaction and Process ETF (the “First Trust ETF”) seeks to replicate, to the extent possible, the performance of an innovative transaction and process index. The First Trust ETF will obtain exposure to the Indxx Blockchain Index (the “Index”) by investing in the First Trust Indxx Innovative Transaction & Process ETF (the “Underlying Fund”), a U.S.-listed index exchange traded fund which itself seeks to replicate or substantially replicate the performance of the Index.

B. FAIR VALUE MEASUREMENT (NOTE 5) - The following fair value hierarchy table present information about the First Trust ETF assets measured at fair value on a recurring basis for the years ended December 31, 2021 and 2020:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Equities	2,919,624	–	–	2,919,624
Total	2,919,624	–	–	2,919,624
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2020			
	Level 1	Level 2	Level 3	Total
Equities	2,048,612	–	–	2,048,612
Total	2,048,612	–	–	2,048,612

There have been no transfers from one Level to another for the years ended December 31, 2021 and 2020.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of the reporting periods.

C. REDEEMABLE UNITS (NOTE 6) - The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2021 and 2020:

Redeemable Units	Units
Outstanding units – January 1, 2020	100,000
Redeemable units issued	–
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(15,000)
Outstanding units – December 31, 2020	85,000
Redeemable units issued	20,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	–
Outstanding units – December 31, 2021	105,000

First Trust Indxx Innovative Transaction and Process ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

D. MANAGEMENT FEES AND EXPENSES (NOTE 7) - Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee ¹
Units
0.15%

¹ The First Trust ETF will bear the Underlying Fund's management fee of 0.65% per annum on average daily net assets on the First Trust ETF's portfolio assets invested in the Underlying Fund. Accordingly, the management fee cost to unitholders of their investment will be 0.80% per annum of NAV of the First Trust ETF plus applicable taxes.

E. TAXATION (NOTE 8)

Tax loss carry-forwards – There were no net capital losses nor non-capital losses as at December 31, 2021 and 2020.

F. COMMISSION (NOTE 9) - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2021 and 2020 are as follows:

Transaction Cost (\$)	
2021	2020
5	4

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the years ended December 31, 2021 and 2020, including amounts owing as December 31, 2021 and 2020 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2021	2020	2021	2020
3,951	3,048	373	258

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at December 31, 2021 and 2020, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at December 31, 2021 and 2020, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2021		As at December 31, 2020	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500® Index	90,539	(90,539)	98,447	(98,447)

First Trust Indxx Innovative Transaction and Process ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

Currency risk - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2021 and 2020:

Currency	As at December 31, 2021		As at December 31, 2020	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	2,923,155	99.97	2,053,088	99.95

As at December 31, 2021, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$29,232 (December 31, 2020 - \$20,531). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Concentration Risk – The table below summarizes the First Trust ETF's concentration risk for the years ended December 31, 2021 and 2020:

Holdings	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2021	As at December 31, 2020
Exchange-Traded Fund	99.84	99.73
Total	99.84	99.73

First Trust Indxx Innovative Transaction and Process ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2021

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Exchange Traded Funds—99.84%				
First Trust Indxx Innovative Transaction & Process ETF	53,147	2,189,082	2,919,624	99.84
Total Exchange Traded Funds		2,189,082	2,919,624	99.84
Total investments		2,189,082	2,919,624	99.84
Transaction costs		(14)		
Other assets, less liabilities			4,552	0.16
Total Net Assets Attributable to Holders of Redeemable Units		2,189,068	2,924,176	100.00

First Trust International Capital Strength ETF

STATEMENTS OF FINANCIAL POSITION As at December 31, 2021 and December 31, 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Assets		
Investments (non-derivative financial assets)	9,425,919	5,981,915
Cash	37,412	39,633
Accrued dividend receivable	15,963	3,795
Other assets	4,473	1,635
	9,483,767	6,026,978
Liabilities		
Accrued liabilities	6,270	3,923
	6,270	3,923
Total net assets attributable to holders of redeemable units	9,477,497	6,023,055
Total Net Assets Attributable to Holders of Redeemable Units per class		
Units	9,477,497	6,023,055
Redeemable units outstanding [note 6]		
Units	350,000	250,000
Net assets attributable to holders of redeemable units per unit		
Units	27.08	24.09

STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Revenues		
Dividends	246,832	92,043
Interest income for distribution purposes	8,972	6,356
Other changes in fair value of investments		
Net realized gain (loss) on investments	769,615	175,777
Change in unrealized appreciation (depreciation) of foreign exchange	(2,556)	(1,497)
Change in unrealized appreciation (depreciation) of investments	(5,649)	805,613
	1,017,214	1,078,292
Foreign exchange gain (loss) on cash	(989)	(225)
	1,016,225	1,078,067
Expenses [note 7]		
Management fees	58,756	31,298
Transaction costs [note 3 and note 9]	17,963	14,736
HST expense	3,342	2,498
Independent Review Committee fees	1,458	977
	81,519	49,509
Expenses waived by manager	(1,458)	(977)
	80,061	48,532
Increase (Decrease) in net assets attributable to holders of redeemable units before tax	936,164	1,029,535
Withholding taxes	23,551	8,520
Increase (Decrease) in net assets attributable to holders of redeemable units	912,613	1,021,015
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Units	912,613	1,021,015
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Units	2.83	4.76

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,
FT Portfolios Canada Co.



..... Director



..... Director

First Trust International Capital Strength ETF

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Net assets attributable to holders of redeemable units, beginning of year	6,023,055	2,070,908
Increase (Decrease) in net assets attributable to holders of redeemable units	912,613	1,021,015
Redeemable unit transactions [note 6]		
Proceeds from redeemable units issued	3,850,109	2,940,132
Reinvested distributions	-	283,750
Redemption of redeemable units	(1,308,280)	-
	2,541,829	3,223,882
Distributions to holders of redeemable units from:		
Net investment income	-	-
Capital gains	-	(283,750)
Return of capital	-	(9,000)
	-	(292,750)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	3,454,442	3,952,147
Net assets attributable to holders of redeemable units, end of year	9,477,497	6,023,055

See accompanying notes which are an integral part of these financial statements.

First Trust International Capital Strength ETF

STATEMENTS OF CASH FLOW For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	912,613	1,021,015
Adjustments for:		
Net realized (gain) loss on investments	(769,615)	(175,777)
Change in unrealized (appreciation) depreciation of investments	5,649	(805,613)
Dividends receivable	(12,168)	(241)
Other assets	(2,838)	(1,259)
Other liabilities	2,347	2,525
Purchases of investments	(8,016,445)	(5,404,045)
Proceeds from the sale of investments	5,336,407	2,487,233
	(2,544,050)	(2,876,162)
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	3,850,109	2,940,132
Amount paid on redemptions of units	(1,308,280)	-
Distributions paid to unitholders	-	(34,000)
	2,541,829	2,906,132
Increase (Decrease) in cash for the year	(2,221)	29,970
Cash, beginning of year	39,633	9,663
Cash, end of year	37,412	39,633
Interest received	8,972	6,356
Dividends received, net of withholding taxes	211,113	83,282

See accompanying notes which are an integral part of these financial statements

First Trust International Capital Strength ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust International Capital Strength ETF (the “First Trust ETF”) seeks to provide Unitholders with long term capital appreciation by investing primarily in equity securities of developed market companies, excluding the U.S. and Canada, that are traded on global exchanges, with a focus on fundamental strength and growth.

B. FAIR VALUE MEASUREMENT (NOTE 5) - The following fair value hierarchy table present information about the First Trust ETF assets measured at fair value on a recurring basis for the years ended December 31, 2021 and 2020:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Equities	9,425,919	–	–	9,425,919
Total	9,425,919	–	–	9,425,919
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2020			
	Level 1	Level 2	Level 3	Total
Equities	5,981,915	–	–	5,981,915
Total	5,981,915	–	–	5,981,915

There have been no transfers from one Level to another for the years ended December 31, 2021 and 2020.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of the reporting periods.

C. REDEEMABLE UNITS (NOTE 6) - The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2021 and 2020:

Redeemable Units	Units
Outstanding units – January 1, 2020	100,000
Redeemable units issued	150,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	–
Outstanding units – December 31, 2020	250,000
Redeemable units issued	150,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(50,000)
Outstanding units – December 31, 2021	350,000

D. MANAGEMENT FEES AND EXPENSES (NOTE 7) - Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee
Units
0.70%

First Trust International Capital Strength ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

E. TAXATION (NOTE 8)

Tax loss carry-forwards – The net capital losses and/or non-capital losses as at December 31, 2021 and 2020, where applicable, are as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2021	2020	2021	2020
–	–	135,323	604,288

F. COMMISSION (NOTE 9) - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2021 and 2020:

Transaction Cost (\$)	
2021	2020
17,963	14,736

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the years ended December 31, 2021 and 2020, including amounts owing at December 31, 2021 and 2020, are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2021	2020	2021	2020
58,756	31,298	5,549	3,471

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at December 31, 2021 and 2020, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at December 31, 2021 and 2020, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	At December 31, 2021		At December 31, 2020	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
MSCI EAFE Index	386,682	(386,682)	302,056	(302,056)

First Trust International Capital Strength ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

Currency risk - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2021 and 2020:

Currency	As at December 31, 2021		As at December 31, 2020	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
Euro	2,837,753	29.94	1,177,884	19.56
British Pound Sterling	2,142,754	22.61	1,617,005	26.85
Japanese Yen	1,616,864	17.06	892,148	14.81
Swiss Francs	1,173,253	12.38	613,300	10.18
Swedish Krona	965,880	10.19	438,964	7.29
Hong Kong Dollar	241,261	2.55	638,632	10.60
Australian Dollar	233,842	2.47	143,672	2.39
South Korean Won	230,276	2.43	163,096	2.71
United States Dollar	113	0.00	114	0.00
Danish Krone	-	-	301,009	5.00
Total	9,441,996	99.63	5,985,824	99.39

As at December 31, 2021, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$94,420 (December 31, 2020 - \$59,858). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Concentration Risk – The table below summarizes the First Trust ETF's concentration risk for the years ended December 31, 2021 and 2020:

Country	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2021	As at December 31, 2020
United Kingdom	22.61	24.42
Japan	17.01	14.81
Switzerland	14.84	10.13
Sweden	10.19	7.29
France	9.98	9.35
Germany	5.06	2.51
Netherlands	5.03	5.28
Hong Kong	2.55	10.60
Australia	2.47	4.81
Spain	2.47	-
Finland	2.44	2.42
South Korea	2.42	2.70
Luxembourg	2.39	-
Denmark	-	5.00
Total	99.46	99.32

First Trust International Capital Strength ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2021

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
Australia—2.47%				
CSL Ltd.	874	231,468	233,842	2.47
		231,468	233,842	2.47
Finland—2.44%				
Neste OYJ	3,700	236,195	231,045	2.44
		236,195	231,045	2.44
France—9.98%				
Kering	235	199,388	239,239	2.52
LVMH Moet Hennessy Louis Vuitton SE	226	160,745	236,619	2.50
Sanofi SA	1,841	233,649	234,853	2.48
Thales SA	2,180	268,206	234,836	2.48
		861,988	945,547	9.98
Germany—5.06%				
Deutsche Post AG, Registered	2,971	222,735	241,916	2.55
SAP SE	1,321	219,669	237,614	2.51
		442,404	479,530	5.06
Hong Kong—2.55%				
Xinyi Glass Holdings Co. Ltd.	76,267	243,874	241,261	2.55
		243,874	241,261	2.55
Japan—17.01%				
KDDI Corp.	6,200	237,916	229,220	2.42
Nintendo Co. Ltd.	400	245,397	235,989	2.49
Open House Co. Ltd.	3,500	197,470	231,700	2.44
Shionogi & Co.	2,600	190,325	232,305	2.45
Sony Group Corp.	1,550	167,596	246,725	2.60
Tokyo Electron Ltd.	300	130,837	218,658	2.31
Trend Micro Inc.	3,100	230,827	217,834	2.30
		1,400,368	1,612,431	17.01
Luxembourg—2.39%				
ArcelorMittal SA	5,588	237,745	226,498	2.39
		237,745	226,498	2.39
Netherlands—5.03%				
ASM International NV	430	120,911	240,707	2.54
ASML Holding NV	232	129,421	236,118	2.49
		250,332	476,825	5.03
South Korea—2.42%				
Samsung Electronics Co. Ltd.	2,753	197,178	229,377	2.42
		197,178	229,377	2.42
Spain—2.47%				
Endesa SA	8,056	237,911	234,357	2.47
		237,911	234,357	2.47
Sweden—10.19%				
Sandvik AB	6,882	187,093	243,352	2.57
Skanska AB, Series 'B'	7,396	246,149	242,477	2.56
Telefonaktiebolaget LM Ericsson, Series 'B'	17,133	260,689	239,336	2.52
Volvo AB, Series 'B'	8,202	212,142	240,715	2.54
		906,073	965,880	10.19

First Trust International Capital Strength ETF
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

Switzerland—14.84%				
Logitech International SA, Registered	2,148	207,123	229,249	2.42
Nestlé SA, Registered	1,328	195,847	234,943	2.48
Novartis AG, Registered	2,124	242,817	236,713	2.50
Roche Holding AG Genussscheine	445	193,639	234,193	2.47
STMicroelectronics NV	3,803	214,486	237,532	2.50
Straumann AG, Registered	87	235,898	233,942	2.47
		1,289,810	1,406,572	14.84
United Kingdom—22.61%				
Anglo American PLC	4,594	238,944	237,230	2.50
AstraZeneca PLC	1,593	214,268	236,692	2.50
Barratt Developments PLC	18,546	205,520	237,520	2.51
Ferguson PLC	1,054	140,874	236,497	2.50
JD Sports Fashion PLC	66,106	197,152	246,517	2.60
Persimmon PLC	4,870	235,669	238,141	2.51
Prudential PLC	10,870	248,802	237,201	2.50
Rio Tinto PLC	2,827	233,850	236,788	2.50
Unilever PLC	3,496	255,620	236,168	2.49
		1,970,699	2,142,754	22.61
Total investments		8,506,045	9,425,919	99.46
Transaction costs		(14,794)		
Other assets, less liabilities			51,578	0.54
Total Net Assets Attributable to Holders of Redeemable Units		8,491,251	9,477,497	100.00

First Trust Cboe Vest U.S. Equity Buffer ETF - August

STATEMENTS OF FINANCIAL POSITION As at December 31, 2021 and December 31, 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Assets		
Cash	170,241	54,390
Derivative assets:		
Options purchased, at fair value	18,709,000	7,384,072
Unrealized appreciation on forward currency contracts	5,967	141,615
Other assets	2,020	2,818
	18,887,228	7,582,895
Liabilities		
Derivative liabilities		
Options written, at fair value	1,046,232	473,541
Accrued liabilities	14,323	5,660
	1,060,555	479,201
Total net assets attributable to holders of redeemable units	17,826,673	7,103,694
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Hedged Units	17,826,673	7,103,694
Redeemable units outstanding [note 6]		
Hedged Units	450,000	200,000
Net assets attributable to holders of redeemable units per unit		
Hedged Units	39.61	35.52

STATEMENTS OF COMPREHENSIVE INCOME For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Revenues		
Other changes in fair value of investments and derivatives		
Net realized gain (loss) on options	581,269	904,050
Net realized gain (loss) on foreign currency contracts	266,585	582,073
Net realized gain (loss) on foreign exchange transactions	(11,006)	(51,668)
Net change in unrealized appreciation (depreciation) of options	532,579	(58,803)
Net change in unrealized appreciation (depreciation) of foreign currency contracts	(135,648)	26,171
	1,233,779	1,401,823
Foreign exchange gain (loss) on cash	14,134	49,108
	1,247,913	1,450,931
Expenses [note 7]		
Management fees	79,343	58,284
HST expense	8,532	5,286
Transaction costs [note 3 and note 9]	4,166	10,044
Independent Review Committee fees	1,564	1,506
Interest expense	75	20
	93,680	75,140
Expenses waived by manager	(1,564)	(1,506)
	92,116	73,634
Increase (Decrease) in net assets attributable to holders of redeemable units	1,155,797	1,377,297
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Hedged Units	1,155,797	1,377,297
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Hedged Units	4.69	6.50

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,
FT Portfolios Canada Co.



..... Director



..... Director

First Trust Cboe Vest U.S. Equity Buffer ETF - August

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the years ended December 31, 2021 and 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Net assets attributable to holders of redeemable units, beginning of year	7,103,694	6,412,066
Increase (Decrease) in net assets attributable to holders of redeemable units	1,155,797	1,377,297
Redeemable unit transactions [note 6]		
Proceeds from issuance of units	15,169,782	12,441,550
Reinvested distributions	1,334,385	1,132,600
Redemption of units	(5,602,600)	(13,127,219)
	10,901,567	446,931
Distributions to holders of redeemable units from:		
Net investment income	-	-
Capital gains	(1,334,385)	(1,132,600)
Return of capital	-	-
	(1,334,385)	(1,132,600)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	10,722,979	691,628
Net assets attributable to holders of redeemable units, end of year	17,826,673	7,103,694

See accompanying notes which are an integral part of these financial statements.

First Trust Cboe Vest U.S. Equity Buffer ETF - August

STATEMENTS OF CASH FLOW	For the years ended December 31, 2021 and 2020	
	December 31 2021 (\$)	December 31 2020 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	1,155,797	1,377,297
Adjustments for:		
Net realized (gain) loss on options	(581,269)	(904,050)
Change in unrealized (appreciation) depreciation of options and foreign currency contracts	(396,931)	32,632
Other assets	798	(2,228)
Other liabilities	8,663	472
Purchases of options	(22,353,960)	(21,477,284)
Proceeds from the sale of options	12,715,571	21,635,492
	(9,451,331)	662,331
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	15,169,782	12,441,550
Amount received from reinvestment of distributions	(5,602,600)	(13,127,219)
Amount paid on redemptions of units	-	-
	9,567,182	(685,669)
Increase (Decrease) in cash for the year	115,851	(23,338)
Cash, beginning of year	54,390	77,728
Cash, end of year	170,241	54,390

See accompanying notes which are an integral part of these financial statements.

First Trust Cboe Vest U.S. Equity Buffer ETF – August
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust Cboe Vest U.S. Equity Buffer ETF – August (the “First Trust ETF”) seeks to provide unitholders with returns (before fees, expenses and taxes) that match the price return of the SPDR® S&P 500® ETF Trust (the “Underlying ETF”) up to a predetermined upside cap (before fees, expenses and taxes), while providing a buffer against the first 10% (before fees, expenses and taxes) of the decrease in market price of the Underlying ETF, over a period of approximately one year from the Monday following the third Friday of August of each year (each, a “Target Outcome Period”). At the end of a Target Outcome Period a new cap will be established for the next Target Outcome Period. The buffer stays constant at 10% (before fees, expenses, and taxes) for the next Target Outcome Period.

B. FAIR VALUE MEASUREMENT (NOTE 5) - The following fair value hierarchy table presents information about the First Trust ETF assets measured at fair value on a recurring basis for the years ended December 31, 2021 and 2020:

	Financial Assets (Liabilities) at Fair Value (\$)			
	Level 1	Level 2	Level 3	Total
As at December 31, 2021				
Derivative assets	–	18,714,967	–	18,714,967
Derivative liabilities	–	(1,046,232)	–	(1,046,232)
Total	–	17,668,735	–	17,668,735
	Financial Assets (Liabilities) at Fair Value (\$)			
	Level 1	Level 2	Level 3	Total
As at December 31, 2020				
Derivative assets	–	7,525,687	–	7,525,687
Derivative liabilities	–	(473,541)	–	(473,541)
Total	–	7,052,146	–	7,052,146

There have been no transfers from one Level to another for the years ended December 31, 2021 and 2020.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of the reporting periods.

C. REDEEMABLE UNITS (NOTE 6) - The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2021 and 2020:

Redeemable Units	Hedged Units
Outstanding units – January 1, 2020	200,000
Redeemable units issued	400,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(400,000)
Outstanding units – December 31, 2020	200,000
Redeemable units issued	400,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(150,000)
Outstanding units – December 31, 2021	450,000

D. MANAGEMENT FEES AND EXPENSES (NOTE 7) - Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee
Hedged Units
0.85%

First Trust Cboe Vest U.S. Equity Buffer ETF – August
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

E. TAXATION (NOTE 8)

Tax loss carry-forwards – There were no net capital losses nor non-capital losses as at December 31, 2021.

F. COMMISSION (NOTE 9) - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during years ended December 31, 2021 and 2020 are as follows:

Transaction Cost (\$)	
2021	2020
4,166	10,044

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the years ended December 31, 2021 and 2020, including amounts owing as at December 31, 2021 and 2020 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2021	2020	2021	2020
79,343	58,284	12,683	5,072

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at December 31, 2021 and 2020, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at December 31, 2021 and 2020, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2021		As at December 31, 2020	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500® Price Return Index (CAD-Hedged)	496,473	(496,473)	245,433	(245,433)

Currency risk - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2021 and 2020:

Currency	As at December 31, 2021		As at December 31, 2020	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	179,746	1.01	150,553	2.12

As at December 31, 2021, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$1,797 (December 31, 2020 - \$1,506). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Concentration Risk – The table below summarizes the First Trust ETF's concentration risk for the years ended December 31, 2021 and 2020:

Holdings	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2021	As at December 31, 2020
Options	99.08	97.28
Total	99.08	97.28

First Trust Cboe Vest U.S. Equity Buffer ETF – August
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2021

	Expiry Date	Strike Price (\$)	Currency	Number of Options	Underlying Interest on Equity Options	Average Cost (\$)	Fair Value	% of Total
Purchased Put Options - 3.96%								
SPDR® S&P 500® ETF Trust	2022-08-19	443.37	USD	303	30,300	1,532,266	705,496	3.96
						1,532,266	705,496	3.96
Purchased Call Options - 100.99%								
SPDR® S&P 500® ETF Trust	2022-08-19	4.44	USD	303	30,300	16,733,610	18,003,504	100.99
						16,733,610	18,003,504	100.99
Written Put Options - (2.30)%								
SPDR® S&P 500® ETF Trust	2022-08-19	399.03	USD	(303)	(30,300)	(912,898)	(410,334)	(2.30)
						(912,898)	(410,334)	(2.30)
Written Call Options - (3.57)%								
SPDR® S&P 500® ETF Trust	2022-08-19	494.98	USD	(303)	(30,300)	(385,539)	(635,898)	(3.57)
						(385,539)	(635,898)	(3.57)
Total options						16,967,439	17,662,768	99.08
Transaction costs						(1,544)		
Unrealized appreciation on derivative - see Schedule 1							5,967	0.03
Other assets, less liabilities							157,938	0.89
Total Net Assets Attributable to Holders of Redeemable Units						16,965,895	17,826,673	100.00

Schedule 1

Counterparty	Credit Rating of Counterparty*	Settlement Date	Currency Sell	Amount Sold	Currency Buy	Amount Bought	Forward Rate	Current Rate	Appreciation
									(Depreciation) \$
Bank of New York Mellon (The), New York	A-1+	2022-01-14	USD	13,941,947	CAD	17,642,000	0.790	0.791	5,967
									5,967

* Commercial paper rating per Standard and Poor's Commercial Paper Guide

First Trust Cboe Vest U.S. Equity Buffer ETF - November

STATEMENTS OF FINANCIAL POSITION As at December 31, 2021 and December 31, 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Assets		
Cash	127,704	256,676
Derivative assets:		
Options purchased, at fair value	15,319,488	24,174,802
Unrealized appreciation on forward currency contracts	17,515	360,186
Other assets	5,411	2,081
	15,470,118	24,793,745
Liabilities		
Derivative liabilities		
Options written, at fair value	895,910	1,710,652
Accrued liabilities	11,375	16,799
	907,285	1,727,451
Total net assets attributable to holders of redeemable units	14,562,833	23,066,294
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Hedged Units	14,562,833	23,066,294
Redeemable units outstanding [note 6]		
Hedged Units	400,000	700,000
Net assets attributable to holders of redeemable units per unit		
Hedged Units	36.41	32.95

STATEMENTS OF COMPREHENSIVE INCOME

For the year ended December 31, 2021 and for the period from February 4, 2020 to December 31, 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Revenues		
Other changes in fair value of investments and derivatives		
Net realized gain (loss) on options	1,417,756	1,058,140
Net realized gain (loss) on foreign currency contracts	498,679	465,838
Net realized gain (loss) on foreign exchange transactions	(4,171)	(17,831)
Net change in unrealized appreciation (depreciation) of options	108,577	131,223
Net change in unrealized appreciation (depreciation) of foreign currency contracts	(342,672)	360,186
	1,678,169	1,997,556
Foreign exchange gain (loss) on cash	(21,576)	6,287
	1,656,593	2,003,843
Expenses [note 7]		
Management fees	127,179	83,485
HST expense	11,492	8,771
Transaction costs [note 3 and note 9]	6,277	12,087
Independent Review Committee fees	2,680	2,127
Other expense	69	-
Interest expense	6	401
	147,703	106,871
Expenses waived by manager	(2,680)	(2,127)
	145,023	104,744
Increase (Decrease) in net assets attributable to holders of redeemable units	1,511,570	1,899,099
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Hedged Units	1,511,570	1,899,099
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Hedged Units	3.51	5.31

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,
FT Portfolios Canada Co.



..... Director



..... Director

First Trust Cboe Vest U.S. Equity Buffer ETF - November

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the year ended December 31, 2021 and for the period from February 4, 2020 to December 31, 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Net assets attributable to holders of redeemable units, beginning of year	23,066,294	-
Increase (Decrease) in net assets attributable to holders of redeemable units	1,511,570	1,899,099
Redeemable unit transactions [note 6]		
Proceeds from issuance of units	1,766,602	27,520,821
Reinvested distributions	848,040	2,933,000
Redemption of units	(11,781,633)	(6,353,626)
	(9,166,991)	24,100,195
Distributions to holders of redeemable units from:		
Net investment income	-	-
Capital gains	(848,040)	(2,933,000)
Return of capital	-	-
	(848,040)	(2,933,000)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	(8,503,461)	23,066,294
Net assets attributable to holders of redeemable units, end of year	14,562,833	23,066,294

See accompanying notes which are an integral part of these financial statements.

First Trust Cboe Vest U.S. Equity Buffer ETF - November

STATEMENTS OF CASH FLOW

For the year ended December 31, 2021 and for the period from February 4, 2020 to December 31, 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	1,511,570	1,899,099
Adjustments for:		
Net realized (gain) loss on options	(1,417,756)	(1,058,140)
Change in unrealized (appreciation) depreciation of options and foreign currency contracts	234,095	(491,409)
Other assets	(3,330)	(2,081)
Other liabilities	(5,424)	16,799
Purchases of options	(20,001,893)	(40,518,804)
Proceeds from the sale of options	29,568,797	19,244,017
	9,886,059	(20,910,519)
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	1,766,602	27,520,821
Amount paid on redemptions of units	(11,781,633)	(6,353,626)
Distributions paid to unitholders	-	-
	(10,015,031)	21,167,195
Increase (Decrease) in cash for the year	(128,972)	256,676
Cash, beginning of year	256,676	-
Cash, end of year	127,704	256,676

See accompanying notes which are an integral part of these financial statements.

First Trust Cboe Vest U.S. Equity Buffer ETF – November
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust Cboe Vest U.S. Equity Buffer ETF – November (the “First Trust ETF”) seeks to provide unitholders with returns (before fees, expenses and taxes) that match the price return of the SPDR® S&P 500® ETF Trust (the “Underlying ETF”) up to a predetermined upside cap (before fees, expenses and taxes), while providing a buffer against the first 10% (before fees, expenses and taxes) of the decrease in market price of the Underlying ETF, over a period of approximately one year from the Monday following the third Friday of November of each year (each, a “Target Outcome Period”). At the end of a Target Outcome Period a new cap will be established for the next Target Outcome Period. The buffer stays constant at 10% (before fees, expenses, and taxes) for the next Target Outcome Period.

B. FAIR VALUE MEASUREMENT (NOTE 5) - The following fair value hierarchy table presents information about the First Trust ETF assets measured at fair value on a recurring basis for the years ended December 31, 2021 and 2020:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Derivative assets	–	15,337,003	–	15,337,003
Derivative liabilities	–	(895,910)	–	(895,910)
Total	–	14,441,093	–	14,441,093
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2020			
	Level 1	Level 2	Level 3	Total
Derivative assets	–	24,534,988	–	24,534,988
Derivative liabilities	–	(1,710,652)	–	(1,710,652)
Total	–	22,824,336	–	22,824,336

There have been no transfers from one Level to another for the years ended December 31, 2021 and 2020.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of the reporting periods.

C. REDEEMABLE UNITS (NOTE 6) - The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2021 and 2020:

Redeemable Units	Hedged Units
Beginning balance – February 4, 2020*	–
Redeemable units issued	900,001
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(200,001)
Outstanding units – December 31, 2020	700,000
Redeemable units issued	50,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(350,000)
Outstanding units – December 31, 2021	400,000

* commencement of operations

First Trust Cboe Vest U.S. Equity Buffer ETF – November
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

D. MANAGEMENT FEES AND EXPENSES (NOTE 7) - Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee
Hedged Units
0.85%

E. TAXATION (NOTE 8)

Tax loss carry-forwards – There were no net capital losses nor non-capital losses as at December 31, 2021 and 2020.

F. COMMISSION (NOTE 9) - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2021 and 2020 are as follows:

Transaction Cost (\$)	
2021	2020
6,277	12,087

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the years ended December 31, 2021 and 2020, including amounts owing as at December 31, 2021 and 2020 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2021	2020	2021	2020
127,179	83,485	10,067	14,867

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at December 31, 2021 and 2020, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at December 31, 2021 and 2020, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2021		As at December 31, 2020	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500® Price Return Index (CAD-Hedged)	379,362	(379,362)	773,874	(773,874)

Currency risk - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2021 and 2020:

Currency	As at December 31, 2021		As at December 31, 2020	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	378,832	2.60	38,378	0.17

As at December 31, 2021, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$3,788 (December 31, 2020- \$384). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

First Trust Cboe Vest U.S. Equity Buffer ETF – November
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

Concentration Risk – The table below summarizes the First Trust ETF’s concentration risk for the years ended December 31, 2021 and 2020:

Holdings	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2021	As at December 31, 2020
Options	99.04	97.39
Total	99.04	97.39

First Trust Cboe Vest U.S. Equity Buffer ETF – November

Notes to Financial Statements - Specific Information

For the year ended December 31, 2021

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2021

	Expiry Date	Strike Price (\$)	Currency	Number of Options	Underlying Interest on Equity Options	Average Cost (\$)	Fair Value	% of Total
Purchased Put Options - 6.74%								
SPDR® S&P 500® ETF Trust	2022-11-18	468.90	USD	242	24,200	1,178,911	980,678	6.74
						1,178,911	980,678	6.74
Purchased Call Options - 98.46%								
SPDR® S&P 500® ETF Trust	2022-11-18	4.70	USD	242	24,200	14,016,306	14,338,810	98.46
						14,016,306	14,338,810	98.46
Written Put Options - (4.01)%								
SPDR® S&P 500® ETF Trust	2022-11-18	422.01	USD	(242)	(24,200)	(739,246)	(583,399)	(4.01)
						(739,246)	(583,399)	(4.01)
Written Call Options - (2.15)%								
SPDR® S&P 500® ETF Trust	2022-11-18	525.64	USD	(242)	(24,200)	(270,076)	(312,511)	(2.15)
						(270,076)	(312,511)	(2.15)
Total options						14,185,895	14,423,578	99.04
Transaction costs						(2,118)		
Unrealized appreciation on derivative - see Schedule 1							17,515	0.12
Other assets, less liabilities							121,740	0.84
Total Net Assets Attributable to Holders of Redeemable Units						14,183,777	14,562,833	100.00

Schedule 1

Counterparty	Credit Rating of Counterparty*	Settlement Date	Currency	Amount			Forward Rate	Current Rate	Appreciation (Depreciation) \$
				Sell	Sold	Buy Bought			
Bank of New York Mellon (The), New York	A-1+	2022-01-14	USD	9,970,049		CAD 12,616,000	0.790	0.791	4,268
Bank of New York Mellon (The), New York	A-1+	2022-01-14	USD	1,222,766		CAD 1,560,000	0.784	0.791	13,247
									17,515

* Commercial paper rating per Standard and Poor's Commercial Paper Guide

First Trust Cboe Vest U.S. Equity Buffer ETF - February

STATEMENTS OF FINANCIAL POSITION As at December 31, 2021 and December 31, 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Assets		
Cash	21,487	105,669
Derivative assets:		
Options purchased, at fair value	7,895,981	22,735,777
Unrealized appreciation on forward currency contracts	2,490	481,445
Other assets	900	210
	7,920,858	23,323,101
Liabilities		
Derivative liabilities:		
Options written, at fair value	478,810	883,102
Accrued liabilities	5,999	18,760
	484,809	901,862
Total net assets attributable to holders of redeemable units	7,436,049	22,421,239
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Hedged Units	7,436,049	22,421,239
Redeemable units outstanding [note 6]		
Hedged Units	200,000	700,000
Net assets attributable to holders of redeemable units per unit		
Hedged Units	37.18	32.03

STATEMENTS OF COMPREHENSIVE INCOME

For the year ended December 31, 2021 and for the period from February 25, 2020 to December 31, 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Revenues		
Other changes in fair value of investments and derivatives		
Net realized gain (loss) on options	2,158,198	43,276
Net realized gain (loss) on foreign currency contracts	309,700	338,173
Net realized gain (loss) on foreign exchange transactions	107,897	4,165
Net change in unrealized appreciation (depreciation) of options	232,364	739,041
Net change in unrealized appreciation (depreciation) of foreign currency contracts	(478,955)	481,445
	2,329,204	1,606,100
Foreign exchange gain (loss) on cash	(109,255)	(8,498)
	2,219,949	1,597,602
Expenses [note 7]		
Management fees	120,455	65,791
HST expense	14,813	8,342
Transaction costs [note 3 and note 9]	10,640	6,607
Independent Review Committee fees	2,571	1,609
Interest expense	-	788
	148,479	83,137
Expenses waived by manager	(2,571)	(1,609)
	145,908	81,528
Increase (Decrease) in net assets attributable to holders of redeemable units	2,074,041	1,516,074
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Hedged Units	2,074,041	1,516,074
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Hedged Units	5.04	5.07

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,
FT Portfolios Canada Co.



..... Director



..... Director

First Trust Cboe Vest U.S. Equity Buffer ETF - February

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the year ended December 31, 2021 and for the period from February 25, 2020 to December 31, 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Net assets attributable to holders of redeemable units, beginning of year	22,421,239	-
Increase (Decrease) in net assets attributable to holders of redeemable units	2,074,041	1,516,074
Redeemable unit transactions [note 6]		
Proceeds from issuance of units	8,146,357	22,492,777
Reinvested distributions	-	1,428,000
Redemption of units	(25,205,588)	(1,587,612)
	(17,059,231)	22,333,165
Distributions to holders of redeemable units from:		
Net investment income	-	-
Capital gains	-	(1,428,000)
Return of capital	-	-
	-	(1,428,000)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	(14,985,190)	22,421,239
Net assets attributable to holders of redeemable units, end of year	7,436,049	22,421,239

See accompanying notes which are an integral part of these financial statements.

First Trust Cboe Vest U.S. Equity Buffer ETF - February

STATEMENTS OF CASH FLOW

For the year ended December 31, 2021 and for the period from February 25, 2020 to December 31, 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	2,074,041	1,516,074
Adjustments for:		
Net realized (gain) loss on options	(2,158,198)	(43,276)
Change in unrealized (appreciation) depreciation of options and foreign currency contracts	246,591	(1,220,486)
Other assets	(690)	(210)
Other liabilities	(12,761)	18,760
Purchases of options	(25,934,006)	(24,322,041)
Proceeds from the sale of options	42,760,072	3,251,683
	16,975,049	(20,799,496)
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	8,146,357	22,492,777
Amount paid on redemptions of units	(25,205,588)	(1,587,612)
Distributions paid to unitholders	-	-
	(17,059,231)	20,905,165
Increase (Decrease) in cash for the year	(84,182)	105,669
Cash, beginning of year	105,669	-
Cash, end of year	21,487	105,669

See accompanying notes which are an integral part of these financial statements.

First Trust Cboe Vest U.S. Equity Buffer ETF – February
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust Cboe Vest U.S. Equity Buffer ETF – February (the “First Trust ETF”) seeks to provide unitholders with returns (before fees, expenses and taxes) that match the price return of the SPDR® S&P 500® ETF Trust (the “Underlying ETF”) up to a predetermined upside cap (before fees, expenses and taxes), while providing a buffer against the first 10% (before fees, expenses and taxes) of the decrease in market price of the Underlying ETF, over a period of approximately one year from the Monday following the third Friday of February of each year (each, a “Target Outcome Period”). At the end of a Target Outcome Period a new cap will be established for the next Target Outcome Period. The buffer stays constant at 10% (before fees, expenses, and taxes) for the next Target Outcome Period.

B. FAIR VALUE MEASUREMENT (NOTE 5) - The following fair value hierarchy table presents information about the First Trust ETF assets measured at fair value on a recurring basis for the years ended December 31, 2021 and 2020:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Derivative assets	–	7,898,471	–	7,898,471
Derivative liabilities	–	(478,810)	–	(478,810)
Total	–	7,419,661	–	7,419,661
	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2020			
	Level 1	Level 2	Level 3	Total
Derivative assets	–	23,217,222	–	23,217,222
Derivative liabilities	–	(883,102)	–	(883,102)
Total	–	22,334,120	–	22,334,120

There have been no transfers from one Level to another for years ended December 31, 2021 and 2020.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of the reporting periods.

C. REDEEMABLE UNITS (NOTE 6) - The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2021 and 2020:

Redeemable Units	Hedged Units
Beginning balance – February 25, 2020*	–
Redeemable units issued	750,001
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(50,001)
Outstanding units – December 31, 2020	700,000
Redeemable units issued	250,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(750,000)
Outstanding units – December 31, 2021	200,000

* commencement of operations

First Trust Cboe Vest U.S. Equity Buffer ETF – February
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

D. MANAGEMENT FEES AND EXPENSES (NOTE 7) - Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee
Hedged Units
0.85%

E. TAXATION (NOTE 8)

Tax loss carry-forwards – There were no net capital losses nor non-capital losses as at December 31, 2021 and 2020.

F. COMMISSION (NOTE 9) - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2021 and 2020 are as follows:

Transaction Cost (\$)	
2021	2020
10,640	6,607

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the years ended December 31, 2021 and 2020, including amounts owing as at December 31, 2021 and 2020 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2021	2020	2021	2020
120,455	65,791	5,309	16,602

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at December 31, 2021 and 2020, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at December 31, 2021 and 2020, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2021		As at December 31, 2020	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500® Price Return Index (CAD-Hedged)	199,658	(199,658)	781,380	(781,380)

Currency risk - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2021 and 2020:

Currency	As at December 31, 2021		As at December 31, 2020	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	69,717	0.94	(362,694)	(1.62)

As December 31, 2021, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$697 (December 31, 2020 - \$(3,627)). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

First Trust Cboe Vest U.S. Equity Buffer ETF – February
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

Concentration Risk – The table below summarizes the First Trust ETF’s concentration risk for the years ended December 31, 2021 and 2020:

Holdings	As a % of net assets attributable to holders of redeemable units	
	As at December 31, 2021	As at December 31, 2020
Options	99.75	97.46
Total	99.75	97.46

First Trust Cboe Vest U.S. Equity Buffer ETF – February
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2021

	Expiry Date	Strike Price (\$)	Currency	Number of Options	Underlying Interest on Equity Options	Average Cost (\$)	Fair Value	% of Total
Purchased Put Options - 0.19%								
SPDR® S&P 500® ETF Trust	2022-02-18	390.04	USD	132	13,200	598,706	13,982	0.19
						598,706	13,982	0.19
Purchased Call Options - 106.00%								
SPDR® S&P 500® ETF Trust	2022-02-18	3.91	USD	132	13,200	6,362,242	7,881,999	106.00
						6,362,242	7,881,999	106.00
Written Put Options - (0.08)%								
SPDR® S&P 500® ETF Trust	2022-02-18	351.04	USD	(132)	(13,200)	(414,305)	(6,114)	(0.08)
						(414,305)	(6,114)	(0.08)
Written Call Options - (6.36)%								
SPDR® S&P 500® ETF Trust	2022-02-18	451.86	USD	(132)	(13,200)	(99,635)	(472,696)	(6.36)
						(99,635)	(472,696)	(6.36)
Total options						6,447,008	7,417,171	99.75
Transaction costs						(1,242)		
Unrealized appreciation on derivative - see Schedule 1							2,490	0.03
Other assets, less liabilities							16,388	0.22
Total Net Assets Attributable to Holders of Redeemable Units						6,445,766	7,436,049	100.00

Schedule 1

Counterparty	Credit Rating of Counterparty*	Settlement Date	Currency	Amount		Currency	Amount	Forward Rate	Current Rate	Appreciation (Depreciation) \$
				Sell	Sold					
Bank of New York Mellon (The), New York	A-1+	2022-01-14	USD	5,818,759		CAD	7,363,000	0.790	0.791	2,490
										2,490

* Commercial paper rating per Standard and Poor's Commercial Paper Guide

First Trust Cboe Vest U.S. Equity Buffer ETF - May

STATEMENTS OF FINANCIAL POSITION As at December 31, 2021 and December 31, 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Assets		
Cash	32,001	29,850
Derivative assets:		
Options purchased, at fair value	3,934,075	1,861,721
Unrealized appreciation on forward currency contracts	1,245	33,984
Other assets	925	415
	3,968,246	1,925,970
Liabilities		
Derivative liabilities		
Options written, at fair value	246,176	241,708
Accrued liabilities	2,996	1,365
	249,172	243,073
Total net assets attributable to holders of redeemable units	3,719,074	1,682,897
Total Net Assets Attributable to Holders of Redeemable Units for each class		
Hedged Units	3,719,074	1,682,897
Redeemable units outstanding [note 6]		
Hedged Units	100,000	50,000
Net assets attributable to holders of redeemable units per unit		
Hedged Units	37.19	33.66

STATEMENTS OF COMPREHENSIVE INCOME

For the year ended December 31, 2021 and for the period from May 21, 2020 to December 31, 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Revenues		
Other changes in fair value of investments and derivatives		
Net realized gain (loss) on options	17,329	1,957
Net realized gain (loss) on foreign currency contracts	(42,541)	104,461
Net realized gain (loss) on foreign exchange transactions	(884)	(34)
Net change in unrealized appreciation (depreciation) of options	394,172	50,415
Net change in unrealized appreciation (depreciation) of foreign currency contracts	(32,738)	33,984
	335,338	190,783
Foreign exchange gain (loss) on cash	1,315	(2,377)
	336,653	188,406
Expenses [note 7]		
Management fees	24,078	8,409
HST expense	2,266	679
Transaction costs [note 3 and note 9]	859	532
Independent Review Committee fees	478	258
Interest expense	53	-
	27,734	9,878
Expenses waived by manager	(478)	(258)
	27,256	9,620
Increase (Decrease) in net assets attributable to holders of redeemable units	309,397	178,786
Increase (Decrease) in net assets attributable to holders of redeemable units for each class		
Hedged Units	309,397	178,786
Increase (Decrease) in net assets attributable to holders of redeemable units per unit		
Hedged Units	3.87	3.58

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,
FT Portfolios Canada Co.



..... Director



..... Director

First Trust Cboe Vest U.S. Equity Buffer ETF - May

STATEMENTS OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the year ended December 31, 2021 and for the period from May 21, 2020 to December 31, 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Net assets attributable to holders of redeemable units, beginning of year	1,682,897	-
Increase (Decrease) in net assets attributable to holders of redeemable units	309,397	178,786
Redeemable unit transactions [note 6]		
Proceeds from issuance of units	1,726,780	1,504,141
Reinvested distributions	-	235,000
Redemption of units	-	(30)
	1,726,780	1,739,111
Distributions to holders of redeemable units from:		
Net investment income	-	-
Capital gains	-	(235,000)
Return of capital	-	-
	-	(235,000)
Increase (Decrease) in net assets attributable to holders of redeemable units for the year	2,036,177	1,682,897
Net assets attributable to holders of redeemable units, end of year	3,719,074	1,682,897

See accompanying notes which are an integral part of these financial statements.

First Trust Cboe Vest U.S. Equity Buffer ETF - May

STATEMENTS OF CASH FLOW

For the year ended December 31, 2021 and for the period from May 21, 2020 to December 31, 2020

	December 31 2021 (\$)	December 31 2020 (\$)
Cash flows from (used in) Operating Activities		
Increase (Decrease) in net assets attributable to holders of redeemable units	309,397	178,786
Adjustments for:		
Net realized (gain) loss on options	(17,329)	(1,957)
Change in unrealized (appreciation) depreciation of options and foreign currency contracts	(361,434)	(84,399)
Other assets	(510)	(415)
Other liabilities	1,631	1,365
Purchases of options	(4,160,597)	(1,765,335)
Proceeds from the sale of options	2,504,213	197,694
	(1,724,629)	(1,474,261)
Cash flows from (used in) Financing Activities		
Amount received from the issuance of units	1,726,780	1,504,141
Amount paid on redemptions of units	-	(30)
Distributions paid to unitholders	-	-
	1,726,780	1,504,111
Increase (Decrease) in cash for the year	2,151	29,850
Cash, beginning of year	29,850	-
Cash, end of year	32,001	29,850

See accompanying notes which are an integral part of these financial statements.

First Trust Cboe Vest U.S. Equity Buffer ETF – May
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust Cboe Vest U.S. Equity Buffer ETF - May (the “First Trust ETF”) seeks to provide unitholders with returns (before fees, expenses and taxes) that match the price return of the SPDR® S&P 500® ETF Trust (the “Underlying ETF”) up to a predetermined upside cap (before fees, expenses and taxes), while providing a buffer against the first 10% (before fees, expenses and taxes) of the decrease in market price of the Underlying ETF, over a period of approximately one year from the Monday following the third Friday of May of each year (each, a “Target Outcome Period”). At the end of a Target Outcome Period a new cap will be established for the next Target Outcome Period. The buffer stays constant at 10% (before fees, expenses, and taxes) for the next Target Outcome Period.

B. FAIR VALUE MEASUREMENT (NOTE 5) - The following fair value hierarchy table presents information about the First Trust ETF assets measured at fair value on a recurring basis for the years ended December 31, 2021 and 2020:

	Financial Assets (Liabilities) at Fair Value (\$)			
	As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Derivative assets	–	3,935,320	–	3,935,320
Derivative liabilities	–	(246,176)	–	(246,176)
Total	–	3,689,144	–	3,689,144

	Financial Assets (Liabilities) at Fair Value (\$)			
	As at December 31, 2020			
	Level 1	Level 2	Level 3	Total
Derivative assets	–	1,895,705	–	1,895,705
Derivative liabilities	–	(241,708)	–	(241,708)
Total	–	1,653,997	–	1,653,997

There have been no transfers from one Level to another for the years ended December 31, 2021 and 2020.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of the reporting periods.

C. REDEEMABLE UNITS (NOTE 6) - The First Trust ETF issued (redeemed) the following units during the years ended December 31, 2021 and 2020:

Redeemable Units	Hedged Units
Beginning balance – May 21, 2020*	–
Redeemable units issued	50,001
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(1)
Outstanding units – December 31, 2020	50,000
Redeemable units issued	50,000
Redeemable units issued on reinvestments	–
Redeemable units redeemed	–
Outstanding units – December 31, 2021	100,000

* commencement of operations

First Trust Cboe Vest U.S. Equity Buffer ETF – May
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

D. MANAGEMENT FEES AND EXPENSES (NOTE 7) - Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee
Hedged Units
0.85%

E. TAXATION (NOTE 8)

Tax loss carry-forwards - The net capital losses and/or non-capital losses as at December 31, 2021 and 2020 were as follows:

Net Capital Losses (\$)		Non-Capital Losses (\$)	
2021	2020	2021	2020
4,435	–	–	–

F. COMMISSION (NOTE 9) - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the years ended December 31, 2021 and 2020 is as follows:

Transaction Cost (\$)	
2021	2020
859	532

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the years ended December 31, 2021 and 2020, including amounts owing as at December 31, 2021 and 2020 are as follows:

Management Fee Expense (\$)		Management Fee Payable (\$)	
2021	2020	2021	2020
24,078	8,409	2,651	1,207

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at December 31, 2021 and 2020, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at December 31, 2021 and 2020, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	As at December 31, 2021		As at December 31, 2020	
	5% Increase (\$)	5% Decrease (\$)	5% Increase (\$)	5% Decrease (\$)
S&P 500® Price Return Index (CAD-Hedged)	124,589	(124,589)	45,354	(45,354)

First Trust Cboe Vest U.S. Equity Buffer ETF – May
Notes to Financial Statements - Specific Information
For the year ended December 31, 2021

Currency risk - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2021 and 2020:

Currency	As at December 31, 2021		As at December 31, 2020	
	Net Exposure (\$)	% Net Assets	Net Exposure (\$)	% Net Assets
United States Dollar	34,765	0.94	17,888	1.06

As at December 31, 2021, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$348 (December 31, 2020 - \$179). In practice, actual results may differ from this sensitivity analysis and the difference could be material.

Concentration Risk – The table below summarizes the First Trust ETF's concentration risk for the years ended December 31, 2021 and 2020:

Holdings	As a % of net assets attributable to holders of redeemable units	As a % of net assets attributable to holders of redeemable units
	As at December 31, 2021	As at December 31, 2020
Options	99.16	96.26
Total	99.16	96.26

First Trust Cboe Vest U.S. Equity Buffer ETF – May Notes to Financial Statements - Specific Information For the year ended December 31, 2021

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2021

	Expiry Date	Strike Price (\$)	Currency	Number of Options	Underlying Interest on Equity Options	Average Cost (\$)	Fair Value	% of Total
Purchased Put Options - 1.65%								
SPDR® S&P 500® ETF Trust	2022-05-20	414.95	USD	65	6,500	249,814	61,449	1.65
						249,814	61,449	1.65
Purchased Call Options - 104.13%								
SPDR® S&P 500® ETF Trust	2022-05-20	4.16	USD	65	6,500	3,200,502	3,872,626	104.13
						3,200,502	3,872,626	104.13
Written Put Options - (0.92)%								
SPDR® S&P 500® ETF Trust	2022-05-20	373.46	USD	(65)	(6,500)	(147,774)	(34,204)	(0.92)
						(147,774)	(34,204)	(0.92)
Written Call Options - (5.70)%								
SPDR® S&P 500® ETF Trust	2022-05-20	466.82	USD	(65)	(6,500)	(58,899)	(211,972)	(5.70)
						(58,899)	(211,972)	(5.70)
Total options						3,243,643	3,687,899	99.16
Transaction costs						(331)		
Unrealized appreciation on derivative - see Schedule 1							1,245	0.03
Other assets, less liabilities							29,930	0.81
Total Net Assets Attributable to Holders of Redeemable Units						3,243,312	3,719,074	100.00

Schedule 1

Counterparty	Counterparty*	Credit Rating of Settlement Date	Currency Sell	Amount Sold	Currency Buy	Amount Bought	Forward Rate	Current Rate	Appreciation
									(Depreciation) \$
Bank of New York Mellon (The), New York	A-1+	2022-01-14	USD	2,909,775	CAD	3,682,000	0.790	0.791	1,245
									1,245

* Commercial paper rating per Standard and Poor's Commercial Paper Guide

First Trust JFL Fixed Income Core Plus ETF

STATEMENT OF FINANCIAL POSITION As at December 31, 2021

	December 31 2021 (\$)
Assets	
Investments (non-derivative financial assets)	2,007,792
Cash	20,977
Accrued investment income receivable	9,730
Other assets	324
	2,038,823
Liabilities	
Accrued liabilities	1,165
Distributions payable to holders of redeemable units	3,680
	4,845
Total net assets attributable to holders of redeemable units	2,033,978
Total Net Assets Attributable to Holders of Redeemable Units per class	
Units	2,033,978
Redeemable units outstanding [note 6]	
Units	100,000
Net assets attributable to holders of redeemable units per unit	
Units	20.34

STATEMENT OF COMPREHENSIVE INCOME For the period from March 19, 2021 to December 31, 2021

	December 31 2021 (\$)
Revenues	
Dividends	2,756
Interest income for distribution purposes	43,383
Other changes in fair value of investments	
Net realized gain (loss) on investments	10,580
Change in unrealized appreciation (depreciation) of investments	22,054
	78,773
Expenses [note 7]	
Management fees	11,180
HST expense	1,243
Transaction costs [note 3 and note 9]	460
Independent Review Committee fees	355
	13,238
Expenses waived by manager	(1,953)
	11,285
Increase (Decrease) in net assets attributable to holders of redeemable units	67,488
Increase (Decrease) in net assets attributable to holders of redeemable units for each class	
Units	67,488
Increase (Decrease) in net assets attributable to holders of redeemable units per unit	
Units	0.68

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,
FT Portfolios Canada Co.



..... Director



..... Director

First Trust JFL Fixed Income Core Plus ETF

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the period from March 19, 2021 to December 31, 2021

	December 31 2021 (\$)
Net assets attributable to holders of redeemable units, beginning of period	-
Increase (Decrease) in net assets attributable to holders of redeemable units	67,488
Redeemable unit transactions [note 6]	
Proceeds from redeemable units issued	2,000,020
Reinvested distributions	11,500
Redemption of redeemable units	(20)
	2,011,500
Distributions to holders of redeemable units from:	
Net investment income	(33,508)
Capital gains	(11,500)
Return of capital	(2)
	(45,010)
Increase (Decrease) in net assets attributable to holders of redeemable units for the period	2,033,978
Net assets attributable to holders of redeemable units, end of period	2,033,978

See accompanying notes which are an integral part of these financial statements.

First Trust JFL Fixed Income Core Plus ETF

STATEMENT OF CASH FLOW

For the period from March 19, 2021 to December 31, 2021

	December 31 2021 (\$)
Cash flows from (used in) Operating Activities	
Increase (Decrease) in net assets attributable to holders of redeemable units	67,488
Adjustments for:	
Net realized (gain) loss on investments	(10,580)
Change in unrealized (appreciation) depreciation of investments	(22,054)
Interest receivable	(9,730)
Other assets	(324)
Other liabilities	1,165
Purchases of investments	(2,644,137)
Proceeds from the sale of investments	668,979
	<u>(1,949,193)</u>
Cash flows from (used in) Financing Activities	
Amount received from the issuance of units	2,000,020
Amount paid on redemptions of units	(20)
Distributions paid to unitholders	(29,830)
	<u>1,970,170</u>
Increase (Decrease) in cash for the period	20,977
Cash, beginning of period	-
Cash, end of period	20,977
Interest received	33,653
Dividends received, net of withholding taxes	2,756

See accompanying notes which are an integral part of these financial statements

First Trust JFL Fixed Income Core Plus ETF
Notes to Financial Statements - Specific Information
For the period ended December 31, 2021

A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust JFL Fixed Income Core Plus ETF (the “First Trust ETF”) seeks to provide unitholders with income and preserve capital by investing at least 75% of the First Trust ETF’s net assets in a diversified portfolio of investment grade Canadian corporate, federal, provincial, and municipal bonds. The First Trust ETF may also invest up to 25% of the fund’s net assets in non-investment grade corporate bonds (at the time of purchase, as rated by a designated rating organization), high yield bonds, developed international bonds, emerging market bonds, preferred shares and convertible bonds of North American and/or international issuers.

B. FAIR VALUE MEASUREMENT (NOTE 5) - The following fair value hierarchy tables present information about the First Trust ETF assets measured at fair value on a recurring basis for the period ended December 31, 2021:

	Financial Assets (Liabilities) at Fair Value (\$) As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Bonds	–	2,007,792	–	2,007,792
Total	–	2,007,792	–	2,007,792

There have been no transfers from one Level to another for the period ended December 31, 2021.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of the reporting periods.

C. REDEEMABLE UNITS (NOTE 6) - The First Trust ETF issued (redeemed) the following units during the period ended December 31, 2021:

Redeemable Units	Units
Outstanding units – March 19, 2021*	–
Redeemable units issued	100,001
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(1)
Outstanding units December 31, 2021	100,000

*commencement of operations

D. MANAGEMENT FEES AND EXPENSES (NOTE 7) - Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee ¹
Units
0.60%

¹ The Manager has agreed to waive a portion of the management fee equal to 0.10% of average daily net assets of the First Trust ETF until December 31, 2021 in response to the current low interest rate environment. The Manager anticipates that if the trailing average 30-day yield of the current 10-year Canadian Treasury Bond exceeds 3.50% before December 31, 2021, the fee waiver may not be continued past December 31, 2021. Given that the 0.10% waiver is on an annualized basis, if the waiver is for less than a year, the net management fee will be higher than 0.60%. Following December 31, 2021, the Manager may waive a portion of the management fee at any time in its discretion.

F. COMMISSION (NOTE 9) - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the period ended December 31, 2021 is as follows:

Transaction Cost (\$)
2021
460

First Trust JFL Fixed Income Core Plus ETF
Notes to Financial Statements - Specific Information
For the period ended December 31, 2021

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the period ended December 31, 2021, including amount owing as at December 31, 2021 is as follows:

Management Fee Expense (\$)	Management Fee Payable (\$)
2021	2021
11,180	1,031

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Interest rate risk - The table below summarizes the First Trust ETF's exposure to a diversified portfolio of investment grade Canadian corporate, federal, provincial and municipal bonds as at December 31, 2021:

	As at December 31, 2021	
	Fair Value (\$)	% of Net Assets
Less than 1 year	10,102	0.50
1-3 years	428,798	21.09
3-5 years	189,396	9.29
> 5 years	1,379,496	67.83
Total	2,007,792	98.71

At December 31, 2021, the weighted average duration of the First Trust ETF was 8.38 years. If interest rates increased or decreased by 1% at December 31, 2021, with all other variables remaining constant, net assets would have decreased or increased by approximately \$20,078. In practice, the actual results may differ from this sensitivity analysis and the difference could be material.

Credit risk – Below are the First Trust ETF's breakdown by credit rating as at December 31, 2021:

Debt Securities by S&P Rating	As a % of net assets attributable to holders of redeemable units
	As at December 31, 2021
AAA	23.42
AA	20.37
A	29.64
BBB	21.73
Below BBB	3.55
Total	98.71

Concentration Risk - The table below summarizes the First Trust ETF's concentration risk for the period ended December 31, 2021:

Sector	As a % of net assets attributable to holders of redeemable units
	As at December 31, 2021
Corporate Bonds	52.23
Provincial Bonds & Guarantees	23.43
Federal Bonds & Guarantees	23.05
Total	98.71

First Trust JFL Fixed Income Core Plus ETF

Notes to Financial Statements - Specific Information

For the period ended December 31, 2021

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2021

	Coupon		Maturity Date	Average Cost (\$)	Fair Value (\$)	% of Total
	Par Value	Rate/Yield				
CANADIAN BONDS						
Federal Bonds & Guarantees - 23.43%						
Canada Housing Trust No. 1	10,000	1.10%	15-Dec-26	9,981	9,787	0.48
Canada Housing Trust No. 1	12,000	1.55%	15-Dec-26	11,976	12,001	0.59
Canada Housing Trust No. 1	56,000	2.35%	15-Jun-27	58,695	58,183	2.86
Canada Housing Trust No. 1	17,000	1.75%	15-Jun-30	17,108	16,964	0.83
Canada Housing Trust No. 1	68,000	1.40%	15-Mar-31	64,440	65,506	3.22
Canada Housing Trust No. 1, Series '104'	50,000	2.15%	15-Dec-31	50,941	51,169	2.52
CPPIB Capital Inc.	26,000	3.00%	15-Jun-28	28,267	28,060	1.38
Government of Canada	10,000	2.25%	01-Jun-25	10,577	10,373	0.51
Government of Canada	10,000	0.25%	01-Mar-26	9,622	9,613	0.47
Government of Canada	12,000	1.00%	01-Jun-27	12,081	11,845	0.58
Government of Canada	9,000	2.00%	01-Jun-28	9,600	9,401	0.46
Government of Canada	6,000	2.25%	01-Jun-29	6,481	6,404	0.32
Government of Canada	35,000	1.25%	01-Jun-30	34,188	34,746	1.71
Government of Canada	7,000	4.00%	01-Jun-41	9,422	9,718	0.48
Government of Canada	24,000	2.75%	01-Dec-48	27,725	29,610	1.46
Government of Canada	105,000	2.00%	01-Dec-51	105,009	112,997	5.56
				466,113	476,377	23.43
Provincial Bonds & Guarantees - 23.05%						
Hydro-Québec	13,000	2.10%	15-Feb-60	10,782	11,798	0.58
Province of Alberta	8,000	2.20%	01-Jun-26	8,298	8,215	0.40
Province of Alberta	6,000	2.05%	01-Jun-30	5,913	6,028	0.30
Province of Alberta	15,000	3.10%	01-Jun-50	15,174	16,663	0.82
Province of British Columbia	25,000	5.70%	18-Jun-29	32,161	31,729	1.56
Province of British Columbia	8,000	4.30%	18-Jun-42	10,019	10,433	0.51
Province of British Columbia, Series 'BCCD-35'	1,000	2.80%	18-Jun-48	1,001	1,073	0.05
Province of New Brunswick	48,000	3.10%	14-Aug-28	52,104	51,842	2.55
Province of New Brunswick	26,000	3.10%	14-Aug-48	26,571	28,687	1.41
Province of Newfoundland and Labrador	6,000	1.75%	02-Jun-30	5,743	5,835	0.29
Province of Nova Scotia	11,000	3.15%	01-Dec-51	11,639	12,476	0.61
Province of Ontario	16,000	2.90%	02-Jun-28	17,188	17,103	0.84
Province of Ontario	17,000	1.35%	02-Dec-30	15,777	16,130	0.79
Province of Ontario	3,000	2.25%	02-Dec-31	2,993	3,045	0.15
Province of Ontario	8,000	4.70%	02-Jun-37	10,218	10,396	0.51
Province of Ontario	36,000	2.80%	02-Jun-48	35,801	38,288	1.88
Province of Ontario	57,000	2.65%	02-Dec-50	54,973	59,256	2.91
Province of Quebec	5,000	6.25%	01-Jun-32	6,947	6,927	0.34
Province of Quebec	17,000	5.75%	01-Dec-36	23,972	24,338	1.20
Province of Quebec	12,000	5.00%	01-Dec-41	16,277	16,896	0.83
Province of Quebec	50,000	3.50%	01-Dec-48	56,450	60,443	2.97
Province of Quebec	10,000	3.10%	01-Dec-51	10,716	11,462	0.56
Province of Quebec	6,000	2.85%	01-Dec-53	6,050	6,589	0.32
Province of Quebec, Series 'QY'	8,000	1.85%	13-Feb-27	8,169	8,115	0.40
Province of Saskatchewan	5,000	3.10%	02-Jun-50	5,160	5,569	0.27
				450,096	469,336	23.05
Corporate Bonds - 41.81%						
407 International Inc., Callable, Series '99-A2'	14,000	6.47%	27-Jul-29	18,167	17,917	0.88
AltaLink L.P.	5,000	3.67%	06-Nov-23	5,286	5,215	0.26
AltaLink L.P., Callable	8,000	3.99%	30-Jun-42	8,850	9,299	0.46
Bank of Montreal	68,000	2.89%	20-Jun-23	71,160	69,677	3.43
Bank of Montreal	17,000	2.28%	29-Jul-24	17,595	17,263	0.85
Bruce Power L.P., Callable, Series '17-2'	8,000	4.01%	21-Jun-29	8,664	8,790	0.43
Calgary Airport Authority, Callable, Series 'A'	6,000	3.20%	07-Oct-36	6,009	6,164	0.30
Calgary Airport Authority, Callable, Series 'D'	3,000	3.55%	07-Oct-51	3,000	3,281	0.16
Calgary Airport Authority, Callable, Series 'E'	3,000	3.55%	07-Oct-53	3,000	3,289	0.16
Canadian Imperial Bank of Commerce	50,000	2.43%	09-Jun-23	51,696	50,780	2.50
Canadian Imperial Bank of Commerce	10,000	2.43%	09-Jun-23	10,232	10,156	0.50
Canadian Imperial Bank of Commerce	31,000	2.00%	17-Apr-25	31,663	31,164	1.53
Canadian Pacific Railway Co., Callable	4,000	1.59%	24-Nov-23	4,000	4,006	0.20
CCL Industries Inc., Callable, Series '1'	15,000	3.86%	13-Apr-28	16,242	16,047	0.79
Corus Entertainment Inc., Callable	35,000	5.00%	11-May-28	35,337	35,226	1.73
Enbridge Inc., Variable Rate, Callable, Series 'C'	25,000	6.63%	12-Apr-78	28,085	28,334	1.39
Federation des Caisses Desjardins du Québec	34,000	3.06%	11-Sep-23	35,841	35,027	1.72
Federation des Caisses Desjardins du Québec	37,000	1.09%	21-Jan-26	35,964	35,779	1.76
Federation des Caisses Desjardins du Québec	5,000	1.59%	10-Sep-26	5,000	4,902	0.24

First Trust JFL Fixed Income Core Plus ETF

Notes to Financial Statements - Specific Information

For the period ended December 31, 2021

Greater Toronto Airports Authority, Callable, Series '20-1'	12,000	1.54%	03-May-28	11,477	11,588	0.57
Greater Toronto Airports Authority, Callable, Series '21-1'	3,000	3.15%	05-Oct-51	2,995	3,107	0.15
HSBC Bank Canada	10,000	2.25%	15-Sep-22	10,221	10,102	0.50
Hydro One Inc., Callable	17,000	2.23%	17-Sep-31	16,703	16,797	0.83
Hydro One Inc., Callable, Series '42'	10,000	2.54%	05-Apr-24	10,470	10,237	0.50
Hydro One Inc., Callable, Series '44'	9,000	3.64%	05-Apr-50	9,503	10,077	0.50
Keyera Corp., Variable Rate, Callable	6,000	5.95%	10-Mar-81	6,015	6,182	0.30
Manulife Bank of Canada	34,000	2.38%	19-Nov-24	35,391	34,676	1.70
National Bank of Canada	40,000	2.98%	04-Mar-24	42,217	41,189	2.03
National Bank of Canada	9,000	1.53%	15-Jun-26	9,000	8,834	0.43
North West Redwater Partnership / NWR Financing Co. Ltd., Callable, Series 'K'	15,000	3.65%	01-Jun-35	15,309	15,688	0.77
North West Redwater Partnership / NWR Financing Co. Ltd., Callable, Series 'N'	15,000	2.80%	01-Jun-31	15,368	15,047	0.74
North West Redwater Partnership / NWR Financing Co. Ltd., Callable, Series 'O'	10,000	3.75%	01-Jun-51	9,993	10,479	0.52
North West Redwater Partnership / NWR Financing Co. Ltd., Series 'L'	2,000	1.20%	01-Dec-23	1,999	1,987	0.10
NuVista Energy Ltd., Callable	15,000	7.88%	23-Jul-26	14,848	15,475	0.76
Ritchie Bros Holdings Ltd., Callable	15,000	4.95%	15-Dec-29	15,000	15,300	0.75
Royal Bank of Canada	75,000	3.30%	26-Sep-23	79,387	77,412	3.81
Sun Life Financial Inc., Variable Rate, Callable	3,000	3.15%	18-Nov-36	3,084	3,104	0.15
Suncor Energy Inc., Callable	4,000	3.00%	14-Sep-26	4,200	4,143	0.20
Suncor Energy Inc., Callable	42,000	3.10%	24-May-29	43,883	43,228	2.13
Suncor Energy Inc., Callable	23,000	5.00%	09-Apr-30	26,564	26,599	1.31
Suncor Energy Inc., Callable, Series '5'	2,000	4.34%	13-Sep-46	2,074	2,141	0.11
Toronto-Dominion Bank (The)	40,000	1.91%	18-Jul-23	41,012	40,433	1.99
Toronto-Dominion Bank (The), Variable Rate, Callable	30,000	3.11%	22-Apr-30	31,658	30,978	1.52
				854,162	847,119	41.66
				1,770,371	1,792,832	88.14
INTERNATIONAL BONDS						
Corporate Bonds - 10.57%						
Anheuser-Busch InBev Finance Inc., Callable	19,000	4.32%	15-May-47	19,517	20,851	1.03
Apple Inc., Callable	30,000	2.51%	19-Aug-24	31,485	30,741	1.51
Heathrow Funding Ltd.	17,000	3.40%	08-Mar-30	17,571	17,666	0.87
Heathrow Funding Ltd., Callable	2,000	3.78%	04-Sep-32	2,118	2,123	0.10
Heathrow Funding Ltd., Callable	10,000	3.66%	13-Jan-33	10,117	10,485	0.52
National Grid Electricity Transmission PLC, Callable	5,000	2.30%	22-Jun-29	4,980	4,969	0.24
Verizon Communications Inc., Callable	11,000	3.63%	16-May-50	10,223	10,968	0.54
Walt Disney Co. (The)	45,000	3.06%	30-Mar-27	47,761	46,737	2.30
Wells Fargo & Co.	37,000	3.87%	21-May-25	39,922	39,110	1.92
Wells Fargo & Co.	31,000	2.49%	18-Feb-27	31,842	31,310	1.54
				215,536	214,960	10.57
Total investments				1,985,907	2,007,792	98.71
Transaction costs				(169)		
Other assets, less liabilities					26,186	1.29
Total Net Assets Attributable to Holders of Redeemable Units				1,985,738	2,033,978	100.00

First Trust JFL Global Equity ETF

STATEMENT OF FINANCIAL POSITION As at December 31, 2021

	December 31 2021 (\$)
Assets	
Investments (non-derivative financial assets)	15,289,715
Cash	238,230
Accrued dividend receivable	5,006
	15,532,951
Liabilities	
Accrued liabilities	13,261
	13,261
Total net assets attributable to holders of redeemable units	15,519,690
Total Net Assets Attributable to Holders of Redeemable Units per class	
Units	15,519,690
Redeemable units outstanding [note 6]	
Units	675,000
Net assets attributable to holders of redeemable units per unit	
Units	22.99

STATEMENT OF COMPREHENSIVE INCOME For the period from March 19, 2021 to December 31, 2021

	December 31 2021 (\$)
Revenues	
Dividends	44,973
Interest income for distribution purposes	4,405
Other changes in fair value of investments	
Net realized gain (loss) on investments	18,722
Change in unrealized appreciation (depreciation) of foreign exchange	(9,582)
Change in unrealized appreciation (depreciation) of investments	527,106
	585,624
Foreign exchange gain (loss) on cash	19,699
	605,323
Expenses [note 7]	
Management fees	46,378
Transaction costs [note 3 and note 9]	14,910
HST expense	6,747
Independent Review Committee fees	938
	68,973
Expenses waived by manager	(938)
	68,035
Increase (Decrease) in net assets attributable to holders of redeemable units before tax	537,288
Withholding taxes	6,200
Increase (Decrease) in net assets attributable to holders of redeemable units	531,088
Increase (Decrease) in net assets attributable to holders of redeemable units for each class	
Units	531,088
Increase (Decrease) in net assets attributable to holders of redeemable units per unit	
Units	1.70

See accompanying notes which are an integral part of these financial statements.

On behalf of the Trustee,
FT Portfolios Canada Co.



..... Director



..... Director

First Trust JFL Global Equity ETF

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF REDEEMABLE UNITS

For the period from March 19, 2021 to December 31, 2021

	December 31 2021 (\$)
Net assets attributable to holders of redeemable units, beginning of period	-
Increase (Decrease) in net assets attributable to holders of redeemable units	531,088
Redeemable unit transactions [note 6]	
Proceeds from redeemable units issued	14,989,597
Reinvested distributions	4,253
Redemption of redeemable units	(20)
	14,993,830
Distributions to holders of redeemable units from:	
Net investment income	-
Capital gains	(5,191)
Return of capital	(37)
	(5,228)
Increase (Decrease) in net assets attributable to holders of redeemable units for the period	15,519,690
Net assets attributable to holders of redeemable units, end of period	15,519,690

See accompanying notes which are an integral part of these financial statements.

First Trust JFL Global Equity ETF

STATEMENT OF CASH FLOW

For the period from March 19, 2021 to December 31, 2021

	December 31 2021 (\$)
Cash flows from (used in) Operating Activities	
Increase (Decrease) in net assets attributable to holders of redeemable units	531,088
Adjustments for:	
Net realized (gain) loss on investments	(18,722)
Change in unrealized (appreciation) depreciation of investments	(527,106)
Dividends receivable	(5,006)
Other liabilities	13,261
Purchases of investments	(15,449,934)
Proceeds from the sale of investments	706,047
	(14,750,372)
Cash flows from (used in) Financing Activities	
Amount received from the issuance of units	14,989,597
Amount paid on redemptions of units	(20)
Distributions paid to unitholders	(975)
	14,988,602
Increase (Decrease) in cash for the period	238,230
Cash, beginning of period	-
Cash, end of period	238,230
Interest received	4,405
Dividends received, net of withholding taxes	33,767

See accompanying notes which are an integral part of these financial statements

First Trust JFL Global Equity ETF
Notes to Financial Statements - Specific Information
For the period ended December 31, 2021

A. INVESTMENT OBJECTIVE (NOTE 1) – First Trust JFL Global Equity ETF (the “First Trust ETF”) seeks to provide unitholders with capital appreciation by investing primarily in equity securities of large multinational companies that have demonstrated global leadership in their industry. The Sub-Advisor will primarily target international companies that benefit from exposure to economies typically growing at a rate higher than the global gross domestic product (GDP). Emphasis will be on non-cyclical companies that have a competitive advantage in their industry. The First Trust ETF will not invest more than 20% of its net assets in securities of issuers located in emerging markets.

B. FAIR VALUE MEASUREMENT (NOTE 5) - The following fair value hierarchy tables present information about the First Trust ETF assets measured at fair value on a recurring basis for the period ended December 31, 2021:

	Financial Assets (Liabilities) at Fair Value (\$)			
	As at December 31, 2021			
	Level 1	Level 2	Level 3	Total
Equities	15,289,715	–	–	15,289,715
Total	15,289,715	–	–	15,289,715

There have been no transfers from one Level to another for the period ended December 31, 2021.

The First Trust ETF did not hold any Level 3 instruments at the beginning of, during, or at the end of the reporting periods.

C. REDEEMABLE UNITS (NOTE 6) - The First Trust ETF issued (redeemed) the following units during the period ended December 31, 2021:

Redeemable Units	Units
Outstanding units – March 19, 2021*	–
Redeemable units issued	675,001
Redeemable units issued on reinvestments	–
Redeemable units redeemed	(1)
Outstanding units December 31, 2021	675,000

*commencement of operations

D. MANAGEMENT FEES AND EXPENSES (NOTE 7) - Below is the current annual management fee charged to the First Trust ETF:

Annual Management Fee
Units
0.85%

F. COMMISSION (NOTE 9) - Total commissions and other transaction costs paid or payable to dealers by the First Trust ETF for its portfolio transactions during the period ended December 31, 2021 is as follows:

Transaction Cost (\$)
2021
14,910

First Trust JFL Global Equity ETF
Notes to Financial Statements - Specific Information
For the period ended December 31, 2021

G. RELATED PARTY INFORMATION (NOTE 10) - The total management fees earned by the Manager for the period ended December 31, 2021, including amount owing as at December 31, 2021 is as follows:

Management Fee Expense (\$)	Management Fee Payable (\$)
2021	2021
46,378	11,101

H. FINANCIAL RISK MANAGEMENT (NOTE 11)

Market risk - As at December 31, 2021, the First Trust ETF's market risk is affected by changes in actual market prices and foreign currency movements. If the following index had increased (decreased) by 5% at December 31, 2021, with all other variables held constant, this would have approximately increased (decreased) net assets as follows:

Index	At December 31, 2021	
	5% Increase (\$)	5% Decrease (\$)
MSCI ACWI Index	775,985	(775,985)

Currency risk - The table below summarizes the First Trust ETF's net currency exposure as at December 31, 2021:

Currency	As at December 31, 2021	
	Net Exposure (\$)	% Net Assets
United States Dollar	9,481,452	61.09
Euro	1,448,448	9.33
British Pound Sterling	1,299,396	8.37
Japanese Yen	949,958	6.12
Hong Kong Dollar	812,894	5.24
Swiss Francs	347,822	2.24
Singapore Dollar	217,664	1.40
Swedish Krona	214,203	1.38
Total	14,771,837	95.17

As at December 31, 2021, if the exchange rate between the Canadian Dollar and the other currencies increased or decreased by 1%, with all other variables held constant, net assets would have decreased or increased by \$147,718. In practice, actual results may differ from this sensitivity analysis and the difference could be material.

First Trust JFL Global Equity ETF
Notes to Financial Statements - Specific Information
For the period ended December 31, 2021

Concentration Risk - The table below summarizes the First Trust ETF's concentration risk for the period ended December 31, 2021:

Sector	As a % of net assets attributable to holders of redeemable units
	As at December 31, 2021
<i>Canada</i>	
Information Technology	1.91
Financials	1.57
<i>United States</i>	
Health Care	12.48
Communication Services	10.05
Information Technology	9.21
Consumer Discretionary	9.19
Financials	6.57
Consumer Staples	3.50
Materials	2.44
Industrials	1.63
<i>International</i>	
United Kingdom	8.37
Japan	6.12
France	5.49
Switzerland	4.49
China	4.07
Netherlands	2.18
Taiwan	1.87
India	1.77
Spain	1.66
Singapore	1.40
Sweden	1.38
Hong Kong	1.17
Total	98.52

First Trust JFL Global Equity ETF
Notes to Financial Statements - Specific Information
For the period ended December 31, 2021

SCHEDULE OF PORTFOLIO INVESTMENTS As at December 31, 2021

	Number of Shares	Average Cost (\$)	Fair Value (\$)	% of Total
EQUITIES				
Financials—1.57%				
Brookfield Asset Management Inc., Class 'A'	3,196	220,471	244,143	1.57
		220,471	244,143	1.57
Information Technology—1.91%				
Kinaxis Inc.	1,670	326,211	296,141	1.91
		326,211	296,141	1.91
		546,682	540,284	3.48
UNITED STATES EQUITIES				
Communication Services—10.05%				
Alphabet Inc., Class 'A'	197	694,288	721,928	4.65
Booking Holdings Inc.	102	299,800	309,560	2.00
Meta Platforms Inc., Class 'A'	1,240	563,050	527,578	3.40
		1,557,138	1,559,066	10.05
Consumer Discretionary—9.19%				
Amazon.com Inc.	136	582,107	573,617	3.70
Copart Inc.	1,800	317,416	345,225	2.22
Hilton Worldwide Holdings Inc.	1,332	213,793	262,830	1.69
LCI Industries	1,240	221,724	244,488	1.58
		1,335,040	1,426,160	9.19
Consumer Staples—3.50%				
Monster Beverage Corp.	2,000	239,552	242,972	1.56
PepsiCo Inc.	1,370	265,868	301,036	1.94
		505,420	544,008	3.50
Financials—6.57%				
Bank OZK	3,613	194,909	212,654	1.37
Fiserv Inc.	2,562	377,242	336,363	2.17
Interactive Brokers Group Inc., Class 'A'	4,683	393,276	470,465	3.03
		965,427	1,019,482	6.57
Health Care—12.48%				
Abbott Laboratories	1,984	309,091	353,210	2.27
Becton	1,072	334,683	341,013	2.20
Boston Scientific Corp.	7,741	429,164	415,963	2.68
IQVIA Holdings Inc.	1,016	320,096	362,603	2.34
UnitedHealth Group Inc.	730	375,263	463,683	2.99
		1,768,297	1,936,472	12.48
Industrials—1.63%				
Ametek Inc.	1,360	228,264	252,958	1.63
		228,264	252,958	1.63

First Trust JFL Global Equity ETF
Notes to Financial Statements - Specific Information
For the period ended December 31, 2021

Information Technology—9.21%				
Guidewire Software Inc.	2,010	300,613	288,656	1.86
Mastercard Inc., Class 'A'	850	375,338	386,344	2.49
Microsoft Corp.	1,772	659,178	753,858	4.86
		1,335,129	1,428,858	9.21
Materials—2.44%				
Sherwin-Williams Co. (The)	852	316,166	379,536	2.44
		316,166	379,536	2.44
		8,010,881	8,546,540	55.07
INTERNATIONAL EQUITIES				
China—4.07%				
Alibaba Group Holding Ltd.	7,532	205,896	145,281	0.94
Shenzhou International Group	6,600	181,825	160,495	1.03
Tencent Holdings Ltd.	4,400	357,418	326,057	2.10
		745,139	631,833	4.07
France—5.49%				
Air Liquide SA	1,172	259,506	258,781	1.67
LVMH Moet Hennessy Louis Vuitton SE	290	268,760	303,626	1.96
Schneider Electric SE	1,165	256,719	289,348	1.86
		784,985	851,755	5.49
Hong Kong—1.17%				
AIA Group Ltd.	14,200	213,252	181,061	1.17
		213,252	181,061	1.17
India—1.77%				
HDFC Bank Ltd., ADR	3,332	327,970	274,258	1.77
		327,970	274,258	1.77
Japan—6.12%				
Hoya Corp.	1,800	355,437	338,676	2.18
Keyence Corp.	560	421,729	445,111	2.87
Tsuruha Holdings Inc.	1,360	214,532	165,109	1.07
		991,698	948,896	6.12
Netherlands—2.18%				
ASML Holding NV	333	330,317	338,911	2.18
		330,317	338,911	2.18
Singapore—1.40%				
DBS Group Holdings Ltd.	7,100	198,877	217,664	1.40
		198,877	217,664	1.40
Spain—1.66%				
Industria de Diseno Textil SA	6,274	271,481	257,782	1.66
		271,481	257,782	1.66
Sweden—1.38%				
Atlas Copco AB, Class 'A'	2,443	205,754	214,016	1.38
		205,754	214,016	1.38
Switzerland—4.49%				
Chubb Ltd.	1,429	327,520	349,430	2.25
Sika AG, Registered	659	288,766	347,822	2.24
		616,286	697,252	4.49
Taiwan—1.87%				
Taiwan Semiconductor Manufacturing Co. Ltd., ADR	1,906	283,983	290,067	1.87
		283,983	290,067	1.87

First Trust JFL Global Equity ETF
Notes to Financial Statements - Specific Information
For the period ended December 31, 2021

United Kingdom—8.37%				
Abcam PLC	6,635	175,254	196,873	1.27
Dechra Pharmaceuticals PLC	2,758	239,196	251,456	1.62
Diageo PLC	4,614	276,562	318,843	2.05
Intertek Group PLC	2,444	223,396	235,590	1.52
London Stock Exchange Group PLC	2,500	334,597	296,634	1.91
		1,249,005	1,299,396	8.37
Total investments		14,776,310	15,289,715	98.52
Transaction costs		(13,700)		
Other assets, less liabilities			229,975	1.48
Total Net Assets Attributable to Holders of Redeemable Units		14,762,610	15,519,690	100.00

First Trust Exchange-Traded Funds
Notes to Financial Statements
For the year ended December 31, 2021

1. GENERAL INFORMATION

The following First Trust exchange-traded funds (each, a “First Trust ETF” and collectively, the “First Trust ETFs”) are continuously distributed exchange-traded mutual funds established as trusts formed on the dates noted below under the laws of the Province of Ontario pursuant to a declaration of trust last amended on January 21, 2021. The units of the First Trust ETFs are listed for trading on the Toronto Stock Exchange (“TSX”), except for the Units¹ of the Target Outcome Funds.

First Trust ETFs	Ticker Symbols	Inception Date
Actively Managed Funds		
First Trust Canadian Capital Strength ETF	FST, FST.A	November 30, 2001
First Trust Senior Loan ETF (CAD-Hedged)	FSL, FSL.A	August 28, 2013
First Trust International Capital Strength ETF	FINT	May 17, 2018
First Trust JFL Fixed Income Core Plus ETF	FJFB	March 19, 2021
First Trust JFL Global Equity ETF	FJFG	March 19, 2021
Target Outcome Funds		
First Trust Cboe Vest U.S. Equity Buffer ETF – August	AUGB.F	August 30, 2019
First Trust Cboe Vest U.S. Equity Buffer ETF – November	NOVB.F	February 4, 2020
First Trust Cboe Vest U.S. Equity Buffer ETF – February	FEBB.F	February 25, 2020
First Trust Cboe Vest U.S. Equity Buffer ETF – May	MAYB.F	May 21, 2020
Income Funds		
First Trust Value Line [®] Dividend Index ETF (CAD-Hedged)	FUD, FUD.A	May 15, 2013
First Trust Global Risk Managed Income Index ETF	ETP, ETP.A	July 23, 2014
First Trust Tactical Bond Index ETF	FTB	June 19, 2015
First Trust Morningstar Dividend Leaders ETF (CAD-Hedged)	FDL	September 29, 2016
AlphaDEX[™] Dividend Funds		
First Trust AlphaDEX [™] Emerging Market Dividend ETF (CAD-Hedged)	FDE, FDE.A	May 15, 2013
First Trust AlphaDEX [™] European Dividend Index ETF (CAD-Hedged)	EUR, EUR.A	February 4, 2014
AlphaDEX[™] U.S. Sector Funds		
First Trust AlphaDEX [™] U.S. Health Care Sector Index ETF	FHH	October 30, 2014
	FHH.F	December 8, 2017
First Trust AlphaDEX [™] U.S. Industrials Sector Index ETF	FHG	October 30, 2014
	FHG.F	December 8, 2017
First Trust AlphaDEX [™] U.S. Technology Sector Index ETF	FHQ	October 30, 2014
	FHQ.F	December 8, 2017
Sector and Industry Funds		
First Trust Nasdaq [®] Clean Edge [®] Green Energy ETF	QCLN	October 30, 2014
First Trust Indxx NextG ETF	NXTG	October 30, 2014
First Trust Nasdaq Cybersecurity ETF	CIBR	October 30, 2014
First Trust Dow Jones Internet ETF	FDN	October 30, 2014
	FDN.F	December 8, 2017
First Trust NYSE Arca Biotechnology ETF	FBT	October 30, 2014
First Trust Cloud Computing ETF	SKYY	October 30, 2014
First Trust Indxx Innovative Transaction and Process ETF	BLCK	March 23, 2018

First Trust Exchange-Traded Funds

Notes to Financial Statements

For the year ended December 31, 2021

¹The Units of the Target Outcome Funds: First Trust Cboe Vest U.S. Equity Buffer ETF – August were qualified for distribution by a prospectus last renewed on August 13, 2020, First Trust Cboe Vest U.S. Equity Buffer ETF – November, and First Trust Cboe Vest U.S. Equity Buffer ETF – February were qualified for by prospectuses dated January 7, 2020, and February 12, 2020 and amended on February 4, 2020, and February 25, 2020 respectively. As of the date of these annual financial statements, the Target Outcome Funds have not offered any Units to the public (i.e. AUGB, NOV B, FEBB).

On February 12, 2021 and February 17, 2021, the announcement of seven new investment strategies resulted in the amendment of the below-mentioned ETFs. In connection with the change of investment strategies, the following change to each of the fund name and ticker symbol are as follows:

New Fund Name	New Ticker Symbol	Former Fund Name	Former Ticker Symbol
First Trust Morningstar Dividend Leaders ETF (CAD-Hedged)	FDL	First Trust Dorsey Wright U.S. Sector Rotation Index ETF (CAD-Hedged)	FSR
First Trust Nasdaq [®] Clean Edge [®] Green Energy ETF	QCLN	First Trust AlphaDEX [™] U.S. Financial Sector Index ETF	FHF
First Trust Indxx NextG ETF	NXTG	First Trust AlphaDEX [™] U.S. Energy Sector Index ETF	FHE
First Trust Nasdaq Cybersecurity ETF	CIBR	First Trust AlphaDEX [™] U.S. Consumer Discretionary Sector Index ETF	FHD
First Trust NYSE Arca Biotechnology ETF	FBT	First Trust AlphaDEX [™] U.S. Materials Sector Index ETF	FHM
First Trust Cloud Computing ETF	SKYY	First Trust AlphaDEX [™] U.S. Utilities Sector Index ETF	FHU
First Trust Dow Jones Internet ETF	FDN, FDN.F	First Trust AlphaDEX [™] U.S. Consumer Staples Sector Index ETF	FHC, FHC.F

As of February 28, 2022, the First Trust ETFs no longer are offering Advisor Class units for certain First Trust ETFs which previously offered such units. The Manager successfully redesignated Advisor Class units to Common units providing unitholders with a lower cost solution going forward.

FT Portfolios Canada Co. (the “Manager”) is also the trustee and promoter of the First Trust ETFs. First Trust Advisors L.P., an affiliate of the Manager, is the Portfolio Advisor of the First Trust ETFs. CIBC Mellon Trust Company is the custodian of the assets of the First Trust ETFs.

The address of the Manager is 40 King Street West, Suite 5102, Scotia Plaza, Box 312, Toronto, Ontario M5H 3Y2. The financial statements were authorized for issuance by the board of directors of the Manager on March 14, 2022.

2. BASIS OF PRESENTATION

The information provided in these financial statements and notes thereto is as at December 31, 2021 with comparatives as at December 31, 2020 and for the year ended December 31, 2021 with comparatives for the year ended December 31, 2020.

These annual financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”).

The financial statements have been prepared on the historical cost basis, except for the revaluation of certain financial instruments. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

First Trust Exchange-Traded Funds

Notes to Financial Statements

For the year ended December 31, 2021

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

Financial instruments

(i) Classification

Financial Assets

A First Trust ETF classifies its investments in debt and equity securities and open-ended investment funds based on its business model for managing those financial assets and the contractual cash flow characteristics of the financial assets.

These financial assets are managed and their performance is evaluated on a fair value basis. A First Trust ETF also manages these financial assets with the objective of realizing cash flows through sales. A First Trust ETF has not taken the option to irrevocably designate any of its debt and equity securities at fair value through other comprehensive income ("FVOCI"). Consequently, these financial assets are mandatorily measured at FVTPL.

Financial Liabilities

A First Trust ETF makes short sales in which a borrowed security is sold in anticipation of a future decline in its market value or used as an arbitrage strategy.

Financial assets or financial liabilities held for trading are those acquired or incurred principally for the purpose of selling or repurchasing in the near future or on initial recognition are a part of a portfolio of identified financial instruments that a First Trust ETF manages together and have recent actual pattern of short term profit-taking. All derivatives and short positions are included in this category and mandatorily measured at FVTPL.

Hedge Accounting

A First Trust ETF does not apply hedge accounting to any of its derivative positions.

(ii) Financial assets and financial liabilities at amortized cost

The financial assets and liabilities measured at amortized cost include cash collateral posted on derivative positions, accrued income, due to and from brokers and other short-term receivables and payables.

At each reporting date, a First Trust ETF measures the loss allowance on cash collateral held, amounts due from broker, accrued income and other short term receivables at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, a First Trust ETF measures the loss allowance at an amount equal to the 12 month expected credit losses. Given the short-term nature of the receivables and the high credit quality, a First Trust ETF has determined that the expected credit loss allowances are not material.

(iii) Recognition and measurement

Financial assets and financial liabilities at FVTPL are initially recognized on the trade date, which is the date on which the First Trust ETFs become a party to the contractual provisions of the instrument. Other financial assets and financial liabilities are recognized on the date on which they are originated.

Financial assets and financial liabilities at FVTPL are initially recognized at fair value, with transaction costs recognized in the statement of comprehensive income. Financial assets or financial liabilities not at FVTPL

First Trust Exchange-Traded Funds

Notes to Financial Statements

For the year ended December 31, 2021

are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue.

Subsequent to initial recognition, financial assets and liabilities at FVTPL are measured at fair value.

Net realized gain (loss) on sale of investments and net change in unrealized appreciation (depreciation) of investments arising from changes in their fair value are included in the statement of comprehensive income for the period in which they arise.

Dividend or interest earned on financial assets at fair value through profit or loss and dividend or interest expense on the financial liabilities at fair value through profit or loss are disclosed in a separate line item in the statement of comprehensive income.

Fair value is determined in the manner described in item (v) below.

(iv) Derecognition

Financial assets are derecognized when the rights to receive cash flows from the investments have expired or the First Trust ETF has transferred substantially all risks and rewards of ownership.

Financial liabilities at FVTPL are derecognized when the obligation specified in the contract is discharged, cancelled, or expired.

Net realized gain (loss) on sale of investments and derivatives are determined on a weighted average cost basis.

(v) Fair value measurement

For the First Trust ETFs, investments in listed securities are measured at fair value, which is determined in reference to their quoted close prices on the principal securities exchange on which the issue is traded. The change in the difference between the fair value and average cost is included in the statement of comprehensive income as unrealized appreciation (depreciation) on investments.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives and trading securities) are based on quoted market prices at the close of trading on the reporting date. In circumstances where the last traded price is not within the bid-ask spread, management will determine the point within the bid-ask spread that is most representative of fair value.

Forward foreign exchange contracts are valued at the current market value thereof on the valuation date. The value of these forward contracts is the gain or loss that would be realized if, on the valuation date, the positions were to be closed out.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

The fair value of financial assets and liabilities that are not traded in an active market is determined by using valuation techniques. A First Trust ETF uses a variety of methods and makes assumptions that are based on market conditions existing at each year-end date. Valuation techniques used for non-standardized financial instruments such as options, currency swaps and other over-the-counter derivatives, include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used

First Trust Exchange-Traded Funds

Notes to Financial Statements

For the year ended December 31, 2021

by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

For instruments for which there is no active market, the First Trust ETF may use internally developed models, which are usually based on valuation methods and techniques generally recognized as standard within the industry. Valuation models are used primarily to value unlisted equity and debt securities for which markets were or have been inactive during the financial year. Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.

The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the First Trust ETF holds. Valuations are therefore adjusted, where appropriate, to allow for additional factors including model risk, liquidity risk and counterparty risk.

IFRS 13 requires disclosures relating to fair value measurements using a three-level fair value hierarchy. The level within which the fair value measurement is categorized in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement. Assessing the significance of a particular input requires judgment, considering factors specific to the asset or liability. The following shows financial instruments recognized at fair value, categorized between those whose fair value is based on:

- Level 1 — Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The determination of what constitutes “observable” requires significant judgment by the First Trust ETF. The First Trust ETF considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. However, the fair value measurement objective remains the same, i.e., an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability. Therefore, unobservable inputs reflect the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk.

Fair values are classified as Level 1 when the related security or derivative is actively traded and a quoted price is available. If an instrument classified as Level 1 subsequently ceases to be actively traded, it is transferred out of Level 1. In such cases, instruments are reclassified into Level 2, unless the measurement of its fair value requires the use of significant unobservable inputs, in which case it is classified as Level 3.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the First Trust ETFs determine whether transfers have occurred between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The carrying values of cash, other assets, other liabilities and the First Trust ETFs’ obligation for net assets attributable to holders of redeemable units approximate their fair values due to their short-term nature.

See Note 5 for additional details related to the First Trust ETFs’ fair value measurements.

First Trust Exchange-Traded Funds
Notes to Financial Statements
For the year ended December 31, 2021

Cash

Cash consists of cash on deposit and bank overdraft.

Receivable for portfolio securities sold and Payable for portfolio securities purchased

Receivable for portfolio securities sold and Payable for portfolio securities purchased are recorded on the statement of financial position at the amount to be received or delivered.

Net assets attributable to holders of redeemable units per unit

First Trust ETFs
Issued Common units and Advisor Class units
First Trust Canadian Capital Strength ETF ("FST")
First Trust Value Line [®] Dividend Index ETF (CAD-Hedged) ("FUD")
First Trust AlphaDEX [™] Emerging Market Dividend ETF (CAD-Hedged) ("FDE")
First Trust Global Risk Managed Income Index ETF ("ETP")
First Trust Senior Loan ETF (CAD-Hedged) ("FSL")
First Trust AlphaDEX [™] European Dividend Index ETF (CAD-Hedged) ("EUR")
Issued Units and Hedged Units
First Trust AlphaDEX [™] U.S. Health Care Sector Index ETF ("FHH")
First Trust AlphaDEX [™] U.S. Industrials Sector Index ETF ("FHG")
First Trust AlphaDEX [™] U.S. Technology Sector Index ETF ("FHQ")
First Trust Dow Jones Internet ETF ("FDN")
Issued Units only
First Trust Nasdaq [®] Clean Edge [®] Green Energy ETF ("QCLN") <i>(formerly, First Trust AlphaDEX[™] U.S. Financial Sector Index ETF)</i>
First Trust Indxx NextG ETF ("NXTG") <i>(formerly, First Trust AlphaDEX[™] U.S. Energy Sector Index ETF)</i>
First Trust Nasdaq Cybersecurity ETF ("CIBR") <i>(formerly, First Trust AlphaDEX[™] U.S. Consumer Discretionary Sector Index ETF)</i>
First Trust NYSE Arca Biotechnology ETF ("FBT") <i>(formerly, First Trust AlphaDEX[™] U.S. Materials Sector Index ETF)</i>
First Trust Cloud Computing ETF ("SKYY") <i>(formerly, First Trust AlphaDEX[™] U.S. Utilities Sector Index ETF)</i>
First Trust Tactical Bond Index ETF ("FTB")
First Trust Morningstar Dividend Leaders ETF (CAD-Hedged) ("FDL") <i>(formerly, First Trust Dorsey Wright U.S. Sector Rotation Index ETF (CAD-Hedged))</i>
First Trust Indxx Innovative Transaction and Process ETF ("BLCK")
First Trust International Capital Strength ETF ("FINT")
First Trust JFL Fixed Income Core Plus ETF ("FJFB")
First Trust JFL Global Equity ETF ("FJFG")
Issued Hedged Units only
First Trust Cboe Vest U.S. Equity Buffer ETF – August ("AUGB.F")
First Trust Cboe Vest U.S. Equity Buffer ETF – November ("NOVB.F")
First Trust Cboe Vest U.S. Equity Buffer ETF – February ("FEBB.F")
First Trust Cboe Vest U.S. Equity Buffer ETF – May ("MAYB.F")

First Trust Exchange-Traded Funds

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For the year ended December 31, 2021

These classes of redeemable units are the most subordinate classes of financial instruments in First Trust ETFs and rank pari passu in all material respects and have the same terms and conditions other than differences in management fee rate where the Advisor Class pays additional amount for service fees (See note 7 – Management Fees and Expenses).

A separate net asset value is calculated for each class of Common Class, Advisor Class, Units, Hedged Units (collectively called “Units”) of the First Trust ETFs. The net asset value of a particular class of unit is computed by calculating the value of the class’ proportionate share of the assets and liabilities of the First Trust ETF common to all series less direct expenses attributable only to that class. The net asset value is divided by the number of units outstanding for each class on the day of valuation to compute net asset value per unit. Other expenses are allocated proportionately to each series based upon the relative net asset value of each class. Expenses are accrued daily.

Dividends are distributed according to the dividend policy discussed in the respective simplified prospectuses of the First Trust ETFs. Income not distributed is included in net assets attributable to holders of redeemable shares.

Investment income

The “Interest income for distribution purposes” shown on the statement of comprehensive income represents the coupon interest received by the First Trust ETFs accounted for on a straight-line basis. The First Trust ETFs do not amortize premiums paid or discounts received on the purchase of fixed income securities except for zero coupon bonds which are amortized on a straight-line basis.

Dividend income is recognized on the ex-dividend date in the statement of comprehensive income within dividend income, gross of withholding taxes, when the First Trust ETF’s right to receive payments is established.

The First Trust ETFs generally incur withholding taxes imposed by certain countries on investment income and capital gains. Such income and gains are recorded on a gross basis and the related withholding taxes are shown as a separate expense in the statement of comprehensive income.

Foreign currencies

The primary economic environment in which an entity operates is normally the one in which it primarily generates and expends cash. The Manager considers the currency of the primary economic environment in which the First Trust ETFs operate to be the Canadian dollar as this is the currency which, in the Manager’s opinion, most faithfully represents the economic effects of underlying transactions, events and conditions. Furthermore, the Canadian dollar is the currency in which the First Trust ETFs measure their performance and also issue and redeem redeemable shares. Canadian dollar is the functional currency of the First Trust ETFs.

Investments purchased or sold in foreign currencies are translated into Canadian dollars using the exchange rate prevailing on the trade date. Income on foreign investments is recorded at gross, withholding taxes are shown separately as a line item, and are translated at the rate of exchange on the dates of such transactions. The fair values of investments and other assets and liabilities in foreign currencies are translated at the period-end exchange rates.

Increase (decrease) in net assets attributable to holders of redeemable units per unit

Increase (decrease) in net assets from operations per unit represents the increase (decrease) in net assets from operations by class divided by the average units outstanding per class during the period.

Transaction costs

Transaction costs, such as brokerage commissions, incurred in the purchase and sale of securities are presented as a separate line item in the statement of comprehensive income in the period incurred.

First Trust Exchange-Traded Funds

Notes to Financial Statements

For the year ended December 31, 2021

First Trust Senior Loan ETF (CAD-Hedged) (“FSL”) for the prior year ended December 31, 2020, did not incur transaction costs because FSL invested in senior loans and high yield bonds. Transaction costs are not incurred on the purchase and sale of senior loans and high yield bonds.

Forward foreign exchange currency agreements

Some of the First Trust ETFs may purchase forward foreign exchange currency agreements to hedge assets and liabilities denominated in foreign currencies.

The value of the forward foreign exchange currency agreements is the gain or loss that would be realized if, on the valuation date, the position in the forward contract was closed out in accordance with its terms. The unrealized gains or losses on the forward contract are reported as part of the net change in unrealized appreciation or depreciation of derivatives in the statement of comprehensive income until it is closed out or partially settled.

Valuations of derivative instruments are carried out daily, using normal exchange reporting sources for exchange-traded derivatives and specific broker enquiry for over-the-counter derivatives.

Upon the closing out of the instrument, any gain or loss on forward foreign exchange currency agreements is disclosed in the statement of comprehensive income as net realized (loss) gain on foreign exchange.

Forward contracts entered into by the First Trust ETFs represent a firm commitment to buy or sell an underlying asset, or currency at a specified value and point in time based upon an agreed or contracted quantity.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position where the First Trust ETF currently has a legally enforceable right to set-off the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

Critical accounting estimates and assumptions

The preparation of financial statements requires management to use judgment in applying its accounting policies and to make estimates and assumptions about the future. The following discusses the most significant accounting judgments and estimates that the Manager has made in preparing these financial statements. Actual results may differ from these estimates.

Fair value of securities not quoted in an active market

The fair value of such securities not quoted in an active market may be determined by the First Trust ETFs using reputable pricing sources (such as pricing agencies) or indicative prices from bond/debt market makers. The First Trust ETF would exercise judgment and estimates on the quantity and quality of pricing sources used. Where no market data is available, the First Trust ETF may value positions using its own models, which are usually based on valuation methods and techniques generally recognized as standard within the industry. Models use observable data, to the extent practicable. However, areas such as credit risk (both own and counterparty), volatilities and correlations require management to make estimates. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

The determination of what constitutes ‘observable’ requires significant judgment by the Manager. The Manager considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market. Refer to Note 5 for further information about the fair value measurement of the First Trust ETFs’ financial instruments.

First Trust Exchange-Traded Funds

Notes to Financial Statements

For the year ended December 31, 2021

FLEX Options

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. FLEX Options are guaranteed for settlement by the Options Clearing Corporation ("OCC").

Each Target Outcome Fund will purchase and sell call and put FLEX Options based on the performance of the Underlying ETF. The FLEX Options that each Target Outcome Fund will hold that reference the Underlying ETF will give each Target Outcome Fund the right to receive or deliver shares of the Underlying ETF on the option expiration date at a strike price, depending on whether the option is a put or call option and whether each Target Outcome Fund purchases or sells the option. The FLEX Options held by each Target Outcome Fund are European style options, which are exercisable at the strike price only on the FLEX Option expiration date.

4. FORWARD FOREIGN EXCHANGE CURRENCY AGREEMENTS

Certain First Trust ETFs may enter into forward foreign exchange currency agreements to minimize the impact of changes in the Canadian-U.S. foreign exchange rate or Canadian-CHF/EUR/GBP foreign exchange rates on the First Trust ETFs' net asset value. The typical duration for a forward contract is one month but some contracts may be for longer periods up to six months. Bank of New York Mellon is the counterparty to all forward contracts of the First Trust ETFs except for FSL for which Canadian Imperial Bank of Commerce is the counterparty.

The forward foreign exchange currency agreements, as applicable, are shown in the Notes to Financial Statements - Specific Information under Schedule of Portfolio Investments for each First Trust ETF.

5. FAIR VALUE MEASUREMENT

Valuation techniques and inputs used for the fair value measurements categorized within Level 2 of the fair value hierarchy is given below:

Unlisted debt securities

Unlisted debt securities are valued based on the prices provided by an independent reputable pricing services company who prices the securities based on recent transactions and quotes received from market participants and through incorporating observable market data and using standard market convention practices.

The unlisted debt securities, as applicable, are shown in the Notes to Financial Statements - Specific Information under Fair Value Measurement for each First Trust ETF.

Senior loans

The senior loans in which the First Trust ETF invest are not listed on any securities exchange or board of trade. Senior loans are typically bought and sold by institutional investors in individually negotiated private transactions that function in many respects like an over-the-counter secondary market, although typically no formal market-makers exist. This market, while having grown substantially in the past several years, generally has fewer trades and less liquidity than the secondary market for other types of securities. Some senior loans have few or no trades, or trade infrequently, and information regarding specific senior loans may not be widely available or may be incomplete. Accordingly, determinations of the fair value of senior loans may be based on infrequent and dated information. Because there is less reliable, objective data available, judgment and estimates play a greater role in valuation of senior loans than for other types of securities. Senior loans with readily available quotations are valued at fair value using the current bid price quotations provided by a prominent pricing service. Senior loans for which current quotations are not readily available are valued at fair value as determined by the Portfolio Advisor Pricing Committee. The Pricing Committee prices the assets if a price is unavailable from the pricing service.

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For the year ended December 31, 2021

On January 21, 2021, FSL changed its investment strategies to obtaining exposure to senior loans by investing its net assets in First Trust Senior Loan Fund, a U.S. listed exchange-traded fund (the "Underlying Fund").

The senior loans, as applicable, are shown in the Notes to Financial Statements - Specific Information under Fair Value Measurement for FSL.

Forward foreign exchange currency contracts

The value of the forward foreign exchange currency agreements is the gain or loss that would be realized if, on the valuation date, the position in the forward contract was closed out in accordance with its terms. The most significant observable input is the forward foreign currency exchange rate.

Options

Options are classified as level 1 when they are exchange traded and prices are readily available on the market. When the options do not trade and prices are not readily available, they are priced by a third-party pricing service that uses an options pricing model to price the options. The option pricing model utilizes, as inputs, observable traded prices of other options with similar or nearby strike prices and expiration dates. Since the inputs to the option pricing model are observable, the options are classified into level 2. FLEX Options are normally valued using a model-based price provided by a third-party pricing vendor. On days when a trade in a FLEX Option occurs, the trade price will be used to value such FLEX Options in lieu of the model price.

The fair value hierarchy classifications of assets and liabilities are discussed in the Notes to Financial Statements - Specific Information for each First Trust ETF, where applicable.

6. REDEEMABLE UNITS

Common Class, Advisor Class, Units, Hedged Units (collectively called "Units") of each of the First Trust ETFs are being issued and sold on a continuous basis and there is no maximum number of units that may be issued. The Units of the First Trust ETFs are Canadian dollar denominated. The First Trust ETFs are listed on the TSX except FJFB and FJFG are listed on the NEO Exchange (the "NEO") and an investor is able to buy or sell Units of the First Trust ETFs on the TSX or NEO through registered brokers and dealers in the province or territory where the investor resides. Investors may incur customary brokerage commissions in buying or selling Units. Refer to the table of the First Trust ETFs found in Note 3: Significant Accounting Policies under Net assets attributable to holders of redeemable units per unit.

Investors that redeem Units prior to the distribution record date for any distribution will not be entitled to receive that distribution.

7. MANAGEMENT FEES AND EXPENSES

Each First Trust ETF will pay the Manager a management fee and, in respect of the Advisor Class, an additional amount for a service fee based on the average daily net asset value ("NAV") of the applicable First Trust ETF.

The management fee, plus applicable taxes, including HST, are accrued daily and paid monthly in arrears. The Manager may, from time to time in its discretion, waive all or a portion of the management fee charged at any given time.

Advisor Class Service Fee: The Manager pays to registered dealers a service fee equal to 1.00% per annum of the NAV of the Advisor Class in respect of all First Trust ETFs, other than ETP, FSL, and 0.50% per annum of the NAV of the Advisor Class in respect of ETP, FSL, for each Advisor Class unit held by clients of the registered dealer, plus any applicable taxes. The service fee will be calculated and accrued daily and paid quarterly at the end of each calendar quarter.

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Notes to Financial Statements

For the year ended December 31, 2021

As of February 28, 2022, the First Trust ETFs no longer are offering Advisor Class for certain First Trust ETFs which previously offered such units.

The Manager successfully redesignated Advisor Class to Common Class providing unitholders with a lower cost solution going forward.

In addition to the payment of the management fee, each First Trust ETF is responsible for the costs and expenses incurred in complying with National Instrument 81-107, Independent Review Committee for Investment Funds (including any expenses related to the implementation and on-going operation of an independent review committee), brokerage expenses and commissions, income and withholding taxes as well as all other applicable taxes, including HST, the costs of complying with any new governmental or regulatory requirement introduced after the First Trust ETFs were established and extraordinary expenses and, in the discretion of the Manager, any costs associated with the printing and distribution of any documents that the securities regulatory authorities require be sent or delivered to investors in the First Trust ETF. The Manager is responsible for all other costs and expenses of the First Trust ETFs, including fees payable to the Portfolio Advisor, Custodian, Valuation Agent, Registrar and Transfer Agent and Plan Agent and fees payable to other service providers retained by the Manager.

The management fees charged are discussed in the Notes to Financial Statements - Specific Information for each First Trust ETF.

8. TAXATION

Income taxes

The First Trust ETFs are trusts and registered investments under Provisions of the Income Tax Act (Canada) (the "Tax Act") and are expected to meet the requirements to be mutual fund trusts under the provisions of the Tax Act. The First Trust ETFs will generally not be subject to tax under Part I of the Act in respect of its net income or net realized capital gain in each taxation year to the extent that such net income and net realized capital gain are paid or payable in the year to the unitholders.

Distributions

Cash distributions on Units of a First Trust ETF are paid primarily out of dividends or distributions and other income or gains received by the First Trust ETF less the expenses of the First Trust ETF but may also consist of non-taxable amounts including return of capital, which may be paid in the Manager's sole discretion. To the extent that the expenses of a First Trust ETF exceed the income generated by such First Trust ETF in any given month, quarter or year, as the case may be, it is not expected that a monthly distribution will be paid. As a result of the higher management fees on the Advisor Class, any such cash distributions on the Advisor Class are expected to be less than the distributions payable on the Common Class. Non-cash distributions are reinvested back to the First Trust ETFs.

Distributions of sufficient net realized capital gains (reduced by loss carryforwards, if any) are made, on record date, after December 15 but on or before December 31 to ensure that the First Trust ETF will not be liable for income taxes.

Tax loss carryforwards

The non-capital losses for income tax purposes may be carried forward for 20 years. The net capital losses for income tax purposes may be carried forward indefinitely and applied against capital gains realized in future years.

The net capital losses and non-capital losses, as applicable, are discussed in the Notes to Financial Statements - Specific Information for each First Trust ETF.

First Trust Exchange-Traded Funds

Notes to Financial Statements

For the year ended December 31, 2021

9. COMMISSIONS

Total commissions and other transaction costs paid or payable to dealers by the First Trust ETFs for their portfolio transactions, where applicable, are discussed in the Specific Information for each First Trust ETF.

10. RELATED PARTY INFORMATION

The Manager is responsible for the management and administration of the First Trust ETFs. In consideration for the services provided by the Manager, the First Trust ETFs pay management fees (see note 7 – Management Fees and Expenses).

The total management fees earned by the Manager including amounts owing where applicable, are discussed in the Notes to Financial Statements - Specific Information for each First Trust ETF.

11. FINANCIAL RISK MANAGEMENT

The First Trust ETFs are exposed to a number of risks due to the nature of their activities and as further set out in their prospectus. These risks include market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The First Trust ETFs' objective in managing these risks is the protection and enhancement of share value.

The financial risk management (market risk, interest rate risk, credit risk, currency risk, liquidity risk, and concentration risk) as applicable, are discussed in the Notes to Financial Statements - Specific Information for each First Trust ETF.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The investments of the First Trust ETFs are subject to normal market fluctuations and the risks inherent in investment in financial markets. The maximum risk resulting from financial instruments held by the First Trust ETFs is determined by the fair value of the financial instruments. The Portfolio Advisor moderates this risk through a careful selection of securities within specified limits and the First Trust ETFs' market price risk is moderated through diversification of the investment portfolio. The Portfolio Advisor monitors the First Trust ETFs' overall market positions on a daily basis and positions are maintained within established ranges.

Some First Trust ETFs hold Underlying ETFs and Underlying Funds. Thus, they are indirectly exposed to the market risk through the investments held by the Underlying ETFs and Underlying Funds in their investment portfolio.

For the years ended December 31, 2021 and 2020, the overall market exposures relate to the First Trust ETFs' investments in securities.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Certain First Trust ETFs are exposed to interest rate risk as they invest in listed debt securities bearing interest at fixed and floating interest rates. Other financial assets and liabilities exposed to interest rate risk include borrowings which are invested at long term interest rates and cash and bank balances which are invested at short term interest rates. The Portfolio Advisors manage the First Trust ETFs' exposure to interest rate risk on a daily basis in accordance with the First Trust ETFs' investment objectives and policies. The First Trust ETFs' overall exposure to interest rate risk is monitored closely by the Portfolio Advisors.

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For the year ended December 31, 2021

Interest rate risk arises on interest-bearing financial instruments. The majority of the First Trust ETFs', except FTB, FSL, ETP, and FJFB, financial assets and liabilities are non-interest bearing. As a result, the majority of the First Trust ETFs are not subject to significant amounts of interest rate risks due to fluctuations in the prevailing level of market interest rates.

FTB, ETP, and FJFB, invest in interest-bearing securities. The income of these First Trust ETFs may be affected by changes in interest rates relevant to particular securities or as a result of the Portfolio Advisor being unable to secure similar returns on the expiry or sale of securities. In addition, the price of interest-bearing securities will also fluctuate with interest rate changes. FTB and ETP hold various exchange traded funds (the "Underlying ETFs"), that invest in interest bearing securities, some of which are fixed rate. FSL obtains exposure to a portfolio of senior floating rate loans and debt securities by holding securities of the Underlying Fund. As a result, the price of the Underlying ETFs and Underlying Fund may fluctuate due to changes in the prevailing levels of market interest rates.

ETP and FTB hold Underlying ETFs and FSL holds an Underlying Fund. There is no look-through of the interest rate risks. Thus, they are indirectly exposed to the interest rate risk through the investments held by the Underlying ETFs and Underlying Fund in their investment portfolio.

As noted above, the fair value of the senior loans have very little interest rate sensitivity due to their floating interest rate. High yield bonds, by contrast, typically have a fixed interest rate and are subject to greater interest rate sensitivity.

Credit risk

Credit risk is the risk that a counterparty to a financial instrument will cause a loss by failing to discharge its obligations. The First Trust ETFs are exposed to credit risk on its debt instruments, derivative assets, cash and cash equivalents and other short-term trade receivables.

The First Trust ETFs, except FTB, FSL, ETP, and FJFB, had no significant investments in debt instruments and/or derivatives as of December 31, 2021 and 2020, as applicable.

ETP, FTB, and FSL - The greatest indirect concentration of credit risk is in debt securities, such as bonds, held by Underlying ETFs and Underlying Fund. The fair value of debt securities includes consideration of the credit worthiness of the debt issuer. For more information regarding the credit risk of underlying funds, refer to the Underlying ETFs' financial statements available on the SEDAR website at www.sedar.com.

ETP and FTB hold Underlying ETFs and FSL holds an Underlying Fund. There is no look-through of the financial risks. Thus, they are indirectly exposed to the credit risk through the investments held by the Underlying ETFs in their investment portfolio.

Currency risk

Many of the First Trust ETFs hold assets and liabilities, including cash, short-term investments, equities, fixed income instruments and currency-based derivative contracts that are denominated in foreign currencies. These First Trust ETFs are therefore exposed to currency risk, as the value of the securities denominated in another currency fluctuates due to changes in exchange rates.

Although some First Trust ETFs have inherent currency risk, the currency risk will typically be hedged by entering into foreign currency forward contracts if required, however some moderate currency exposure may be assumed if deemed to be beneficial to the First Trust ETFs.

ETP and FTB hold Underlying ETFs and FSL, FDL, and the Sector and Industry Funds hold Underlying Funds. There is no look-through of the currency risks. Thus, they are indirectly exposed to the currency risk through the investments held by the Underlying ETFs and Underlying Funds in their investment portfolio.

ETP, FTB, FJFB, and FST are Canadian funds therefore they have insignificant currency risk as at December 31, 2021.

First Trust Exchange-Traded Funds

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Liquidity risk

Liquidity risk is defined as the risk that the First Trust ETFs may not be able to settle or meet their obligation. The First Trust ETFs are exposed to daily cash redemptions of redeemable units. Therefore, the First Trust ETFs invest the majority of the assets in investments that are traded in the active market and can be readily disposed. In addition, the First Trust ETFs retain sufficient cash and cash equivalent positions to maintain liquidity.

For the prior year December 31, 2020, FSL invested substantial portions of its assets in lower-quality debt issued by companies that are highly leveraged. Lower-quality debt tends to be less liquid than higher-quality debt. Moreover, smaller debt issues tend to be less liquid than larger debt issues.

Concentration Risk

Concentration risk indicates the relative sensitivity of the First Trust ETFs' performance to developments affecting a particular industry or geographical location. Concentration risk also arises when a number of financial instruments or contracts are entered into with the same counterparty, or where a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. The Portfolio Advisor monitors concentration risk through diversification and a thorough understanding of each investment in the portfolio.

Specific Risks associated with Target Outcome Funds

Buffered Loss Risk. There can be no guarantee that the First Trust ETF will be successful in its strategy to buffer against Underlying ETF losses if the fair value of the Underlying ETF decreases over the Target Outcome Period by 10% or less. A unitholder may lose their entire investment. The First Trust ETF's strategy seeks to deliver returns that match the Underlying ETF (up to the cap), while limiting downside losses, if units are bought on the day on which the First Trust ETF enters into the FLEX Options and held until those FLEX Options expire at the end of each Target Outcome Period. In the event an investor purchases units after the date on which the FLEX Options were entered into or sells units prior to the expiration of the FLEX Options, the buffer that the First Trust ETF seeks to provide may not be available.

Capped Upside Risk. The First Trust ETF's strategy seeks to provide returns that match those of the Underlying ETF for First Trust ETF units purchased on the first day of a Target Outcome Period and held for the entire Target Outcome Period, subject to a pre-determined upside cap. If an investor does not hold its First Trust ETF units for an entire Target Outcome Period, the returns realized by that investor may not match those the First Trust ETF seeks to achieve. If the Underlying ETF experiences gains during a Target Outcome Period, the First Trust ETF will not participate in those gains beyond the cap. In the event an investor purchases Fund units after the first day of a Target Outcome Period and the First Trust ETF has risen in value to a level near to the cap, there may be little or no ability for that investor to experience an investment gain on their First Trust ETF units.

FLEX Options Correlation Risk. The FLEX Options held by the First Trust ETF 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 using other recognized pricing methods. The value of the FLEX Options prior to the expiration date may vary because of related factors other than the value of the Underlying ETF. Factors that may influence the value of the FLEX Options, other than changes in the value of the Underlying ETF, may include interest rate changes, changing supply and demand, decreased liquidity of the FLEX Options and changing volatility levels of the Underlying ETF.

FLEX Options Liquidity Risk. The FLEX Options are listed on an exchange; however, no one can guarantee that a liquid secondary trading market will exist for the FLEX Options. In the event that trading in the FLEX Options is limited or absent, the value of the First Trust ETF's FLEX Options may decrease. In a less liquid market for the FLEX Options, liquidating the FLEX Options may require the payment of a premium (for written FLEX Options) or acceptance of a discounted price (for purchased FLEX Options) and may take longer to complete. A less liquid trading market may adversely impact the value of the FLEX Options and First Trust ETF units and result in the First

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Trust ETF being unable to achieve its investment objective. The trading in FLEX Options may be less deep and liquid than the market for certain other securities. FLEX Options may be less liquid than certain non-customized options. In a less liquid market for the FLEX Options, the liquidation of a large number of options may more significantly impact the price. A less liquid trading market may adversely impact the value of the FLEX Options and the value of the investor's investment.

FLEX Options Risk. The OCC may be unable or unwilling to perform its obligations under the FLEX Options contracts. Additionally, FLEX Options may be less liquid than other exchange-traded options. The value of the FLEX Options prior to their expiration date may vary because of factors other than fluctuations in the value of the Underlying ETF, such as an increase in interest rates, a change in the actual and perceived volatility of the stock market and the Underlying ETF and the remaining time to expiration. Additionally, the value of the FLEX Options does not increase or decrease at the same rate as the Underlying ETF or its underlying securities. FLEX Option prices may be highly volatile and may fluctuate substantially during a short period of time. Trading FLEX Options involves risks different from, or possibly greater than, the risks associated with investing directly in securities.

FLEX Options Valuation Risk. The FLEX Options held by the First Trust ETF 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 using other recognized pricing methods. The value of the FLEX Options prior to the expiration date may vary because of related factors other than the value of the Underlying ETF. During periods of reduced market liquidity or in the absence of readily available market quotations for the holdings of the First Trust ETF, the ability of the First Trust ETF to value the FLEX Options becomes more difficult and the judgment of the First Trust ETF's Portfolio Advisor may play a greater role in the valuation of the First Trust ETF's holdings due to reduced availability of reliable objective pricing data.

Target Outcome Period Risk. The First Trust ETF's investment strategy is designed to deliver returns that match the Underlying ETF if First Trust ETF units are bought on the day on which the First Trust ETF enters into the FLEX Options (i.e., the first day of a Target Outcome Period) and held until those FLEX Options expire at the end of the Target Outcome Period. In the event an investor purchases First Trust ETF units after the first day of a Target Outcome Period or sells units prior to the expiration of the Target Outcome Period, the value of that investor's investment in First Trust ETF units may not be buffered against a decline in the value of the Underlying ETF and may not participate in a gain in the value of the Underlying ETF up to the cap for the investor's investment period.

12. CAPITAL MANAGEMENT

The First Trust ETFs' capital are the net assets, representing unitholders' equity. The First Trust ETFs' objectives when managing capital is to safeguard the First Trust ETFs' ability to continue as a going concern in order to provide returns for unitholders, maximize unitholder value and maintain financial strength.

The First Trust ETFs are not subject to any externally imposed capital requirements.

13. SECURITIES LENDING

A First Trust ETF may, in compliance with National Instrument 81-102, Investment Funds lend portfolio securities to third parties pursuant to the terms of a securities lending agreement between the First Trust ETF and a securities lending agent under which: (i) the borrower will pay to the First Trust ETF a negotiated securities lending fee and will make compensation payments to the First Trust ETF equal to any distributions received by the borrower on the securities borrowed; (ii) the securities loans qualify as "securities lending arrangements" for the purposes of the Tax Act; and (iii) the First Trust ETF will receive collateral security equal to at least 102% of the value of the portfolio securities loaned. The securities lending agent for a First Trust ETF will be responsible for the ongoing administration of the securities loans, including the obligation to mark-to-market the collateral on a daily basis.

During the years ended December 31, 2021 and 2020, there were no securities lending done by the First Trust ETFs.

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FT Portfolios Canada Co.

40 King Street West, Suite 5102
Scotia Plaza, Box 312
Toronto, Ontario M5H 3Y2

www.firsttrust.ca