

First Trust Senior Loan ETF (CAD-Hedged)

Fund Facts

Ticker	FSL ¹
Cusip	33739J107
Exchange	TSX
Inception Date	28/08/2013
Management Fee	0.85%
Management Expense Ratio	0.95% ²
Distribution Frequency	Monthly
Primary Benchmark	S&P/LSTA U.S. Leveraged Loan 100 Index (CAD-Hedged)
Currency Hedged	CAD
Total Net Asset Value	\$112,014,269

¹Advisor Class (FSL.A) is also available

Portfolio Characteristics

Number of Holdings	134
Weighted Average Effective Duration	0.36 ³
Weighted Average Maturity (excludes Equity)	4.99years
Percentage of Assets with LIBOR Floors	44.83%
Weighted Average Price	\$99.41
Gross Weighted Average Yield to Maturity	5.11% ⁴
Weighted Average Coupon Rate	5.16% ⁵
Days to Reset	40.98 days
3-Month LIBOR	2.40%
Gross Yield to a 3-year Life	5.07% ⁶
Distribution Rate	4.54% ⁷

Top Industry Exposure

	% of NAV
Health Care Providers & Services	15.51%
Hotels, Restaurants & Leisure	12.09%
Software	11.93%
Pharmaceuticals	7.40%
Life Sciences Tools & Services	4.88%
Diversified Financial Services	4.39%
Media	4.35%
Professional Services	4.08%
Insurance	3.32%
Food & Staples Retailing	3.31%

Investment Objective

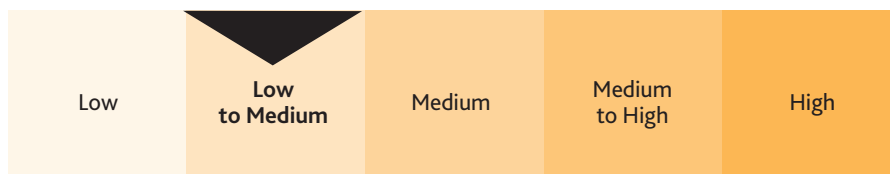
First Trust Senior Loan ETF (CAD-Hedged) seeks to provide Unitholders with a high level of current income by investing primarily in a diversified portfolio of senior floating rate loans and debt securities, with capital appreciation as a secondary objective. First Trust Senior Loan ETF (CAD-Hedged) will primarily invest in a portfolio of senior floating rate loans which are generally rated at or below BB+ by Standard & Poors, or Ba1 or less by Moody's Investor Services, Inc., or a similar rating by an approved credit rating organization (as defined in National Instrument 81-102).

Key Features

- **Primarily invests in senior floating rate loans in the U.S., targeting a high level of interest income and the potential for capital appreciation**
- **Actively managed portfolio with a diversified portfolio of floating rate loans, high yield bonds and other debt securities**
- **Portfolio advisor for the First Trust Senior Loan ETF (CAD-Hedged) have proven experience and expertise at managing the challenges and opportunities in senior loan investments**
- **Monthly income stream**

Risk rating

First Trust Portfolios Canada has rated the volatility of this ETF as **low to medium**. This rating is based on how much the ETF's returns have changed from year to year. It doesn't tell you how volatile the ETF will be in the future. The rating can change over time. An ETF with a low risk rating can still lose money.



For more information about the risk rating and specific risks that can affect the ETF's returns, see the Risk section of the ETF's prospectus.

Annualized Performance	1-month	3-month	6-month	YTD	1-year	3-year	5-year	10-year	Since Inception
NAV (Common)	0.37%	1.45%	1.63%	2.61%	3.29%	3.46%	3.42%	-	3.38%

²As of December 31, 2017 audited annual financial statements and MRFP.

³The weighted average effective duration is a measure of the bond portfolio's price sensitivity to changes in interest rates. Bond portfolios with longer durations are more sensitive to changes in interest rates than securities of shorter durations.

⁴The gross weighted average yield to maturity for non-cash assets.

⁵The weighted average coupon rate payment for non-cash assets. For bonds, this is the annual coupon rate. For loans, this is the all-in rate (nominal spread plus 3-month LIBOR).

⁶The gross yield to a 3-year life is the weighted average yield for non-cash assets, to worst for bonds and gross yield to 3-year life for loans.

⁷Distribution 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.

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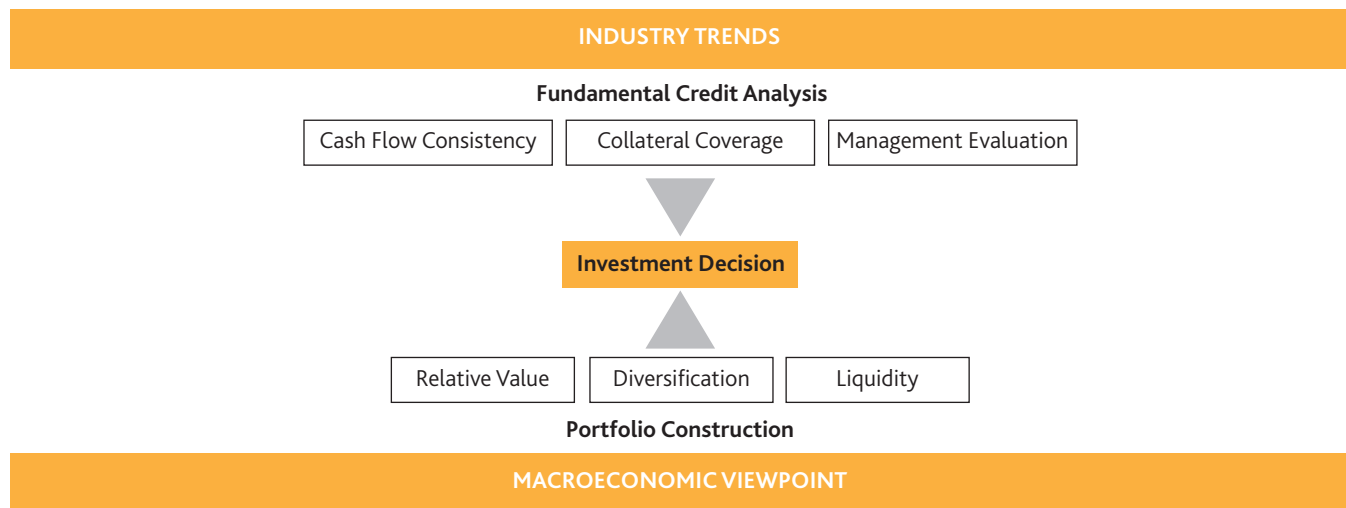
Top Holdings	% of NAV	Credit Quality ⁸	% of NAV*
Bausch Health Companies Inc. (Valeant)	2.85%	BBB+	0.55%
Stars Group Holdings B.V. (Amaya)	2.48%	BBB	0.00%
Tenet Healthcare	2.25%	BBB-	4.86%
BJ's Wholesale Club, Inc.	2.19%	BB+	4.49%
Caesars Resort Collection, LLC	2.12%	BB	6.20%
Information Resources, Inc.	2.00%	BB-	15.52%
(fka Symphonyiri Group, Inc.)	2.00%	B+	23.59%
Vistra Operations Company LLC (TEX/TXU)	1.91%	B	22.83%
Endo LLC	1.79%	B-	13.37%
AlixPartners, LLP	1.71%	CCC+	0.78%
RP Crown Parent (JDA Software Group)	1.68%	CCC	0.21%
		CCC-	0.00%
		CC	0.00%
		C	0.00%
		D	0.49%
		NR	1.03%
		Equity	0.05%
		Composition by Asset Class	% of NAV*
		High Yield Debt Securities	5.95%
		Senior Loans	87.98%
		Equity	0.05%

*Percentage of net asset value may not equal 100%

First Trust Approach

The investment process is a balanced combination of bottom-up fundamental credit analysis and portfolio construction

- **Fundamental Credit Analysis** involves evaluation of the macro-economy, industry trends, consistency of cash flows, collateral coverage, and management quality.
- **Portfolio Construction** focuses on relative value within a risk management framework



About First Trust

The First Trust companies are a well-respected global enterprise with a history in the U.S. market since 1991 and in Canada since 1996. First Trust Advisors L.P., the portfolio advisor for the First Trust Senior Loan ETF (CAD-Hedged), has US \$134.61 billion in assets as of September 30, 2018 under supervision or management.

⁸The ratings are by Standard & Poor's except where otherwise indicated. A credit rating is an assessment provided by a nationally recognized statistical rating organization (NRSRO) of the creditworthiness of an issuer with respect to debt obligations except for those debt obligations that are only privately rated. Ratings are measured on a scale that generally ranges from AAA (highest) to D (lowest). Investment grade is defined as those issuers that have a long-term credit rating of BBB- or higher. "NR" indicates no rating. The credit ratings shown relate to the credit worthiness of the issuers of the underlying securities in the Fund, and not to the Fund or its shares. Credit ratings are subject to change.

Commissions, trailing commissions, management fees and expenses all may be associated with fund 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. Funds are not guaranteed, their values change frequently and past performance may not be repeated.