# NTRL

As of 9/30/26

# First Trust Equity Market Neutral ETF

## » Fund Objective

This actively managed exchange-traded fund seeks to provide investors with capital appreciation.

## » Fund Facts

| | |
|---|---|
| Fund Ticker | NTRL |
| CUSIP | 33740J203 |
| Fund Inception Date | 2/4/20 |
| Total Expense Ratio | 0.95% |
| Primary Listing | NYSE Arca |

## » Fund Description

» The First Trust Equity Market Neutral ETF investment process involves constructing both a long and short portfolio consisting of U.S. exchange-listed equity securities held directly, or indirectly through financial derivative instruments (exchange-traded or over-the-counter) and U.S. ETFs that provide exposure to such securities.

- The overall portfolio, under normal market conditions, will be 150% to 250% invested in long positions and 150% to 250% invested in short positions.

» Through the investment process, the Advisor follows a systematic portfolio construction process designed to balance the drivers of risk and return that exist between the long and short positions.

- The investment process analyzes fundamental data, market-related data, and the technical and statistical attributes of eligible securities to assess total return potential, seeking to identify those companies that have the potential to outperform or underperform the market for inclusion in the long or short portfolios, respectively. Additional proprietary research will be used to tactically manage both the overall percentage and composition of the long and short exposures in the portfolio.
- The Advisor will then seek to manage risk and control exposures between the long and short portfolios.
- The Advisor will apply quantitative and fundamental analysis to determine the position sizes and expected level of risk for the long and short portfolios, seeking to neutralize broad market beta exposure.
- The long and short portfolios are integrated and optimized to seek to balance the risk and return between the long and short positions relative to the general equity market.^

## » Fund Advisor

» First Trust Advisors L.P. is the advisor to the fund and manages the fund's portfolio.

» Daily investment decisions are made by:

- John Gambla, CFA, FRM, PRM, Senior Portfolio Manager, Alternatives Investment Team of First Trust
- Rob A. Guttschow, CFA, Senior Portfolio Manager, Alternatives Investment Team of First Trust

## » Performance Summary (%)[1]

| | 3 Month | YTD | 1 Year | 3 Year | 5 Year | 10 Year | Since Fund Inception |
|---|---|---|---|---|---|---|---|
| **Fund Performance*** | | | | | | | |
| Net Asset Value (NAV) | 4.01 | 4.22 | 6.65 | 4.14 | 3.46 | — | 2.34 |
| After Tax Held | 1.72 | 1.92 | 4.03 | 2.55 | 2.31 | — | 1.48 |
| After Tax Sold | 2.38 | 2.50 | 3.93 | 2.49 | 2.17 | — | 1.43 |
| Market Price | 3.97 | 4.17 | 6.60 | 4.15 | 3.48 | — | 2.33 |
| **Index Performance**** | | | | | | | |
| ICE BofA US 3-Month Treasury Bill Index | 0.89 | 2.65 | 3.65 | 4.49 | 3.70 | — | 2.86 |
| S&P 500® Index | 2.30 | 12.75 | 15.74 | 22.89 | 13.79 | — | 15.19 |

## » Calendar Year Total Returns (%)[1]

| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | YTD |
|---|---|---|---|---|---|---|---|---|---|---|---|
| NTRL | — | — | — | — | — | 0.56 | 3.46 | 2.56 | 0.42 | 6.91 | 4.22 |
| ICE BofA US 3-Month Treasury Bill Index | — | — | — | — | — | 0.05 | 1.46 | 5.01 | 5.25 | 4.18 | 2.65 |
| S&P 500® Index | — | — | — | — | — | 28.71 | -18.11 | 26.29 | 25.02 | 17.88 | 12.75 |

***Performance data quoted represents past performance. Past performance is not a guarantee of future results and current performance may be higher or lower than performance quoted. Investment returns and principal value will fluctuate and shares when sold or redeemed, may be worth more or less than their original cost. You can obtain performance information which is current through the most recent month-end by visiting www.ftportfolios.com.***

[1]On June 24, 2026, the fund converted from the First Trust Merger Arbitrage ETF to the First Trust Equity Market Neutral ETF. Therefore, the fund's performance and historical returns shown for the periods prior to this date are not necessarily indicative of the performance that the fund would have generated.

***NAV** returns are based on the fund's net asset value which represents the fund's net assets (assets less liabilities) divided by the fund's outstanding shares. **After Tax Held** returns represent return after taxes on distributions. Assumes shares have not been sold. **After Tax Sold** returns represent the return after taxes on distributions and the sale of fund shares. Returns do not represent the returns you would receive if you traded shares at other times. **Market Price** returns are determined by using the midpoint of the national best bid offer price ("NBBO") as of the time that the fund's NAV is calculated. Returns are average annualized total returns, except those for periods of less than one year, which are cumulative. After-tax returns are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on the investor's tax situation and may differ from those shown. The after-tax returns shown are not relevant to investors who hold their fund shares through tax-deferred arrangements such as 401(k) plans or individual retirement accounts.

**Performance information for each listed index is for illustrative purposes only and does not represent actual fund performance. Indexes do not charge management fees or brokerage expenses, and no such fees or expenses were deducted from the performance shown. Indexes are unmanaged and an investor cannot invest directly in an index.

^"Long" and "short" are investment terms used to describe ownership of securities. To buy securities is to "go long." The opposite of going long is "selling short." Short selling is an advanced trading strategy that involves selling a borrowed security. Short sellers make a profit if the price of the security goes down and they are able to buy the security at a lower amount than the price at which they sold the security short.

# First Trust Equity Market Neutral ETF

As of 9/30/26

## » Portfolio Information

| | |
|---|---|
| Number Of Holdings | 9 |

## » Top Underlying Swap Holdings (Notional %) Long Exposure

| | |
|---|---|
| Teradyne, Inc. | 1.99 |
| Mettler-Toledo International Inc. | 1.86 |
| IES Holdings, Inc. | 1.84 |
| Kennametal Inc. | 1.82 |
| Qualys, Inc. | 1.74 |
| Hilton Worldwide Holdings Inc. | 1.74 |
| Altria Group, Inc. | 1.70 |
| Expeditors International of Washington, Inc. | 1.69 |
| Skyworks Solutions, Inc. | 1.68 |
| MSCI Inc. | 1.64 |

## » Top Underlying Swap Holdings (Notional %) Short Exposure

| | |
|---|---|
| Hyatt Hotels Corporation (Class A) | -1.50 |
| Alliance Laundry Holdings Inc. | -1.47 |
| Ralliant Corporation | -1.35 |
| Conagra Brands, Inc. | -1.33 |
| Mercury Systems, Inc. | -1.28 |
| CoStar Group, Inc. | -1.22 |
| Power Integrations, Inc. | -1.21 |
| DICK'S Sporting Goods, Inc. | -1.20 |
| W.R. Berkley Corporation | -1.20 |
| EastGroup Properties, Inc. | -1.19 |

***You should consider the fund's investment objectives, risks, and charges and expenses carefully before investing. Contact First Trust Portfolios L.P. at 1-800-621-1675 or visit www.ftportfolios.com to obtain a prospectus or summary prospectus which contains this and other information about the fund. The prospectus or summary prospectus should be read carefully before investing.***

## Risk Considerations

**You could lose money by investing in a fund. An investment in a fund is not a deposit of a bank and is not insured or guaranteed. There can be no assurance that a fund's objective(s) will be achieved. Investors buying or selling shares on the secondary market may incur customary brokerage commissions. Please refer to each fund's prospectus and Statement of Additional Information for additional details on a fund's risks. The order of the below risk factors does not indicate the significance of any particular risk factor.**

Unlike mutual funds, shares of the fund may only be redeemed directly from a fund by authorized participants in very large creation/redemption units. If a fund's authorized participants are unable to proceed with creation/redemption orders and no other authorized participant is able to step forward to create or redeem, fund shares may trade at a premium or discount to a fund's net asset value and possibly face delisting and the bid/ask spread may widen.

A fund that effects all or a portion of its creations and redemptions for cash rather than in-kind may be less tax-efficient.

To avoid exceeding position limits set by the Commodity Futures Trading Commission, a fund may have to liquidate commodity contract positions at disadvantageous times or prices which may result in substantial loss of fund assets.

A fund may be subject to the risk that a counterparty will not fulfill its obligations which may result in significant financial loss to a fund.

Current market conditions risk is the risk that a particular investment, or shares of the fund in general, may fall in value due to current market conditions. For example, changes in governmental fiscal and regulatory policies, disruptions to banking and real estate markets, actual and threatened international armed conflicts and hostilities, and public health crises, among other significant events, could have a material impact on the value of the fund's investments.

A fund is susceptible to operational risks through breaches in cyber security. Such events could cause a fund to incur regulatory penalties, reputational damage, additional compliance costs associated with corrective measures and/or financial loss.

Depositary receipts may be less liquid than the underlying shares in their primary trading market and distributions may be subject to a fee. Holders may have limited voting rights, and investment restrictions in certain countries may adversely impact their value.

The use of derivatives instruments involves different and possibly greater risks than investing directly in securities including counterparty risk, valuation risk, volatility risk, and liquidity risk. Further, losses because of adverse movements in the price or value of the underlying asset, index or rate may be magnified by certain features of the derivatives.

Equity securities may decline significantly in price over short or extended periods of time, and such declines may occur in the equity market as a whole, or they may occur in only a particular country, company, industry or sector of the market.

A fund may invest in the shares of other ETFs, which involves additional expenses that would not be present in a direct investment in the underlying funds. In addition, a fund's investment performance and risks may be related to the investment performance and risks of the underlying funds.

The risk of a position in a futures contract may be very large compared to the relatively low level of margin a fund is required to deposit and a relatively small price movement in a futures contract may result in immediate and substantial loss relative to the size of margin deposit.

A fund may be a constituent of one or more indices or models which could greatly affect a fund's trading activity, size and volatility.

Large capitalization companies may grow at a slower rate than the overall market.

Leverage may result in losses that exceed the amount originally invested and may accelerate the rates of losses. Leverage tends to magnify, sometimes significantly, the effect of any increase or decrease in a fund's exposure to an asset or class of assets and may cause the value of a fund's shares to be volatile and sensitive to market swings.

Certain fund investments may be subject to restrictions on resale, trade over-the-counter or in limited volume, or lack an active trading market. Illiquid securities may trade at a discount and may be subject to wide fluctuations in market value.

The portfolio managers of an actively managed portfolio will apply investment techniques and risk analyses that may not have the desired result.

Market risk is the risk that a particular security, or shares of a fund in general may fall in value. Securities are subject to market fluctuations caused by such factors as general economic conditions, political events, regulatory or market developments, changes in interest rates and perceived trends in securities prices. Shares of a fund could decline in value or underperform other investments as a result. In addition, local, regional or global events such as war, acts of terrorism, spread of infectious disease or other public health issues, recessions, natural disasters or other events could have significant negative impact on a fund.

A fund faces numerous market trading risks, including the potential lack of an active market for fund shares due to a limited number of market makers. Decisions by market makers or authorized participants to reduce their role or step away in times of market stress could inhibit the effectiveness of the arbitrage process in maintaining the relationship between the underlying values of a fund's portfolio securities and a fund's market price.

A fund classified as "non-diversified" may invest a relatively high percentage of its assets in a limited number of issuers. As a result, a fund may be more susceptible to a single adverse economic or regulatory occurrence affecting one or more of these issuers, experience increased volatility and be highly concentrated in certain issuers.

Securities of non-U.S. issuers are subject to additional risks, including currency fluctuations, political risks, withholding, lack of liquidity, lack of adequate financial information, and exchange control restrictions impacting non-U.S. issuers.

A fund and a fund's advisor may seek to reduce various operational risks through controls and procedures, but it is not possible to completely protect against such risks. The fund also relies on third parties for a range of services, including custody, and any delay or failure related to those services may affect the fund's ability to meet its objective.

Because OTC derivatives do not trade on an exchange, the parties to an OTC derivative face heightened levels of counterparty risk, liquidity risk and valuation risk.

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

The market price of a fund's shares will generally fluctuate in accordance with changes in the fund's net asset value ("NAV") as well as the relative supply of and demand for shares on the exchange, and a fund's investment advisor cannot predict whether shares will trade below, at or above their NAV.

Short selling creates special risks which could result in increased gains or losses and volatility of returns. Because losses on short sales arise from increases in the value of the security sold short, such losses are theoretically unlimited.

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

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

If, in any year, a fund which intends to qualify as a Registered Investment Company (RIC) under the applicable tax laws fails to do so, it would be taxed as an ordinary corporation.

A fund may use swap agreements that seek to replicate the return characteristics of U.S. exchange-listed equity securities. Swap positions may require a fund to recognize income without receiving cash. Because a fund that intends to qualify as a regulated investment company (RIC) must distribute substantially all of its taxable income, which is based on gross income, it may be required to make distributions without having received corresponding cash. In such cases, a fund may need to sell assets or borrow to meet this requirement, which could adversely affect returns.

Total return swaps are agreements in which one party receives payments tied to the performance of an underlying security, basket, or index in exchange for payments based on a fixed or variable rate or the total return of another asset. Swap agreements involve greater risks than direct investment in securities, including tax treatment, tax regulation, credit, counterparty, liquidity, leverage, valuation, volatility, and correlation risk. The use of total return swaps is a highly specialized activity, and could result in losses if the underlying reference asset does not perform as anticipated.

Trading on an exchange may be halted due to market conditions or other reasons. There can be no assurance that a fund's requirements to maintain the exchange listing will continue to be met or be unchanged.

A fund may hold securities or other assets that may be valued on the basis of factors other than market quotations. This may occur because the asset or security does not trade on a centralized exchange, or in times of market turmoil or reduced liquidity. Portfolio holdings that are valued using techniques other than market quotations, including "fair valued" assets or securities, may be subject to greater fluctuation in their valuations from one day to the next than if market quotations were used. There is no assurance that a fund could sell or close out a portfolio position for the value established for it at any time.

A fund may invest in securities that exhibit more volatility than the market as a whole.

First Trust Advisors L.P. is the adviser to the fund. First Trust Advisors L.P. is an affiliate of First Trust Portfolios L.P., the fund's distributor.

The information presented is not intended to constitute an investment recommendation for, or advice to, any specific person. By providing this information, First Trust is not undertaking to give advice in any fiduciary capacity within the meaning of ERISA, the Internal Revenue Code or any other regulatory framework. Financial professionals are responsible for evaluating investment risks independently and for exercising independent judgment in determining whether investments are appropriate for their clients.

## Definitions

The **S&P 500® Index** is an unmanaged index of 500 companies used to measure large-cap U.S. stock market performance. The **ICE BofA US 3-Month Treasury Bill Index** contains short-term U.S. Government securities with a remaining term to final maturity of about 90 days.