



First Trust AlphaDEX™ European Dividend Index ETF
(CAD-Hedged) • EUR, EUR.A

Interim Management Report of Fund Performance
June 30, 2020

(Page intentionally left blank)

INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE

June 30, 2020

First Trust AlphaDEX™ European Dividend Index ETF (CAD-Hedged) **(the “First Trust ETF”)**

This interim management report of fund performance contains financial highlights but does not contain the complete unaudited interim financial statements of the First Trust ETF. All references to dollars contained herein are to Canadian dollars.

Securityholders may also contact us to request a copy of the First Trust ETF's proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosures relating to the First Trust ETF by calling 1-877-622-5552, by writing to us at FT Portfolios Canada Co., 40 King Street West, Suite 5102, Scotia Plaza, Box 312, Toronto, Ontario M5H 3Y2 or by visiting our website at www.firsttrust.ca or SEDAR at www.sedar.com.

Forward-looking Statements

This document may contain forward-looking statements relating to anticipated future events, results, circumstances, performance or expectations that are not historical facts but instead represent beliefs regarding future events. By their nature, forward-looking statements are based on assumptions and are subject to inherent risks and uncertainties. There is significant risk that forward-looking statements will not prove to be accurate. Readers of this document should not place undue reliance on forward-looking statements as a number of factors could cause actual future results, conditions, actions or events to differ materially from the expectations, estimates or intentions expressed or implied in the forward-looking statements. These factors include but are not limited to market and general economic conditions, interest rates, foreign currency exchange rates, the extent of industry sector exposure, the performance of the securities of the issuers held in the portfolio and regulatory developments and the risks detailed in the First Trust ETF's prospectus. The Manager does not undertake and specifically disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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

Management Report of Fund Performance

For the six-month period ended June 30, 2020

Investment Objective and Strategy

The fundamental investment objective of **First Trust AlphaDEX™ European Dividend Index ETF (CAD-Hedged)** (the “First Trust ETF”) is 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 Index is developed, maintained and sponsored by the index provider, which employs the AlphaDEX™ stock selection methodology to select dividend paying ADRs from a universe of ADRs of European companies that meet certain investment criteria. The index provider constructs the Index by ranking the eligible universe of ADRs on growth factors including 3-month, 6-month and 12-month price appreciation, sales to price and one year sales growth, and then separately on value factors, including, book value to price, cash flow to price and return on assets. All ADRs are ranked on the sum of ranks for the growth factors, and separately all ADRs are ranked on the sum of ranks for the value factors. An ADR must have data for all growth and/or value factors to receive a rank for that style. The top 75% of the ADRs are then selected based on the better of their growth or value rank. The selected ADRs are divided into quintiles based on their rankings. The top ranked quintile receives a top weight of 5/15 (33.3%) of the portfolio with successive quintiles receiving 4/15 (26.7%), 3/15 (20.0%), 2/15 (13.3%) and 1/15 (6.7%). The ADRs are equally-weighted within each quintile. The Index will be rebalanced semi-annually and the constituent issuers in the Index will be adjusted at that time.

Risk

The AlphaDEX™ stock selection process is a rules-based process and can result in sector weightings that differ from that of the MSCI Europe Index in local currency (the “benchmark”). The First Trust ETF invests in a base universe of stocks that pay dividends. The ability of the underlying stocks to pay a dividend in the future is dependent on factors that are not controlled by fund management. A security held in the First Trust ETF may, at any time, decide to cut or eliminate its dividend payment. Given the First Trust ETF employs a currency hedging strategy (GBP/CAD, EUR/CAD, CHF/CAD) to minimize the impact of changes in the exchange rates of hedged currencies and considering that the portfolio continues to seek to replicate the AlphaDEX™ European Dividend Index, we conclude there was no material change to the risk profile of the First Trust ETF. Investors should refer to the most recent prospectus as it contains detailed discussion of risk relating to the investment of the First Trust ETF.

Results of Operations

General

The First Trust ETF's total net asset value as of June 30, 2020 was \$7,474,287 or \$18.69 per Common Class unit (“EUR”) and \$18.66 per Advisor Class unit (“EUR.A”). The First Trust ETF's total net asset value as of December 31, 2019 was \$11,653,182 or \$23.31 per EUR and \$23.30 per EUR.A.

For the six-month period ended June 30, 2020, the First Trust ETF paid total cash distributions per unit of \$0.4800 for EUR and \$0.3900 for EUR.A. In addition, the First Trust ETF declared cash distributions per unit of \$0.0600 for EUR and \$0.0550 for EUR.A for record date of June 30, 2020 with payment date of July 8, 2020.

Investment Performance

For the six-month period ended June 30, 2020, EUR returned -17.99% and EUR.A returned -18.44% compared to the benchmark return of -11.56%. Unlike the benchmark, the First Trust ETF's returns are net of fees and expenses.

The First Trust ETF's strategy underperformed due to an underweight position in the Consumer Discretionary and an overweight position in the Energy sector. The First Trust ETF's strategy was also dragged down by selection in the Financials sector. However, the First Trust ETF's strategy benefited from having an overweight position in Information

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

Management Report of Fund Performance

For the six-month period ended June 30, 2020

Technology stocks during the period. Lastly, the First Trust ETF's exposure to value and dividend yield stocks was also a drag on performance as the value and yield factors underperformed the benchmark during the period.

The top five stocks by contribution to return were Logitech International S.A., ASML Holding NV ADR, Rio Tinto plc Sponsored ADR, Astrazeneca PLC Sponsored ADR, and Telefonaktiebolaget LM Ericsson Sponsored ADR Class B. The bottom five stocks by contribution to return were Royal Bank of Scotland Group plc Sponsored ADR, ArcelorMittal SA ADR, Barclays PLC Sponsored ADR, Royal Dutch Shell Plc Sponsored ADR Class A, and Carnival plc Sponsored ADR.

The currency hedging strategy was mixed to the First Trust ETF as the U.S. dollar appreciated against the Canadian Dollar but the Euro and Swiss Franc depreciated versus the Canadian dollar during the period.

The portfolio held 28 equity securities at the end of the reporting period. The top ten equity holdings accounted for 54.64% of the portfolio. Financials, Information Technology, and Materials were the top three sector weightings at the beginning of the reporting period. At the end of the period, the top sector weightings were Energy, Health Care and Information Technology. At the end of the period Energy, Communication Services, and Information Technology holdings were the most overweight positions relative to the benchmark. Industrials, Consumer Staples, and Consumer Discretionary were the most underweight sectors relative to the benchmark at the end of the period. At the beginning of the period, the top three overweight sectors were Energy, Materials, and Information Technology. The most underweight sectors at the beginning of the period were Industrials, Consumer Discretionary, Consumer Staples. During the year, the First Trust ETF added 5 positions and removed 15 positions. The changes were made by applying the quantitative AlphaDEX™ selection methodology to a universe of European market dividend paying stocks.

Recent Developments

Investors in Europe are particularly vulnerable to the trade war between the United States and China, which are Europe's two largest export markets. The COVID-19 pandemic has affected trade on a global scale and the fallout has yet to be fully realized across the globe. In Europe, countries with an early rise in cases have successfully flattened case growth and begun to reopen their economies. Italy and Spain were two of the hardest hit nations and have demonstrated that a disciplined approach to containing the spread of the virus will allow for a quicker recovery. Emerging markets have fallen behind their developed peers as the countries have been slower to recover. The extended shutdown of the United States has also put a damper on the global economic recovery.

Related Party Transactions

FT Portfolios Canada Co. is the Manager of the First Trust ETF and is a Canadian affiliate of First Trust Advisors L.P., the investment advisor (the "Advisor") of the First Trust ETF.

Pursuant to terms of the declaration of trust of the First Trust ETF, the Manager provides or arranges for all management, administrative and other services required by the First Trust ETF. The Manager receives a management fee from the First Trust ETF. For further details, please see "Management Fees".

The Manager has retained the Advisor to provide certain services to the First Trust ETF pursuant to an investment advisory agreement. The Advisor receives advisory fees from the Manager out of the management fee.

First Trust AlphaDEX™ European Dividend Index ETF (CAD-Hedged)
Management Report of Fund Performance
For the six-month period ended June 30, 2020

Financial Highlights

The following tables show selected key financial information about the First Trust ETF and are intended to help you understand the First Trust ETF's financial performance for the past five years. This information is derived from the First Trust ETF's current unaudited interim financial statements and audited annual financial statements.

Net Asset Value per Unit

| EUR | Jun. 30, 2020 | Dec. 31, 2019 | Dec. 31, 2018 | Dec. 31, 2017 | Dec. 31, 2016 | Dec. 31, 2015 |
|--|------------------|------------------|------------------|------------------|------------------|------------------|
| Net asset value, beginning of period/year ⁽¹⁾ | \$23.31 | \$20.33 | \$23.33 | \$21.62 | \$19.63 | \$19.82 |
| Increase (Decrease) from operations: | | | | | | |
| Total revenue | 0.43 | 1.05 | 0.94 | 0.92 | 0.74 | 0.82 |
| Total expenses | (0.14) | (0.31) | (0.27) | (0.27) | (0.25) | (0.23) |
| Realized gains (losses) for the period/year | (4.59) | (0.19) | 1.53 | 1.17 | 0.61 | (2.24) |
| Unrealized gains (losses) for the period/year | (1.13) | 3.30 | (3.72) | 0.62 | 0.87 | (0.96) |
| Total increase (decrease) from operations ⁽²⁾ | \$(5.43) | \$3.85 | \$(1.52) | \$2.44 | \$1.97 | \$(0.69) |
| Distributions: | | | | | | |
| From income (excluding dividends) | (0.42) | (0.89) | (0.77) | (0.64) | (0.59) | (0.50) |
| From dividends | - | - | - | - | - | - |
| From capital gains | - | - | - | - | - | - |
| Return of capital | - | - | - | (0.10) | - | (0.05) |
| Total interim/annual distributions ⁽³⁾ | \$(0.42) | \$(0.89) | \$(0.77) | \$(0.74) | \$(0.59) | \$(0.55) |
| Net asset value, end of period/year ⁽⁴⁾ | \$18.69 | \$23.31 | \$20.33 | \$23.33 | \$21.62 | \$19.63 |

| EUR.A | Jun. 30, 2020 | Dec. 31, 2019 | Dec. 31, 2018 | Dec. 31, 2017 | Dec. 31, 2016 | Dec. 31, 2015 |
|--|------------------|------------------|------------------|------------------|------------------|------------------|
| Net asset value, beginning of period/year ⁽¹⁾ | \$23.30 | \$20.38 | \$23.34 | \$21.63 | \$19.63 | \$19.82 |
| Increase (Decrease) from operations: | | | | | | |
| Total revenue | 0.38 | 0.98 | 0.99 | 0.93 | 0.74 | 0.92 |
| Total expenses | (0.24) | (0.55) | (0.53) | (0.53) | (0.47) | (0.47) |
| Realized gains (losses) for the period/year | (5.11) | (0.23) | 1.28 | 1.23 | 0.78 | (2.26) |
| Unrealized gains (losses) for the period/year | 0.68 | 3.44 | (3.73) | 0.50 | 1.28 | 1.93 |
| Total increase (decrease) from operations ⁽²⁾ | \$(4.29) | \$3.64 | \$(1.99) | \$2.13 | \$2.33 | \$0.12 |
| Distributions: | | | | | | |
| From income (excluding dividends) | (0.34) | (0.69) | (0.48) | (0.37) | (0.37) | (0.27) |
| From dividends | - | - | - | - | - | - |
| From capital gains | - | - | - | - | - | - |
| Return of capital | - | (0.02) | - | (0.12) | - | (0.03) |
| Total interim/annual distributions ⁽³⁾ | \$(0.34) | \$(0.71) | \$(0.48) | \$(0.49) | \$(0.37) | \$(0.30) |
| Net asset value, end of period/year ⁽⁴⁾ | \$18.66 | \$23.30 | \$20.38 | \$23.34 | \$21.63 | \$19.63 |

(1) This information is provided as at June 30, 2020 and December 31 of the years shown and is prepared under IFRS.

(2) Net asset value and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the period/year.

(3) Distributions were paid in cash or reinvested in additional units of the First Trust ETF, or both. Non-cash distributions are reinvested in additional units of the First Trust ETF and subsequently consolidated. Neither the number of units held by the unitholder, nor the net asset per unit of the First Trust ETF change as a result of any non-cash distributions.

(4) This table is not intended to be a reconciliation of beginning to ending net asset value per unit.

First Trust AlphaDEX™ European Dividend Index ETF (CAD-Hedged)
Management Report of Fund Performance
For the six-month period ended June 30, 2020

Ratios and Supplemental Data

| EUR | Jun. 30, 2020 | Dec. 31, 2019 | Dec. 31, 2018 | Dec. 31, 2017 | Dec. 31, 2016 | Dec. 31, 2015 |
|---|------------------|------------------|------------------|------------------|------------------|------------------|
| Net asset value (000's) | \$6,056 | \$9,883 | \$13,702 | \$23,886 | \$26,463 | \$34,740 |
| Number of units outstanding | 324,022 | 424,022 | 674,022 | 1,024,022 | 1,224,001 | 1,770,000 |
| Management expense ratio ⁽¹⁾ | 0.66% | 0.66% | 0.66% | 0.67% | 0.67% | 0.68% |
| Management expense ratio before waivers or absorption | 0.69% | 0.68% | 0.68% | 0.89% | 0.89% | 0.90% |
| Trading expense ratio ⁽²⁾ | 0.31% | 0.12% | 0.09% | 0.09% | 0.12% | 0.08% |
| Portfolio turnover rate ⁽³⁾ | 43.55% | 73.01% | 86.07% | 95.06% | 94.41% | 112.62% |
| Net asset value per unit | \$18.69 | \$23.31 | \$20.33 | \$23.33 | \$21.62 | \$19.63 |

| EUR.A | June. 30, 2020 | Dec. 31, 2019 | Dec. 31, 2018 | Dec. 31, 2017 | Dec. 31, 2016 | Dec. 31, 2015 |
|---|-------------------|------------------|------------------|------------------|------------------|------------------|
| Net asset value (000's) | \$1,418 | \$1,770 | \$1,548 | \$2,941 | \$1,644 | \$1,571 |
| Number of units outstanding | 75,979 | 75,979 | 75,979 | 125,979 | 76,000 | 80,000 |
| Management expense ratio ⁽¹⁾ | 1.77% | 1.79% | 1.77% | 1.77% | 1.78% | 1.81% |
| Management expense ratio before waivers or absorption | 1.80% | 1.81% | 1.79% | 1.99% | 2.00% | 2.03% |
| Trading expense ratio ⁽²⁾ | 0.31% | 0.12% | 0.09% | 0.09% | 0.12% | 0.08% |
| Portfolio turnover rate ⁽³⁾ | 43.55% | 73.01% | 86.07% | 95.06% | 94.41% | 112.62% |
| Net asset value per unit | \$18.66 | \$22.30 | \$20.38 | \$23.34 | \$21.63 | \$19.63 |

(1) Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period/year and is expressed as an annualized percentage of daily average net asset value during the period/year.

(2) The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period/year.

(3) The First Trust ETF's portfolio turnover rate indicates how actively the First Trust ETF's portfolio advisor manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the First Trust ETF buying and selling all of the securities in its portfolio once in the course of the period/year. The higher a First Trust ETF's portfolio turnover rate in a year, the greater the trading cost payable by the First Trust ETF in the period/year, and the greater the chance of an investor receiving taxable capital gains in the period/year. There is not necessarily a relationship between high turnover rate and the performance of a First Trust ETF.

Management Fees

The First Trust ETF will pay the Manager a management fee of 0.60% and, in respect of the EUR.A, an additional amount for a service fee (see "EUR.A Service Fee" below) based on the average daily NAV of the First Trust ETF. The management fee, plus applicable taxes including HST, will be 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.

EUR.A Service Fee

The Manager pays registered dealers a service fee equal to 1.00% per annum of the NAV of the Units 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.

First Trust AlphaDEX™ European Dividend Index ETF (CAD-Hedged)
Management Report of Fund Performance
For the six-month period ended June 30, 2020

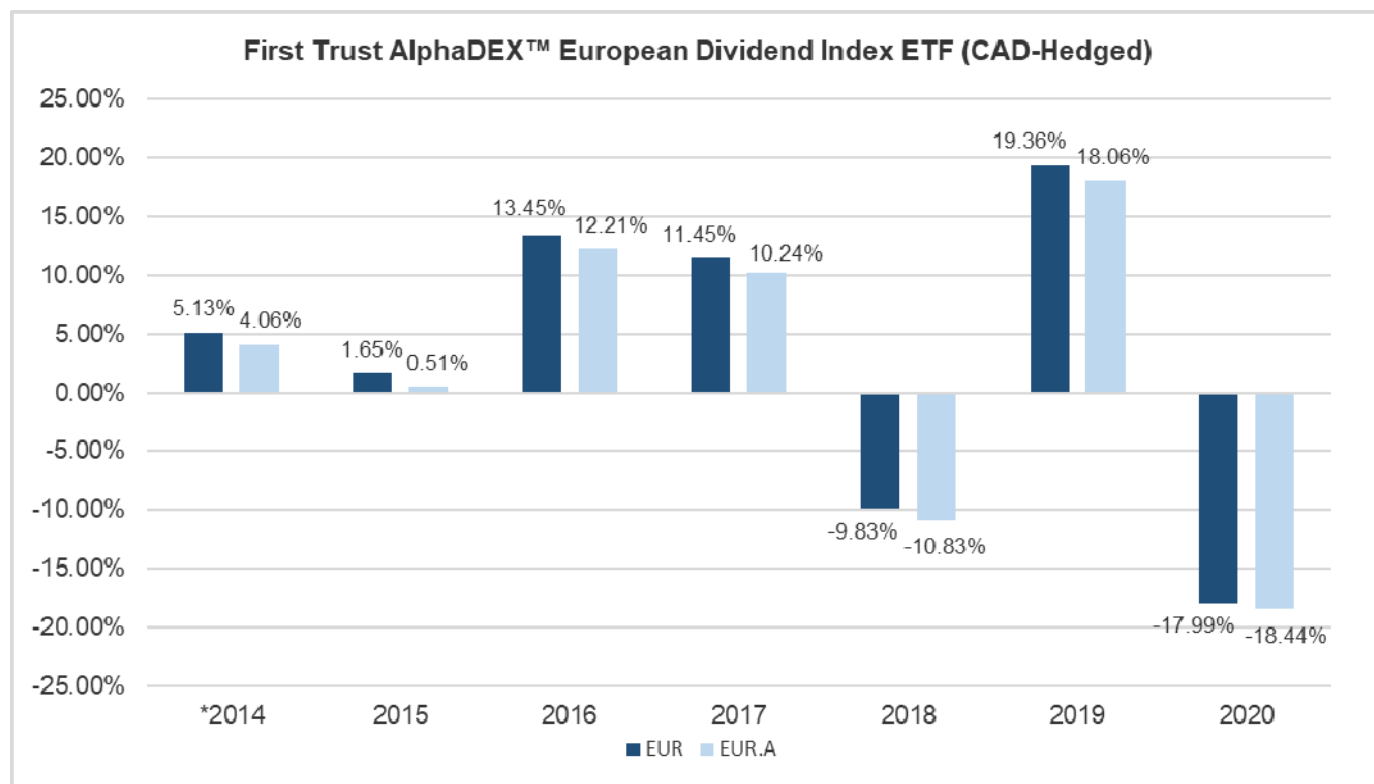
Past Performance

General

The past performance information shown assumes that all distributions made by the First Trust ETF in the period/years shown were reinvested in additional securities of the First Trust ETF. The performance information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance. How the First Trust ETF has performed in the past does not necessarily indicate how it will perform in the future.

Year by Year Returns

The bar chart below shows the First Trust ETF’s performance, per class, for the six-month period ended June 30, 2020, for the years ended December 31, and for the period from commencement of operations to December 31, 2014 and illustrates how the investment fund’s performance has changed from year to year. The chart also shows, in percentage terms, how much an investment made on the first day of each financial year would have grown or decreased by the last day of each financial year.



*First Trust ETF Commencement: February 4, 2014

First Trust AlphaDEX™ European Dividend Index ETF (CAD-Hedged)
Management Report of Fund Performance
For the six-month period ended June 30, 2020

Summary of Investment Portfolio

The table below sets out the percentage (based on total net asset value) of the First Trust ETF's top 25 holdings as at June 30, 2020. This summary of portfolio holdings may change due to ongoing portfolio transactions of the First Trust ETF. Daily and quarterly updates are available at www.firsttrust.ca.

| Top 25 Holdings | % of ETF Total Net Asset Value |
|---|--------------------------------|
| ASML Holding NV, Registered | 7.00% |
| Logitech International SA, Registered | 6.88% |
| TOTAL SA, ADR | 6.41% |
| Royal Dutch Shell PLC, Class 'A', ADR | 6.41% |
| Orange SA, ADR | 6.21% |
| Credit Suisse Group AG, ADR | 4.76% |
| Eni SPA, ADR | 4.42% |
| Rio Tinto PLC, ADR | 4.35% |
| Novo Nordisk AS, ADR | 4.15% |
| AstraZeneca PLC, ADR | 4.05% |
| British American Tobacco PLC, ADR | 4.05% |
| CRH PLC, ADR | 4.01% |
| Sanofi SA, ADR | 3.91% |
| Koninklijke Philips NV, ADR | 3.88% |
| GlaxoSmithKline PLC, ADR | 3.66% |
| Vodafone Group PLC, ADR | 3.63% |
| Pearson PLC, ADR | 2.61% |
| STMicroelectronics NV | 2.30% |
| UBS Group AG | 2.25% |
| Telefónica SA, ADR | 2.20% |
| Mobile TeleSystems PJSC, ADR | 2.16% |
| Telefonaktiebolaget LM Ericsson, Class 'B', ADR | 2.13% |
| SAP SE, ADR | 1.14% |
| National Grid PLC, ADR | 1.11% |
| RELX Group | 1.06% |
| Total | 94.74% |

Portfolio Breakdown

The table below sets out the percentage (based on total net asset value) of the First Trust ETF's portfolio as at June 30, 2020.

| Sector Weightings | % of ETF Total Net Asset Value |
|--------------------------------|--------------------------------|
| Information Technology | 19.43% |
| Energy | 18.31% |
| Health Care | 17.82% |
| Communication Services | 14.20% |
| Materials | 8.37% |
| Financials | 7.01% |
| Consumer Staples | 4.05% |
| Industrials | 3.88% |
| Consumer Discretionary | 3.66% |
| Utilities | 1.11% |
| Cash and Cash Equivalents | 0.49% |
| Other Assets, Less Liabilities | 1.67% |
| Total | 100.00% |

First Trust AlphaDEX™ European Dividend Index ETF (CAD-Hedged)
Management Report of Fund Performance
For the six-month period ended June 30, 2020

The table below sets out the percentage (based on total net asset value) of the First Trust ETF's portfolio excluding cash, by country, as at June 30, 2020.

| Country Weightings | % of ETF Total Net Asset Value |
|--------------------|--------------------------------|
| United Kingdom | 25.57% |
| Netherlands | 19.59% |
| France | 16.53% |
| Switzerland | 14.93% |
| Italy | 4.42% |
| Denmark | 4.15% |
| Ireland | 4.01% |
| Spain | 3.21% |
| Russia | 2.16% |
| Sweden | 2.13% |
| Germany | 1.14% |
| Total | 97.84% |

(Page intentionally left blank)

FT Portfolios Canada Co.

40 King Street West, Suite 5102
Scotia Plaza, Box 312
Toronto, Ontario M5H 3Y2

www.firsttrust.ca