

First Trust SMID Cap Rising Dividend Achievers ETF

Fund Facts

Ticker	SDVY
Cusip	33690A103
Exchange	Cboe Canada
Inception Date	09/09/24
Management Fee	0.15% ¹
Management Expense Ratio	0.77% ²
Distribution Frequency	Quarterly
Benchmark	Nasdaq US Small Mid Cap Rising Dividend Achievers™ Index
Distributions Rate	0.97% ³
Total Net Asset Value	\$25,669,280

Portfolio Characteristics of the Underlying Fund

Maximum Market Cap.	\$70,456
Median Market Cap.	\$9,545
Minimum Market Cap.	\$1,590
Price/Earning	15.68
Price/Book	2.33
Price/Cash Flow	12.62
Price/Sales	1.65

Top 10 Holdings of the Underlying Fund

	% of NAV
Comfort Systems USA, Inc.	1.64%
InterDigital, Inc.	1.32%
EnerSys	1.23%
Woodward, Inc.	1.20%
Ralph Lauren Corporation	1.13%
Installed Building Products, Inc.	1.11%
Clear Secure, Inc. (Class A)	1.08%
Mueller Industries, Inc.	1.08%
Coca-Cola Consolidated, Inc.	1.07%
PriceSmart, Inc.	1.03%

Top Sector Exposure of the Underlying Fund

	% of NAV**
Industrials	32.42%
Financials	30.15%
Consumer Discretionary	15.48%
Technology	5.13%
Energy	4.18%
Basic Materials	4.00%
Consumer Staples	3.90%
Health Care	2.88%
Telecommunications	1.66%
Cash & Equivalents	0.28%

**Percentage of net asset value may not equal 100%

Annualized Performance	1-month	3-month	6-month	YTD	1-year	3-year	5-year	10-year	Since Inception
NAV (Units) ⁴	1.93%	2.58%	13.62%	4.32%	-3.48%	-	-	-	13.84%

¹The First Trust ETF will invest in the underlying U.S. ETF First Trust SMID Cap Rising Dividend Achievers ETF and accordingly the First Trust ETF will also bear the management fee (being 0.60% per annum on the net asset value of the applicable underlying Fund) which is payable on the portion of its portfolio assets invested in the underlying fund. Accordingly, the total management fee borne by Unitholders in connection with their Units will be 0.75% per annum of the NAV of the Units.

²As of December 31, 2024 audited annual financial statements and MRFP.

³Distribution rate is calculated by dividing the most recent annualized distribution paid or declared by the Net Asset Value. Distribution rates may vary. The distributed amount may include return of capital (ROC) from time to time.

⁴Inception date of SDVY is September 9, 2024 and Canadian securities law does not allow for the display of fund performance data less than one year old.



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PORTFOLIO CONSTRUCTION

The Nasdaq US Small Mid Cap Rising Dividend Achievers™ Index is a modified equal-weighted index comprised of a selection of small and mid-cap companies that have a history of raising their dividends and that exhibit the characteristics to potentially continue doing so in the future. The index construction process considers a company's earnings growth, levels of cash compared to debt and the amount of earnings that are paid out as dividends. The index is comprised of four sub portfolios and each sub-portfolio is reconstituted and rebalanced on a staggered schedule so that one sub-portfolio is rebalanced and reconstituted each quarter and equally weighted.

Starting Universe at Reconstitution | The selection process for each sub-portfolio begins with the stocks in the Nasdaq US Mid Cap™ Index and the Nasdaq US Small Cap™ Index and eliminates those companies classified as a Mortgage Real Estate Investment Trust or Real Estate Investment Trust (REIT) by the Industry Classification Benchmark. Companies must meet the size and liquidity requirements to be eligible and certain companies over 1.2% at the index level will be ineligible for inclusion.

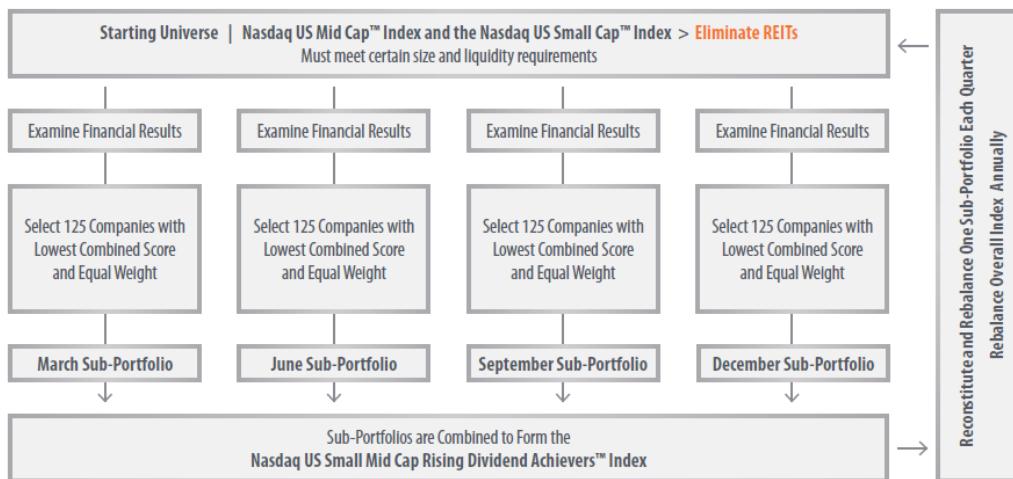
Examine Historical Financial Results | According to the index provider, every security must meet stringent eligibility criteria. The following factors are screened:

- **Dividend Growth:** Every company must have paid a dividend in the trailing twelve-month (TTM) period greater than the dividend paid in the TTM period three and five years prior.
- **Positive and Growing Earnings Per Share:** Every company must have positive EPS in the TTM period greater than the earnings per share in the TTM period three years prior.
- **Cash to Debt Ratio:** Every company must have a cash to debt ratio greater than 25%.
- **Payout Ratio:** Every company must have a TTM payout ratio no greater than 65%.

Select Companies with the Lowest Combined Score | Eligible securities are ranked by five-year dollar dividend increase in descending order, current dividend yield in descending order and payout ratio in ascending order. Up to 125 securities with the lowest (most favorable) combined ranks are selected for inclusion in the sub-portfolio. There is a limit of 37 securities from any one industry, and a limit of 93 securities from either the Nasdaq US Mid Cap™ Index and the Nasdaq US Small Cap™ Index.

Quarterly Sub-Portfolio Reconstitution and Rebalance | One sub-portfolio is reconstituted and rebalanced in March, June, September and December. The reconstituted sub-portfolio is then combined with the sub-portfolios not undergoing a reconstitution to form the Index.

Annual Index Rebalance | The Index is rebalanced annually so that each of the four Sub-Portfolios is equally weighted among each other, each representing 25% of the total Index weight.



About First Trust

First Trust Canada is the trustee, manager and promoter of the fund. First Trust Canada and its affiliates First Trust Advisors L.P. ("FTA"), portfolio advisor to the fund, an Ontario Securities Commission registered portfolio manager and U.S. Securities and Exchange Commission registered investment advisor, and First Trust Portfolios L.P. ("FTP"), a FINRA registered broker-dealer, are privately held companies that provide a variety of investment services. FTA has approximately US \$307.42 billion in total assets under supervision or management.

Commissions, management fees and expenses all may be associated with ETF investments. Please read the prospectus before investing. The indicated rates of return are the historical annual compound total returns including changes in the unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by the unitholder that would have reduced returns. ETFs are not guaranteed, their values change frequently and past performance may not be repeated.

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