



First Trust International Capital Strength ETF • FINT

Interim Management Report of Fund Performance
June 30, 2021

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INTERIM MANAGEMENT REPORT OF FUND PERFORMANCE

June 30, 2021

First Trust International Capital Strength ETF (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.

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Investment Objective and Strategy

The fundamental investment objective of **First Trust International Capital Strength ETF** (the "First Trust ETF") is 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.

The First Trust ETF seeks to achieve its investment objective by investing primarily in securities of developed market companies, excluding the U.S. and Canada. Securities invested in by the First Trust ETF include common shares of public companies and American Depository Receipts ("ADRs"), Global Depository Receipts ("GDRs") and European Depository Receipts ("EDRs") that are traded on global exchanges or markets.

Risk

The risks associated with an investment in the First Trust ETF remain as discussed in the First Trust ETF's most recent prospectus. There have been no significant changes during the reporting period that affected the overall level of risk associated with the First Trust ETF.

Results of Operations

General

The First Trust ETF's net asset value as of June 30, 2021 was \$9,169,115 or \$26.20 per unit. The First Trust ETF's net asset value as of December 31, 2020 was \$6,023,055 or \$24.09 per unit.

There were no cash distributions paid nor declared for the six-month period ended June 30, 2021.

Investment Performance

For the six-month period ended June 30, 2021, the First Trust ETF returned 8.74% compared to MSCI EAFE Index (the "benchmark") return of 5.78%. Unlike the benchmark, the First Trust ETF's return is net of fees and expenses.

The First Trust ETF outperformed the benchmark in the first half of the year. Overall, allocation effect, stock selection effect, and currency effect were positive contributors to relative performance. Negative contributions to relative performance came from stock selection within the Energy and Utilities sectors as well as an underweight allocation and stock selection in the Financials sector. Positive contribution to relative performance were mainly due to overweight allocations and stock selection in the Information Technology and Industrials sectors.

The top-performing stocks by total return for the period were ASM International N.V., Xinyi Glass Holdings Limited, and ASML Holding NV. These stocks returned +46.26%, +44.72%, and +37.69% respectively, in CAD, including dividends. The bottom-performing stocks by total return for the period were China Gas Holdings Limited, Nestle Corporation, and Nintendo Co., Ltd. These stocks returned -25.08%, -17.04%, and -9.28% respectively, in CAD, including dividends.

The First Trust ETF held 40 equity positions for the six-month period ended June 30, 2021 and made no net change to the number of positions from the beginning of the period. Portfolio changes were made in April 2021 (4 positions added, 4 positions eliminated). The top ten equity holdings of the First Trust ETF at June 30, 2021 accounted for 27.82% of total NAV and the top ten equity holdings of the First Trust ETF at June 30, 2020 accounted for 26.60% of total NAV. Health Care, Industrials, and Consumer Discretionary (in order) were the top three sector weightings at the end of the period, whereas Health Care, Information Technology, and Industrials were the top three sector weights at the beginning of the period. Relative to its benchmark over the period, the First Trust ETF was overweight the Consumer Discretionary, Health Care, Industrials and Information Technology sectors and underweight the Communication Services, Consumer Staples, Energy, Financials, Materials, Real Estate and Utilities sectors. The sector weighting of the First Trust ETF changed somewhat over the reporting period, primarily as the result of our bottom-up, multi-step quantitative and fundamental stock selection strategy. Portfolio changes were made in April of 2021. There was no net change to the total number of portfolio positions over the period. In April, four positions, BHP Group PLC, Thales SA, Obayashi Corp and Legal & General Group PLC were eliminated for failing to meet the initial

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screening criteria. Four positions, Fortescue Metals Group Ltd, Skanska AB, Deutsche Post AG and Open House Co Ltd were established in place of them.

Recent Developments

The COVID-19 pandemic caused global economic activity to shrink by 3.6% in 2020, the largest global contraction since the end of World War II. Global prospects continue to remain highly uncertain as we are over a year into the pandemic. The recovery is not just dependent upon vaccines being administered, but also upon how effectively economic policies can continue to limit the damage from the pandemic. According to the International Monetary Fund (the "IMF"), policy actions have contributed about 6 percentage points to global growth in 2020. Without these actions, the contraction in the global economy last year could have been three times worse than it was. Many central banks have announced that they will continue with accommodative policies while governments provide fiscal support to hasten the recovery. The Bank of Japan has announced that the short-term interest rate will remain at -0.10% and will purchase up to 12 trillion yen in equity-linked exchange-traded funds. Prime Minister Yoshihide Suga is also expected to unveil another economic stimulus relief package worth around 30 trillion yen (\$270 billion USD). The spread of new COVID-19 variants in the Euro area has caused additional lockdowns, forcing the European Union (the "EU") to begin distributing the Next Generation EU funds, a €1.8 trillion (\$2.13 trillion USD) financial stimulus package. The Bank of England recently voted unanimously to maintain interest rates at 0.1% and to continue with the existing program of UK government bond purchases with a total target stock of asset purchases of £895 billion (\$1.24 trillion USD). The global recovery ultimately hinges on the speed and effectiveness of the COVID-19 vaccinations. However, the BoC has an optimistic outlook and forecasts that the global economy will rebound in 2021 with global GDP growing about 6.75%

The MSCI EAFE Index began the first half of 2021 up 5.78%. The Index has benefitted from positive contributions from every sector, except for the Utilities sectors. The largest positive contributors to total return were the Financials, Consumer Discretionary and Industrials sectors, which make up over 45% of the index. By country, French, Swiss, British, Dutch and German equities accounted for the bulk of the Index's positive contribution to the return for the first half of the year. Japanese equities, which makes up about a quarter of the Index's weight, were the largest negative contributors to total return. British equities, which has the second largest weight in the Index, was the largest positive contributor to the Index's performance for the year. Despite the uncertainty in the first half of the year, the global economy has proven more resilient to the pandemic than previously expected and we remain positive on developed markets. Massive policy support has helped to maintain the flow of credit to households and firms, facilitated the global recovery and has helped to mitigate financial risks. Continued policy support from central banks going forward and the expansion of vaccination programs will enable stronger growth in the second half of 2021.

We continue to find attractive candidates from within our selection universe of "international capital strength" companies. The First Trust ETF is positioned to provide exposure to the world's most developed nations ex the United States and Canada.

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.

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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 three years. This information is derived from the First Trust ETF's current unaudited interim and audited annual financial statements.

Net Asset Value per Unit

FINT	June 30, 2021	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2018 ^(a)
Net asset value, beginning of period/year ⁽¹⁾	\$24.09	\$20.71	\$16.79	\$20.00 ^(b)
Increase (Decrease) from operations:				
Total revenue	0.50	0.46	0.68	0.29
Total expenses	(0.17)	(0.27)	(0.26)	(0.16)
Realized gains (losses) for the period/year	0.69	0.81	(1.74)	(0.14)
Unrealized gains (losses) for the period/year	0.99	3.76	4.95	(3.77)
Total increase (decrease) from operations ⁽²⁾	\$2.01	\$4.76	\$3.63	\$(3.78)
Distributions:				
From income (excluding dividends)	-	-	(0.19)	-
From dividends	-	-	-	-
From capital gains	-	(1.14)	-	-
Return of capital	-	(0.06)	(0.06)	-
Total annual distributions ⁽³⁾	\$ -	\$(1.20)	\$(0.25)	-
Net asset value, end of period/year ⁽⁴⁾	\$26.20	\$24.09	\$20.71	\$16.79

(a) December 31, 2018 does not relate to the full year as the First Trust ETF commenced operations on May 17, 2018.

(b) Seed capital

(1) This information is provided as at June 30, 2021, December 31 of the period/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.

Ratios and Supplemental Data

FINT	June 30, 2021	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2018
Net asset value (000's)	\$9,169	\$6,023	\$2,071	\$1,679
Number of units outstanding	350,000	250,000	100,000	100,000
Management expense ratio ⁽¹⁾	0.74%	0.75%	0.77%	0.75%
Management expense ratio before waivers or absorption	0.76%	0.78%	0.79%	0.76%
Trading expense ratio ⁽²⁾	0.19%	0.33%	0.30%	0.44%
Portfolio turnover rate ⁽³⁾	15.65%	55.67%	101.25%	8.99%
Net asset value per unit	\$26.20	\$24.09	\$20.71	\$16.79

(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 period/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.

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Management Fees

The First Trust ETF will pay the Manager a management fee of 0.70% 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.

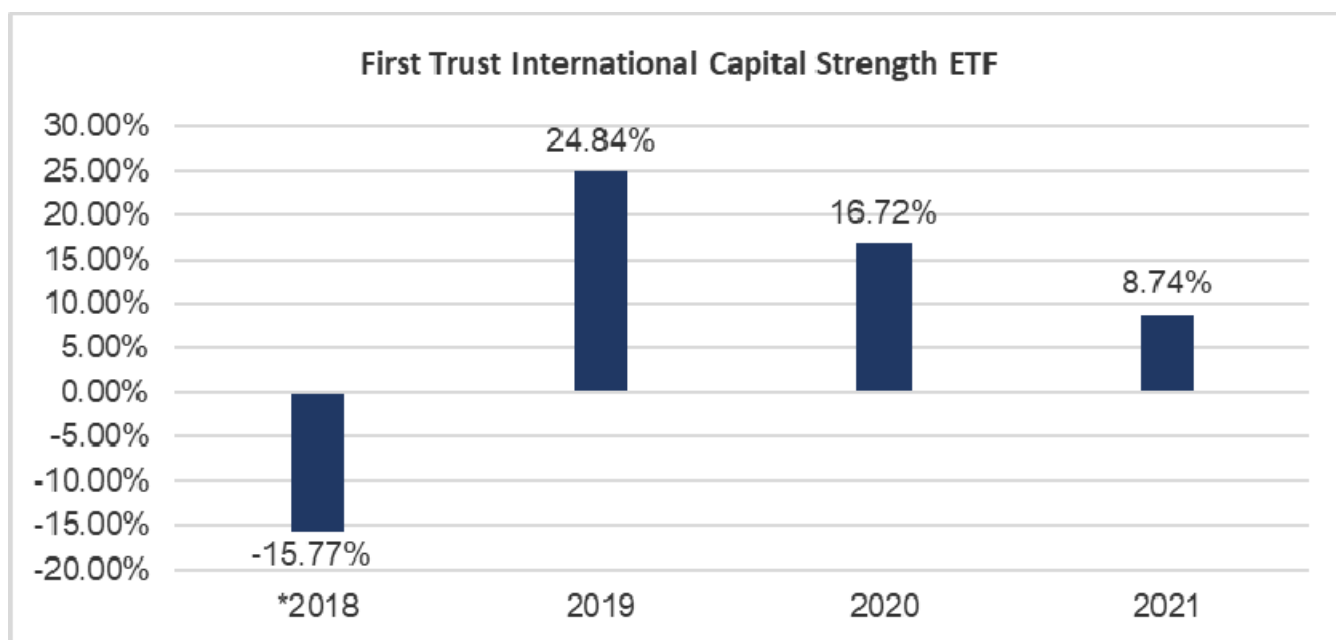
Past Performance

General

The past performance information shown assumes that all distributions made by the First Trust ETF in the period/year 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 for the six-month period ended June 30, 2021, for the years ended December 31, 2020 and 2019 and for the period from commencement of operations to December 31, 2018 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: May 17, 2018

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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, 2021. 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
Xinyi Glass Holdings Co. Ltd.	2.93%
Deutsche Post AG, Registered	2.88%
AstraZeneca PLC	2.85%
Novo Nordisk AS, Series 'B'	2.82%
Genmab AS	2.78%
Roche Holding AG Genusscheine	2.77%
Kering	2.76%
Open House Co. Ltd.	2.73%
Ferguson PLC	2.69%
BAE Systems PLC	2.61%
Fortescue Metals Group Ltd.	2.59%
Logitech International SA, Registered	2.59%
ASM International NV	2.59%
Nestlé SA, Registered	2.58%
Novartis AG, Registered	2.57%
LVMH Moët Hennessy-Louis Vuitton SA	2.57%
ASML Holding NV	2.55%
Unilever PLC	2.55%
Sanofi SA	2.53%
CSL Ltd.	2.51%
JD Sports Fashion PLC	2.51%
KDDI Corp.	2.49%
Neste OYJ	2.48%
SAP SE	2.44%
Skanska AB, Series 'B'	2.44%
Total	65.81%

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, 2021.

Sector Weightings	% of ETF Total Net Asset Value
Health Care	21.21%
Information Technology	18.89%
Industrials	17.54%
Consumer Discretionary	17.46%
Financials	7.38%
Consumer Staples	5.13%
Materials	5.01%
Communication Services	2.49%
Energy	2.48%
Utilities	2.00%
Cash and Cash Equivalents	0.23%
Other Assets, Less Liabilities	0.18%
Total	100.00%

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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 December 31, 2020.

Country Weightings	% of ETF Total Net Asset Value
United Kingdom	22.39%
Japan	13.90%
Switzerland	10.51%
Hong Kong	9.55%
Sweden	9.34%
France	7.86%
Denmark	5.60%
Germany	5.32%
Netherlands	5.14%
Australia	5.10%
Finland	2.48%
South Korea	2.40%
Total	99.59%

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