

FIRST TRUST ALPHADEX™ U.S. UTILITIES SECTOR INDEX ETF
FIRST TRUST ALPHADEX™ U.S. CONSUMER STAPLES SECTOR INDEX ETF
FIRST TRUST ALPHADEX™ U.S. CONSUMER DISCRETIONARY SECTOR INDEX ETF
FIRST TRUST ALPHADEX™ U.S. MATERIALS SECTOR INDEX ETF
FIRST TRUST ALPHADEX™ U.S. ENERGY SECTOR INDEX ETF
FIRST TRUST ALPHADEX™ U.S. FINANCIAL SECTOR INDEX ETF
AND
FIRST TRUST DORSEY WRIGHT U.S. SECTOR ROTATION INDEX ETF (CAD-HEDGED)

NOTICE OF SPECIAL MEETING OF UNITHOLDERS

AND

JOINT MANAGEMENT INFORMATION CIRCULAR

December 24, 2020

Meeting to be held virtually on February 3, 2021

10:00 a.m. (Toronto time)

FT Portfolios Canada Co.
40 King Street West, Suite 5102
Scotia Plaza, Box 312
Toronto, ON
M5H 3Y2

December 24, 2020

Dear Unitholders:

FT Portfolios Canada Co. (the “**Manager**”), manager of the First Trust AlphaDEX™ U.S. Utilities Sector Index ETF (“**FHU**”), First Trust AlphaDEX™ U.S. Consumer Staples Sector Index ETF (“**FHC**”), First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF (“**FHD**”), First Trust AlphaDEX™ U.S. Materials Sector Index ETF (“**FHM**”), First Trust AlphaDEX™ U.S. Energy Sector Index ETF (“**FHE**”), First Trust AlphaDEX™ U.S. Financial Sector Index ETF (“**FHF**”) and First Trust Dorsey Wright U.S. Sector Rotation Index ETF (CAD-Hedged) (“**FSR**” and together with FHU, FHC, FHD, FHM, FHE and FHF, the “**Funds**”), invites you to special meetings (the “**Meeting**”) of unitholders (“**Unitholders**”) of the Funds to be held **virtually on February 3, 2021 at 10:00 a.m. (Toronto time)**.

The purpose of the Meetings of Unitholders is to consider and vote upon a proposal (each a “**Proposal**” and collectively, the “**Proposals**”) to change the investment objectives of the Funds as set out below. In addition, in connection with the change of the investment objectives, the Manager proposes to change the name of each of the Funds as follows:

Current Fund Name and Sector Exposure	New Fund Name and Sector Exposure	Proposed Investment Objective
First Trust AlphaDEX™ U.S. Utilities Sector Index ETF Seeks to replicate the performance of the StrataQuant® Utilities Index	First Trust Cloud Computing ETF Cloud Computing Sector	The Fund will seek to replicate, to the extent possible, the performance of an index of U.S. companies involved in the cloud computing industry, initially the ISE CTA Cloud Computing™ Index.
First Trust AlphaDEX™ U.S. Consumer Staples Sector Index ETF Seeks to replicate the performance of the StrataQuant® Consumer Staples Index	First Trust Dow Jones Internet ETF Internet Sector	The Fund will seek to replicate, to the extent possible, the performance of an index of U.S. companies involved in the internet industry, initially the Dow Jones Internet Composite Index SM .
First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF Seeks to replicate the performance of StrataQuant® Consumer Discretionary Index	First Trust Nasdaq Cybersecurity ETF Cybersecurity Sector	The Fund will seek to replicate, to the extent possible, the performance of an index of U.S. companies in the cybersecurity industry, initially the Nasdaq CTA Cybersecurity Index SM .

<p>First Trust AlphaDEX™ U.S. Materials Sector Index ETF</p> <p>Seeks to replicate the performance of StrataQuant® Materials Index</p>	<p>First Trust NYSE Arca Biotechnology ETF</p> <p>Biotechnology Sector</p>	<p>The Fund will seek to replicate, to the extent possible, the performance of an index of U.S. companies in the biotechnology industry, initially the NYSE Arca Biotechnology IndexSM.</p>
<p>First Trust AlphaDEX™ U.S. Energy Sector Index ETF</p> <p>Seeks to replicate the performance of StrataQuant® Energy Index</p>	<p>First Trust Indxx NextG ETF</p> <p>Wireless Networking Sector</p>	<p>The Fund will seek to replicate, to the extent possible, the performance of an index of U.S. companies that have devoted or have committed to devote, material resources to the research, development and application of fifth generation and next generation digital cellular technologies as they emerge, initially the Indxx 5G & NextG Thematic IndexSM.</p>
<p>First Trust AlphaDEX™ U.S. Financial Sector Index ETF</p> <p>Seeks to replicate the performance of StrataQuant® Financials Index</p>	<p>First Trust Nasdaq Clean Edge Green Energy ETF</p> <p>Clean Energy Sector</p>	<p>The Fund will seek to replicate, to the extent possible, the performance of an index of U.S. listed companies designed to track the performance of clean energy companies engaged in manufacturing, development, distribution and installation of emerging clean-energy technologies including, but not limited to, solar photovoltaics, biofuels and advanced batteries, initially the NASDAQ® Clean Edge® Green Energy IndexSM.</p>
<p>First Trust Dorsey Wright U.S. Sector Rotation Index ETF (CAD-Hedged)</p> <p>Seeks to replicate the performance of Dorsey Wright® U.S. Sector Focus Five Index</p>	<p>First Trust Morningstar Dividend Leaders ETF (CAD-Hedged)</p> <p>U.S. Dividend Paying Equities</p>	<p>The Fund will seek to replicate, to the extent possible, the performance of an index of U.S. companies that have shown dividend consistency and dividend sustainability, initially the Morningstar® Dividend Leaders IndexSM.</p>

If the Proposals are approved, the Funds will provide exposure to the performance of the following new indices by investing all or substantially all of the Fund's assets in the underlying U.S. funds as set forth in the following table, which are also managed by the Fund's current portfolio advisor:

Fund	Index	Index Provider	Underlying Fund
<p>First Trust Cloud Computing ETF</p> <p>(formerly, First Trust AlphaDEX™ U.S. Utilities Sector Index ETF)</p>	<p>ISE CTA Cloud Computing™ Index</p>	<p>Nasdaq, Inc.</p>	<p>First Trust Cloud Computing ETF</p>
<p>First Trust Dow Jones Internet ETF</p> <p>(formerly, First Trust AlphaDEX™ U.S. Consumer Staples Sector Index ETF)</p>	<p>Dow Jones Internet Composite IndexSM</p>	<p>S&P Dow Jones Indices LLC</p>	<p>First Trust Dow Jones Internet Index Fund</p>
<p>First Trust Nasdaq Cybersecurity ETF</p> <p>(formerly, First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF)</p>	<p>Nasdaq CTA Cybersecurity IndexSM</p>	<p>Nasdaq, Inc.</p>	<p>First Trust Nasdaq Cybersecurity ETF</p>
<p>First Trust NYSE Arca Biotechnology ETF</p> <p>(formerly, First Trust AlphaDEX™ U.S. Materials Sector Index ETF)</p>	<p>NYSE Arca Biotechnology IndexSM</p>	<p>ICE Data Indices, LLC</p>	<p>First Trust NYSE Arca Biotechnology Index Fund</p>

Fund	Index	Index Provider	Underlying Fund
First Trust Indxx NextG ETF (formerly, First Trust AlphaDEX™ U.S. Energy Sector Index ETF)	Indxx 5G & NextG Thematic Index SM	Indxx, LLC	First Trust Indxx NextG ETF
First Trust Nasdaq Clean Edge Green Energy ETF (formerly, First Trust AlphaDEX™ U.S. Financial Sector Index ETF)	NASDAQ® Clean Edge® Green Energy Index SM	Nasdaq, Inc. and Clean Edge, Inc.	First Trust NASDAQ® Clean Edge® Green Energy Index Fund
First Trust Morningstar Dividend Leaders ETF (CAD-Hedged) (formerly, First Trust Dorsey Wright U.S. Sector Rotation Index ETF (CAD-Hedged))	Morningstar® Dividend Leaders Index SM	Morningstar, Inc.	First Trust Morningstar Dividend Leaders Index Fund

The Manager is proposing these changes to the investment objectives and strategies of the Funds in order to modernize the sector exposures and investment portfolios of the Funds with the goal of producing a more attractive return profile for Unitholders moving forward. The Fund management fees will change from 0.70% per annum of net asset value to 0.15% per annum of net asset value and going forward the Funds will also bear the management fee of the underlying funds which range from 0.30% to 0.70% per annum of net asset value.

Unitholder Approvals

The Proposals must be approved by a majority of votes cast at each Meeting by Unitholders holding units and if issued, hedged units, of each of the Funds, voting together as a class.

If approved by the Unitholders of a Fund, the Proposal with respect to a Fund is expected to be implemented by the Manager in February 2021.

Attached is a notice of the Meetings and a joint management information circular (the “**Circular**”), which contain important information relating to the Proposals. You are urged to read the Circular carefully. If you are in doubt as to how to deal with the matters described in the Circular, you should consult with your advisors. **The board of directors of the Manager has determined that the Proposal is in the best interests of each Fund’s Unitholders. Accordingly, the board of directors of the Manager recommends that the Unitholders of each of the Funds vote in favour of the Proposal to be considered at the Meetings.**

The Meetings will be held virtually on February 3, 2021 at 10:00 a.m. (Toronto time). All Unitholders are encouraged to attend their respective Meeting. Please read the information in the enclosed Circular carefully and follow the instructions if you wish to vote at the Meetings.

To vote at the Meetings, please submit a voting instruction form in respect of a Proposal, as soon as possible, and in any event no later than 5:00 p.m. (Toronto time) on February 1, 2021.

Unitholders of the Funds can join the Meeting by using the coordinates below:

Audio	Dial (for higher quality, dial a number based on your current location): Canada: +1 587 328 1099 or +1 647 374 4685 or +1 647 558 0588 or +1 778 907 2071 or +1 204 272 7920 or +1 438 809 7799 US: +1 312 626 6799 or +1 346 248 7799 or +1 646 558 8656 or +1 669 900 9128 or +1 253 215 8782 or +1 301 715 8592 Webinar ID: 966 0566 9416 Passcode: 102311 International numbers available: https://zoom.us/j/96605669416
Online	Go to: https://zoom.us/j/96605669416?pwd=UmFPNmp3dGJoQ3k0TEs1eGgzTXlscz09 Event password: 102311

Unitholders will be able to listen to and ask questions at the Meetings and submit their votes by telephone or internet by 5:00 p.m. (Toronto time) on February 1, 2021. If the Meetings are adjourned for any reason, the adjourned meetings will be held virtually on February 15, 2021 at 10:00 a.m. (Toronto time).

If you have any questions relating to any of the Proposals, a representative of the Manager can be contacted toll-free at 1-877-622-5552, or you can write to Investor Relations, FT Portfolios Canada Co., 40 King Street West, Suite 5102, Toronto, Ontario, M5H 3Y2, email: info@firsttrust.ca or visit the Manager's website at www.firsttrust.ca.

Sincerely,

"Susan Johnson"

Susan Johnson
Chief Financial Officer

TABLE OF CONTENTS

	Page
NOTICE OF SPECIAL MEETING OF UNITHOLDERS OF FIRST TRUST ALPHADEX™ U.S. UTILITIES SECTOR INDEX ETF.....	I
NOTICE OF SPECIAL MEETING OF UNITHOLDERS OF FIRST TRUST ALPHADEX™ U.S. CONSUMER STAPLES SECTOR INDEX ETF.....	II
NOTICE OF SPECIAL MEETING OF UNITHOLDERS OF FIRST TRUST ALPHADEX™ U.S. CONSUMER DISCRETIONARY SECTOR INDEX ETF	III
NOTICE OF SPECIAL MEETING OF UNITHOLDERS OF FIRST TRUST ALPHADEX™ U.S. MATERIALS SECTOR INDEX ETF.....	IV
NOTICE OF SPECIAL MEETING OF UNITHOLDERS OF FIRST TRUST ALPHADEX™ U.S. ENERGY SECTOR INDEX ETF	V
NOTICE OF SPECIAL MEETING OF UNITHOLDERS OF FIRST TRUST ALPHADEX™ U.S. FINANCIAL SECTOR INDEX ETF	VI
NOTICE OF SPECIAL MEETING OF UNITHOLDERS OF FIRST TRUST DORSEY WRIGHT U.S. SECTOR ROTATION INDEX ETF (CAD-HEDGED).....	VII
JOINT MANAGEMENT INFORMATION CIRCULAR.....	1
THE FUNDS.....	2
PURPOSE OF THE MEETINGS	2
DETAILS OF THE PROPOSALS	3
RECOMMENDATION OF THE BOARD OF DIRECTORS	20
RECOMMENDATION OF THE INDEPENDENT REVIEW COMMITTEE	21
CONDITIONS TO IMPLEMENTING THE PROPOSAL	21
EXPENSES OF THE PROPOSALS	21
TERMINATION OF THE PROPOSALS	21
INTERESTS OF MANAGEMENT AND OTHERS IN THE PROPOSALS	21
CANADIAN FEDERAL INCOME TAX CONSIDERATIONS.....	21
VOTING SECURITIES AND PRINCIPAL UNITHOLDERS	22
GENERAL PROXY INFORMATION	23
FORWARD-LOOKING STATEMENTS	26
DOCUMENTS INCORPORATED BY REFERENCE.....	26

TABLE OF CONTENTS

(continued)

	Page
ADDITIONAL INFORMATION.....	27
SCHEDULE A - ADDITIONAL INFORMATION REGARDING MANAGEMENT OF THE FUNDS	28
SCHEDULE B - ORDINARY RESOLUTION FIRST TRUST ALPHADEx™ U.S. UTILITIES SECTOR INDEX ETF.....	33
SCHEDULE C - ORDINARY RESOLUTION FIRST TRUST ALPHADEx™ U.S. CONSUMER STAPLES SECTOR INDEX ETF.....	34
SCHEDULE D - ORDINARY RESOLUTION FIRST TRUST ALPHADEx™ U.S. CONSUMER DISCRETIONARY SECTOR INDEX ETF	35
SCHEDULE E - ORDINARY RESOLUTION FIRST TRUST ALPHADEx™ U.S. MATERIALS SECTOR INDEX ETF.....	36
SCHEDULE F - ORDINARY RESOLUTION FIRST TRUST ALPHADEx™ U.S. ENERGY SECTOR INDEX ETF.....	37
SCHEDULE G - ORDINARY RESOLUTION FIRST TRUST ALPHADEx™ U.S. FINANCIAL SECTOR INDEX ETF	38
SCHEDULE H - ORDINARY RESOLUTION FIRST TRUST DORSEY WRIGHT U.S. SECTOR ROTATION INDEX ETF (CAD-HEDGED).....	39

**NOTICE OF SPECIAL MEETING OF UNITHOLDERS OF
FIRST TRUST ALPHADDEX™ U.S. UTILITIES SECTOR INDEX ETF**

TAKE NOTICE that a special meeting (the “**Meeting**”) of unitholders (“**Unitholders**”) of First Trust AlphaDEX™ U.S. Utilities Sector Index ETF (“**FHU**”) will be held **virtually at 10:00 a.m. (Toronto time)** on February 3, 2021 to consider and vote upon a proposal (the “**Proposal**”) to:

- change the investment objectives of FHU to seek to replicate, to the extent possible, the performance of an index of U.S. companies involved in the cloud computing industry, initially the ISE CTA Cloud Computing™ Index, net of expenses and change the management fee in connection therewith as described in the management information circular.
- transact such other business as may properly come before the Meeting.

In connection with the change of FHU’s investment objectives, the Manager proposes to change the name of FHU to First Trust Cloud Computing ETF.

The full text of the resolutions relating to the Proposal is set out in Schedule B to the accompanying management information circular dated December 24, 2020.

The board of directors of FT Portfolios Canada Co. (the “**Manager**”), as manager of FHU, has determined that the Proposal is in the best interests of Unitholders. Accordingly, the board of directors of the Manager recommends that Unitholders vote in favour of the Proposal to be considered at the Meeting.

DATED at Toronto, Ontario as of the 24th day of December, 2020.

BY ORDER OF THE BOARD OF DIRECTORS

“Susan Johnson”

Susan Johnson, Chief Financial Officer

<p>Note: Reference should be made to the accompanying management information circular for details of the above matters. You are requested to complete and sign the enclosed form of proxy or voting instruction form and to return it in the enclosed prepaid envelope provided for that purpose. Voting instruction forms may be completed by telephone or through the internet at www.proxyvote.com.</p>

**NOTICE OF SPECIAL MEETING OF UNITHOLDERS OF
FIRST TRUST ALPHADDEX™ U.S. CONSUMER STAPLES SECTOR INDEX ETF**

TAKE NOTICE that a special meeting (the “**Meeting**”) of holders (“**Unitholders**”) of units and hedged units of First Trust AlphaDEX™ U.S. Consumer Staples Sector Index ETF (“**FHC**”) will be held **virtually at 10:00 a.m. (Toronto time)** on February 3, 2021 to consider and vote upon a proposal (the “**Proposal**”) to:

- change the investment objectives of FHC to seek to replicate, to the extent possible, the performance of an index of U.S. companies involved in the internet industry, initially the Dow Jones Internet Composite IndexSM, net of expenses and change the management fee in connection therewith as described in the management information circular.
- transact such other business as may properly come before the Meeting.

In connection with the change of FHC’s investment objectives, the Manager proposes to change the name of FHC to First Trust Dow Jones Internet ETF.

The full text of the resolutions relating to the Proposal is set out in Schedule C to the accompanying management information circular dated December 24, 2020.

The board of directors of FT Portfolios Canada Co. (the “**Manager**”), as manager of FHC, has determined that the Proposal is in the best interests of Unitholders. Accordingly, the board of directors of the Manager recommends that Unitholders vote in favour of the Proposal to be considered at the Meeting.

DATED at Toronto, Ontario as of the 24th day of December, 2020.

BY ORDER OF THE BOARD OF DIRECTORS

“Susan Johnson”

Susan Johnson, Chief Financial Officer

<p>Note: Reference should be made to the accompanying management information circular for details of the above matters. You are requested to complete and sign the enclosed form of proxy or voting instruction form and to return it in the enclosed prepaid envelope provided for that purpose. Voting instruction forms may be completed by telephone or through the internet at www.proxyvote.com.</p>

**NOTICE OF SPECIAL MEETING OF UNITHOLDERS OF
FIRST TRUST ALPHADDEX™ U.S. CONSUMER DISCRETIONARY SECTOR INDEX ETF**

TAKE NOTICE that a special meeting (the “**Meeting**”) of unitholders (“**Unitholders**”) of First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF (“**FHD**”) will be held **virtually at 10:00 a.m. (Toronto time)** on February 3, 2021 to consider and vote upon a proposal (the “**Proposal**”) to:

- change the investment objectives of FHD to seek to replicate, to the extent possible, the performance of an index of U.S. companies in the cybersecurity industry, initially the Nasdaq CTA Cybersecurity IndexSM, net of expenses and change the management fee in connection therewith as described in the management information circular.
- transact such other business as may properly come before the Meeting.

In connection with the change of FHD’s investment objectives, the Manager proposes to change the name of FHD to First Trust Nasdaq Cybersecurity ETF.

The full text of the resolutions relating to the Proposal is set out in Schedule D to the accompanying management information circular dated December 24, 2020.

The board of directors of FT Portfolios Canada Co. (the “**Manager**”), as manager of FHD, has determined that the Proposal is in the best interests of Unitholders. Accordingly, the board of directors of the Manager recommends that Unitholders vote in favour of the Proposal to be considered at the Meeting.

DATED at Toronto, Ontario as of the 24th day of December, 2020.

BY ORDER OF THE BOARD OF DIRECTORS

“Susan Johnson”

Susan Johnson, Chief Financial Officer

<p>Note: Reference should be made to the accompanying management information circular for details of the above matters. You are requested to complete and sign the enclosed form of proxy or voting instruction form and to return it in the enclosed prepaid envelope provided for that purpose. Voting instruction forms may be completed by telephone or through the internet at www.proxyvote.com.</p>

**NOTICE OF SPECIAL MEETING OF UNITHOLDERS OF
FIRST TRUST ALPHADDEX™ U.S. MATERIALS SECTOR INDEX ETF**

TAKE NOTICE that a special meeting (the “**Meeting**”) of unitholders (“**Unitholders**”) of First Trust AlphaDEX™ U.S. Materials Sector Index ETF (“**FHM**”) will be held **virtually at 10:00 a.m. (Toronto time)** on February 3, 2021 to consider and vote upon a proposal (the “**Proposal**”) to:

- change the investment objectives of FHM to seek to replicate, to the extent possible, the performance of an index of U.S. companies in the biotechnology industry, initially the NYSE Arca Biotechnology IndexSM, net of expenses and change the management fee in connection therewith as described in the management information circular.
- transact such other business as may properly come before the Meeting.

In connection with the change of FHM’s investment objectives, the Manager proposes to change the name of FHM to First Trust NYSE Arca Biotechnology ETF.

The full text of the resolutions relating to the Proposal is set out in Schedule E to the accompanying management information circular dated December 24, 2020.

The board of directors of FT Portfolios Canada Co. (the “**Manager**”), as manager of FHM, has determined that the Proposal is in the best interests of Unitholders. Accordingly, the board of directors of the Manager recommends that Unitholders vote in favour of the Proposal to be considered at the Meeting.

DATED at Toronto, Ontario as of the 24th day of December, 2020.

BY ORDER OF THE BOARD OF DIRECTORS

“Susan Johnson”

Susan Johnson, Chief Financial Officer

<p>Note: Reference should be made to the accompanying management information circular for details of the above matters. You are requested to complete and sign the enclosed form of proxy or voting instruction form and to return it in the enclosed prepaid envelope provided for that purpose. Voting instruction forms may be completed by telephone or through the internet at www.proxyvote.com.</p>

**NOTICE OF SPECIAL MEETING OF UNITHOLDERS OF
FIRST TRUST ALPHADEX™ U.S. ENERGY SECTOR INDEX ETF**

TAKE NOTICE that a special meeting (the “**Meeting**”) of unitholders (“**Unitholders**”) of First Trust AlphaDEX™ U.S. Energy Sector Index ETF (“**FHE**”) will be held **virtually at 10:00 a.m. (Toronto time)** on February 3, 2021 to consider and vote upon a proposal (the “**Proposal**”) to:

- change the investment objectives of FHE to seek to replicate, to the extent possible, the performance of an index of U.S. companies that have devoted or have committed to devote, material resources to the research, development and application of fifth generation and next generation digital cellular technologies as they emerge, initially the Indxx 5G & NextG Thematic IndexSM, net of expenses and change the management fee in connection therewith as described in the management information circular.
- transact such other business as may properly come before the Meeting.

In connection with the change of FHE’s investment objectives, the Manager proposes to change the name of FHE to First Trust Indxx NextG ETF.

The full text of the resolutions relating to the Proposal is set out in Schedule F to the accompanying management information circular dated December 24, 2020.

The board of directors of FT Portfolios Canada Co. (the “**Manager**”), as manager of FHE, has determined that the Proposal is in the best interests of Unitholders. Accordingly, the board of directors of the Manager recommends that Unitholders vote in favour of the Proposal to be considered at the Meeting.

DATED at Toronto, Ontario as of the 24th day of December, 2020.

BY ORDER OF THE BOARD OF DIRECTORS

“Susan Johnson”

Susan Johnson, Chief Financial Officer

<p>Note: Reference should be made to the accompanying management information circular for details of the above matters. You are requested to complete and sign the enclosed form of proxy or voting instruction form and to return it in the enclosed prepaid envelope provided for that purpose. Voting instruction forms may be completed by telephone or through the internet at www.proxyvote.com.</p>

**NOTICE OF SPECIAL MEETING OF UNITHOLDERS OF
FIRST TRUST ALPHADDEX™ U.S. FINANCIAL SECTOR INDEX ETF**

TAKE NOTICE that a special meeting (the “**Meeting**”) of unitholders (“**Unitholders**”) of First Trust AlphaDEX™ U.S. Financial Sector Index ETF (“**FHF**”) will be held **virtually at 10:00 a.m. (Toronto time)** on February 3, 2021 to consider and vote upon a proposal (the “**Proposal**”) to:

- change the investment objectives of FHF to seek to replicate, to the extent possible, the performance of an index of U.S. listed companies designed to track the performance of clean energy companies engaged in manufacturing, development, distribution and installation of emerging clean-energy technologies including, but not limited to, solar photovoltaics, biofuels and advanced batteries, initially the NASDAQ® Clean Edge® Green Energy IndexSM, net of expenses and change the management fee in connection therewith as described in the management information circular.
- transact such other business as may properly come before the Meeting.

In connection with the change of FHF’s investment objectives, the Manager proposes to change the name of FHF to First Trust Nasdaq Clean Edge Green Energy ETF.

The full text of the resolutions relating to the Proposal is set out in Schedule G to the accompanying management information circular dated December 24, 2020.

The board of directors of FT Portfolios Canada Co. (the “**Manager**”), as manager of FHF, has determined that the Proposal is in the best interests of Unitholders. Accordingly, the board of directors of the Manager recommends that Unitholders vote in favour of the Proposal to be considered at the Meeting.

DATED at Toronto, Ontario as of the 24th day of December, 2020.

BY ORDER OF THE BOARD OF DIRECTORS

“Susan Johnson”

Susan Johnson, Chief Financial Officer

<p>Note: Reference should be made to the accompanying management information circular for details of the above matters. You are requested to complete and sign the enclosed form of proxy or voting instruction form and to return it in the enclosed prepaid envelope provided for that purpose. Voting instruction forms may be completed by telephone or through the internet at www.proxyvote.com.</p>

**NOTICE OF SPECIAL MEETING OF UNITHOLDERS OF
FIRST TRUST DORSEY WRIGHT U.S. SECTOR ROTATION INDEX ETF (CAD-HEDGED)**

TAKE NOTICE that a special meeting (the “**Meeting**”) of unitholders (“**Unitholders**”) of First Trust Dorsey Wright U.S. Sector Rotation Index ETF (CAD-Hedged) (“**FSR**”) will be held **virtually at 10:00 a.m. (Toronto time)** on February 3, 2021 to consider and vote upon a proposal (the “**Proposal**”) to:

- change the investment objectives of FSR to seek to replicate, to the extent possible, the performance of an index of U.S. companies that have shown dividend consistency and dividend sustainability, initially the Morningstar® Dividend Leaders IndexSM, net of expenses and change the management fee in connection therewith as described in the management information circular.
- transact such other business as may properly come before the Meeting.

In connection with the change of FHM’s investment objectives, the Manager proposes to change the name of FHM to First Trust Morningstar Dividend Leaders ETF (CAD-Hedged).

The full text of the resolutions relating to the Proposal is set out in Schedule H to the accompanying management information circular dated December 24, 2020.

The board of directors of FT Portfolios Canada Co. (the “**Manager**”), as manager of FSR, has determined that the Proposal is in the best interests of Unitholders. Accordingly, the board of directors of the Manager recommends that Unitholders vote in favour of the Proposal to be considered at the Meeting.

DATED at Toronto, Ontario as of the 24th day of December, 2020.

BY ORDER OF THE BOARD OF DIRECTORS

“Susan Johnson”

Susan Johnson, Chief Financial Officer

<p>Note: Reference should be made to the accompanying management information circular for details of the above matters. You are requested to complete and sign the enclosed form of proxy or voting instruction form and to return it in the enclosed prepaid envelope provided for that purpose. Voting instruction forms may be completed by telephone or through the internet at www.proxyvote.com.</p>

JOINT MANAGEMENT INFORMATION CIRCULAR

FIRST TRUST ALPHADEX™ U.S. UTILITIES SECTOR INDEX ETF
FIRST TRUST ALPHADEX™ U.S. CONSUMER STAPLES SECTOR INDEX ETF
FIRST TRUST ALPHADEX™ U.S. CONSUMER DISCRETIONARY SECTOR INDEX ETF
FIRST TRUST ALPHADEX™ U.S. MATERIALS SECTOR INDEX ETF
FIRST TRUST ALPHADEX™ U.S. ENERGY SECTOR INDEX ETF
FIRST TRUST ALPHADEX™ U.S. FINANCIAL SECTOR INDEX ETF
FIRST TRUST DORSEY WRIGHT U.S. SECTOR ROTATION INDEX ETF (CAD-HEDGED)

The information contained in this management information circular (the “**Circular**”) is provided by FT Portfolios Canada Co. (the “**Manager**” or “**FT Canada**”), the manager of First Trust AlphaDEX™ U.S. Utilities Sector Index ETF (“**FHU**”), First Trust AlphaDEX™ U.S. Consumer Staples Sector Index ETF (“**FHC**”), First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF (“**FHD**”), First Trust AlphaDEX™ U.S. Materials Sector Index ETF (“**FHM**”), First Trust AlphaDEX™ U.S. Energy Sector Index ETF (“**FHE**”), First Trust AlphaDEX™ U.S. Financial Sector Index ETF (“**FHF**”) and First Trust Dorsey Wright U.S. Sector Rotation Index ETF (CAD-Hedged) (“**FSR**” and together with FHU, FHC, FHD, FHM, FHE and FHF, the “**Funds**” and each a “**Fund**”), in connection with the solicitation of proxies on behalf of the Manager to be used at the special meetings of the holders of units and/or hedged units (collectively, the “**Units**”) of the Funds (the “**Unitholders**”) for the purposes described below.

The Meetings (as defined below) are to be held **virtually on February 3, 2021 at 10:00 a.m. (Toronto time)**.

Unitholders of the Funds can join the Meeting by using the coordinates below:

Audio	Dial (for higher quality, dial a number based on your current location): Canada: +1 587 328 1099 or +1 647 374 4685 or +1 647 558 0588 or +1 778 907 2071 or +1 204 272 7920 or +1 438 809 7799 US: +1 312 626 6799 or +1 346 248 7799 or +1 646 558 8656 or +1 669 900 9128 or +1 253 215 8782 or +1 301 715 8592 Webinar ID: 966 0566 9416 Passcode: 102311 International numbers available: https://zoom.us/j/96605669416
Online	Go to: https://zoom.us/j/96605669416?pwd=UmFPNmp3dGJoQ3k0TEs1eGgzTXlscz09 Event password: 102311

Unitholders will be able to listen to and ask questions at the Meetings and submit their votes by telephone or internet by 5:00 p.m. (Toronto time) on February 1, 2021. If the Meetings are adjourned for any reason, the adjourned meetings will be held virtually on February 15, 2021 at 10:00 a.m. (Toronto time).

Except as otherwise stated, the information contained in this Circular is given as of November 30, 2020 and all dollar amounts herein are expressed in Canadian dollars.

THE FUNDS

Each Fund is an exchange-traded fund or “ETF” established under the laws of the Province of Ontario pursuant to a declaration of trust dated May 1, 2013, as amended from time to time (the “**Declaration of Trust**”). FT Canada acts as the manager and trustee of the Funds. Further information relating to the management of the Funds is set forth in Schedule A hereto.

The principal office of the Funds and FT Canada is located at 40 King Street West, Suite 5102, Scotia Plaza, Box 312, Toronto, ON M5H 3Y2.

PURPOSE OF THE MEETINGS

The purpose of the meetings of holders of the Funds is to consider and vote on proposals to change the investment objectives of the Funds as set out below. In addition, in connection with the change of the investment objectives, the Manager proposes to change the name of each of the Funds as follows:

Current Fund Name and Sector Exposure	New Fund Name and Sector Exposure	Proposed Investment Objective
First Trust AlphaDEX™ U.S. Utilities Sector Index ETF Seeks to replicate the performance of the StrataQuant® Utilities Index	First Trust Cloud Computing ETF Cloud Computing Sector	The Fund will seek to replicate, to the extent possible, the performance of an index of U.S. companies involved in the cloud computing industry, initially the ISE CTA Cloud Computing™ Index.
First Trust AlphaDEX™ U.S. Consumer Staples Sector Index ETF Seeks to replicate the performance of the StrataQuant® Consumer Staples Index	First Trust Dow Jones Internet ETF Internet Sector	The Fund will seek to replicate, to the extent possible, the performance of an index of U.S. companies involved in the internet industry, initially the Dow Jones Internet Composite Index SM .
First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF Seeks to replicate the performance of StrataQuant® Consumer Discretionary Index	First Trust Nasdaq Cybersecurity ETF Cybersecurity Sector	The Fund will seek to replicate, to the extent possible, the performance of an index of U.S. companies in the cybersecurity industry, initially the Nasdaq CTA Cybersecurity Index SM .
First Trust AlphaDEX™ U.S. Materials Sector Index ETF Seeks to replicate the performance of StrataQuant® Materials Index	First Trust NYSE Arca Biotechnology ETF Biotechnology Sector	The Fund will seek to replicate, to the extent possible, the performance of an index of U.S. companies in the biotechnology industry, initially the NYSE Arca Biotechnology Index SM .
First Trust AlphaDEX™ U.S. Energy Sector Index	First Trust Indxx NextG ETF	The Fund will seek to replicate, to the extent possible, the performance of an index of U.S. companies that have devoted or have committed to devote, material resources

ETF Seeks to replicate the performance of StrataQuant® Energy Index	Wireless Networking Sector	to the research, development and application of fifth generation and next generation digital cellular technologies as they emerge, initially the Indxx 5G & NextG Thematic Index SM .
First Trust AlphaDEX™ U.S. Financial Sector Index ETF Seeks to replicate the performance of StrataQuant® Financials Index	First Trust Nasdaq Clean Edge Green Energy ETF Clean Energy Sector	The Fund will seek to replicate, to the extent possible, the performance of an index of U.S. listed companies designed to track the performance of clean energy companies engaged in manufacturing, development, distribution and installation of emerging clean-energy technologies including, but not limited to, solar photovoltaics, biofuels and advanced batteries, initially the NASDAQ® Clean Edge® Green Energy Index SM .
First Trust Dorsey Wright U.S. Sector Rotation Index ETF (CAD-Hedged) Seeks to replicate the performance of Dorsey Wright® U.S. Sector Focus Five Index	First Trust Morningstar Dividend Leaders ETF (CAD-Hedged) U.S. Dividend Paying Equities	The Fund will seek to replicate, to the extent possible, the performance of an index of U.S. companies that have shown dividend consistency and dividend sustainability, initially the Morningstar® Dividend Leaders Index SM .

Each Proposal must be approved by a majority of the votes cast at the applicable Meeting by the Unitholders holding units and/or hedged units of a Fund, as applicable, voting together as a class. The full text of the resolutions for FHU, FHC, FHD, FHM, FHE, FHF and FSR are set out in Schedule B, Schedule C, Schedule D, Schedule E, Schedule F, Schedule G and Schedule H, respectively.

DETAILS OF THE PROPOSALS

Proposals

Holders of units and/or hedged units of each of the Funds are being asked to pass an ordinary resolution in the form attached hereto as Schedule B, Schedule C, Schedule D, Schedule E, Schedule F Schedule G, and Schedule H, as applicable, to approve a change to the investment objective of each of the Funds and a change to the management fee in connection therewith as described further in the Circular.

The Funds currently seek to replicate, to the extent possible, the performance of the index noted in the below chart, net of expenses. The investment strategy of each of the Funds is to invest in and hold the constituent securities of the applicable index in the same proportion as they are reflected in the index or securities intended to replicate the performance of such index.

The following table sets forth the current index, sector, if applicable, and index provider for each Fund:

Fund	Index	Sector	Index Provider
First Trust AlphaDEX™ U.S. Utilities Sector Index ETF	StrataQuant® Utilities Index	Utilities Sector	NYSE
First Trust AlphaDEX™ U.S. Consumer Staples Sector Index ETF	StrataQuant® Consumer Staples Index	Consumer Staples Sector	NYSE

Fund	Index	Sector	Index Provider
First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF	StrataQuant® Consumer Discretionary Index	Consumer Discretionary Sector	NYSE
First Trust AlphaDEX™ U.S. Materials Sector Index ETF	StrataQuant® Materials Index	Materials and Processing Sector	NYSE
First Trust AlphaDEX™ U.S. Energy Sector Index ETF	StrataQuant® Energy Index	Energy Sector	NYSE
First Trust AlphaDEX™ U.S. Financial Sector Index ETF	StrataQuant® Financials Index	Financial Services Sector	NYSE
First Trust Dorsey Wright U.S. Sector Rotation Index ETF (CAD-Hedged)	Dorsey Wright® U.S. Sector Focus Five Index	N/A	NASDAQ, Inc.

Each of the StrataQuant® Utilities Index, StrataQuant® Consumer Staples Index, StrataQuant® Consumer Discretionary Index, StrataQuant® Materials Index, StrataQuant® Energy Index and StrataQuant® Financials Index results from applying the AlphaDEX™ methodology to the Russell 1000® Index, a market index representing the large and mid-capitalization segment of the U.S. equity universe, and then selecting the constituent securities for the index from those qualifying stocks included in the applicable sector. The Dorsey Wright® U.S. Sector Focus Five Index consists of an equal weighted basket of ETFs that provide exposure to a variety of industry sectors in the US equity markets and may provide exposure to US cash equivalents.

If the Proposals are approved, the Funds will provide exposure to the performance of the following new indices by investing all or substantially all of the Fund's assets in the underlying U.S. funds as set forth in the following table, which are also managed by the Fund's current portfolio advisor:

Fund	Index	Index Provider	Underlying Fund
First Trust Cloud Computing ETF (formerly, First Trust AlphaDEX™ U.S. Utilities Sector Index ETF)	ISE CTA Cloud Computing™ Index	Nasdaq, Inc.	First Trust Cloud Computing ETF
First Trust Dow Jones Internet ETF (formerly, First Trust AlphaDEX™ U.S. Consumer Staples Sector Index ETF)	Dow Jones Internet Composite Index SM	S&P Dow Jones Indices LLC	First Trust Dow Jones Internet Index Fund
First Trust Nasdaq Cybersecurity ETF (formerly, First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF)	Nasdaq CTA Cybersecurity Index SM	Nasdaq, Inc.	First Trust Nasdaq Cybersecurity ETF
First Trust NYSE Arca Biotechnology ETF (formerly, First Trust AlphaDEX™ U.S. Materials Sector Index ETF)	NYSE Arca Biotechnology Index SM	ICE Data Indices, LLC	First Trust NYSE Arca Biotechnology Index Fund
First Trust Indxx NextG ETF (formerly, First Trust AlphaDEX™ U.S. Energy Sector Index ETF)	Indxx 5G & NextG Thematic Index SM	Indxx, LLC	First Trust Indxx NextG ETF

Fund	Index	Index Provider	Underlying Fund
First Trust Nasdaq Clean Edge Green Energy ETF (formerly, First Trust AlphaDEX™ U.S. Financial Sector Index ETF)	NASDAQ® Clean Edge® Green Energy Index SM	Nasdaq, Inc. and Clean Edge, Inc.	First Trust NASDAQ® Clean Edge® Green Energy Index Fund
First Trust Morningstar Dividend Leaders ETF (CAD-Hedged) (formerly, First Trust Dorsey Wright U.S. Sector Rotation Index ETF (CAD-Hedged))	Morningstar® Dividend Leaders Index SM	Morningstar, Inc.	First Trust Morningstar Dividend Leaders Index Fund

The Manager is proposing these changes to the investment objectives and strategies of the Funds in order to modernize the sector exposures and investment portfolios of the Funds with the goal of producing a more attractive return profile for Unitholders moving forward. The Fund management fees will change from 0.70% per annum of net asset value to 0.15% per annum of net asset value and going forward the Funds will also bear the management fee of the underlying funds which range from 0.30% to 0.70% per annum of net asset value.

If approved, the Proposals are expected to be implemented in February 2021.

The investment strategy of each Fund is to invest in and hold a proportionate share of the constituent securities of the applicable index, to seek to replicate the performance of such index indirectly by investing through the corresponding underlying fund. The Funds may also hold cash and cash equivalents or other money market instruments to fund current liabilities.

The Funds may invest in foreign currency hedging instruments or derivative instruments and any Funds that hedge to the Canadian dollar will invest in foreign currency forward hedging instruments or derivative instruments, provided that the investment in such derivative instruments is in compliance with applicable Canadian securities legislation and is consistent with the investment objective and investment strategy of the Funds.

If approved, unitholders of the Funds will, following implementation of the Proposals, hold the following units of the renamed Funds:

Current Fund Name	Current class of units held	Current Ticker Symbol	New Fund Name	New class of units held	New Ticker Symbol
First Trust AlphaDEX™ U.S. Utilities Sector Index ETF	Units	FHU	First Trust Cloud Computing ETF	Units	SKYY
First Trust AlphaDEX™ U.S. Consumer Staples Sector Index ETF	Units	FHC	First Trust Dow Jones Internet ETF	Units	FDN
	Hedged Units	FHC.F		Hedged Units	FDN.F
First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF	Units	FHD	First Trust Nasdaq Cybersecurity ETF	Units	CIBR
First Trust AlphaDEX™ U.S. Materials Sector	Units	FHM	First Trust NYSE Arca Biotechnology ETF	Units	FBT

Index ETF					
First Trust AlphaDEX™ U.S. Energy Sector Index ETF	Units	FHE	First Trust Indxx NextG ETF	Units	NXTG
First Trust AlphaDEX™ U.S. Financial Sector Index ETF	Units	FHF	First Trust Nasdaq Clean Edge Green Energy ETF	Units	QCLN
First Trust Dorsey Wright U.S. Sector Rotation Index ETF (CAD-Hedged)	Units	FSR	First Trust Morningstar Dividend Leaders ETF (CAD-Hedged)	Units	FDL

The Funds expect to obtain exposure to the applicable index by investing all or substantially all of the Fund's assets in a U.S.-listed index ETF of an affiliate of the Manager, as outlined below, which replicate or substantially replicate the applicable index:

Fund	Underlying Fund	Management Fee of Underlying Fund
First Trust Cloud Computing ETF (formerly, First Trust AlphaDEX™ U.S. Utilities Sector Index ETF)	First Trust Cloud Computing ETF	0.60% of net asset value
First Trust Dow Jones Internet ETF (formerly, First Trust AlphaDEX™ U.S. Consumer Staples Sector Index ETF)	First Trust Dow Jones Internet Index Fund	0.40% of net asset value
First Trust Nasdaq Cybersecurity ETF (formerly, First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF)	First Trust Nasdaq Cybersecurity ETF	0.60% of net asset value
First Trust NYSE Arca Biotechnology ETF (formerly, First Trust AlphaDEX™ U.S. Materials Sector Index ETF)	First Trust NYSE Arca Biotechnology Index Fund	0.40% of net asset value
First Trust Indxx NextG ETF (formerly, First Trust AlphaDEX™ U.S. Energy Sector Index ETF)	First Trust Indxx NextG ETF	0.70% of net asset value
First Trust Nasdaq Clean Edge Green Energy ETF (formerly, First Trust AlphaDEX™ U.S. Financial Sector Index ETF)	First Trust NASDAQ Clean Edge Green Energy Index Fund	0.40% of net asset value
First Trust Morningstar Dividend Leaders ETF (CAD-Hedged) (formerly, First Trust Dorsey Wright U.S. Sector Rotation Index ETF (CAD-Hedged))	First Trust Morningstar Dividend Leaders Index Fund	0.30% of net asset value

The Indices

ISE CTA Cloud Computing™ Index

The ISE CTA Cloud Computing™ Index (the “**ISE Index**”) is designed to track the performance of companies involved in the cloud computing industry. To be eligible for inclusion in the ISE Index, a security must be issued by a “cloud computing” company, as classified by the Consumer Technology Association (the “**CTA**”). A security issued by a company engaged in one or more of the activities listed below is determined to be a cloud computing company:

- **Infrastructure-as-a-Service (“IaaS”)**: Companies that deliver cloud computing infrastructure – servers, storage, and networks – as an on-demand service.
- **Platform-as-a-Service (“PaaS”)**: Companies that deliver a platform for the creation of software in the form of virtualization, middleware, and/or operating systems, which is then delivered over the internet.
- **Software-as-a-Service (“SaaS”)**: Companies that deliver software applications over the internet enabling other companies to conduct their operations using the application.

In addition to comprising one of the three enumerated categories, a security must also have a minimum market capitalization of \$500 million, a minimum three-month average daily dollar trading volume of \$5 million, a minimum free float of 20%, be listed on an ISE Index-eligible exchange and have seasoned for at least three months on an ISE Index-eligible exchange in order to be eligible for inclusion in the ISE Index. The ISE Index employs a modified equal weighting methodology that utilizes a security’s “cloud score.” A security’s cloud score is calculated by determining whether its issuing company qualifies as an IaaS, PaaS and/or SaaS. Companies are assigned a score of 3 if they qualify as an IaaS, a score of 2 if they qualify as a PaaS and a score of 1 if they qualify as a SaaS. A company can qualify as all three types. Therefore, a security can achieve a maximum cloud score of 6. Each security’s cloud score is divided by the total sum of the scores in the universe to determine the weight of each security. Individual security weights are capped at 4.5%. The ISE Index is reconstituted and rebalanced quarterly. The ISE Index’s quarterly rebalance and reconstitution schedule may cause a Fund to experience a higher rate of portfolio turnover. To the extent a Fund invests a significant portion of its assets in a given jurisdiction or investment sector, a Fund may be exposed to the risks associated with that jurisdiction or investment sector.

Dow Jones Internet Composite IndexSM

The Dow Jones Internet Composite IndexSM (the “**DJ Index**”) is designed to measure the performance of the largest and most actively traded securities issued by U.S. companies in the Internet industry. The DJ Index is a composite of its two sub-indices, the Dow Jones Internet Commerce Index and the Dow Jones Internet Services Index, and is composed of securities issued by Internet companies from the two sub-industries represented by these sub-indices: Internet Commerce and Internet Services. For each sub-industry, the sources from which the issuer derives the majority of its sales/revenues are as follows:

- *Internet Commerce*. Online retail, search, financial services, investment products, social media, advertising, travel platforms and Internet radio.
- *Internet Services*. Various services performed via the Internet, cloud computing, enterprise software, networking capabilities, website creation tools and digital marketing platforms.

To be eligible for inclusion in the DJ Index, a security must be listed on a qualifying U.S. securities exchange and be issued by a company domiciled in the United States that generates at least 50% of its sales/revenues from the Internet, have a minimum of three months' trading history and have a three-month average float-adjusted market capitalization of at least \$100 million. Eligible securities are ranked first by three-month average float-adjusted market capitalization and then by three-month average share volume. A final rank is then calculated based on an equally weighted average of the security's market capitalization and volume rankings. Securities are then sorted in descending order by final rank within the Internet Commerce and Internet Services sub-industries, respectively. The 15 securities from the Internet Commerce sub-industry and 25 securities from the Internet Services sub-industry with the best rankings are selected for inclusion in the Index. Securities selected for inclusion in the Index are then weighted by float-adjusted market capitalization, subject to a single security weight cap of 10%. The aggregate weight of individual securities with weights of 4.5% or more is limited to 45% of the DJ Index. Index composition changes during scheduled reconstitutions are subject to certain buffers designed to limit turnover. The DJ Index may be composed of small, mid and large capitalization companies.

The DJ Index is rebalanced and reconstituted quarterly. The DJ Index's quarterly rebalance and reconstitution schedule may cause a fund to experience a higher rate of portfolio turnover. As of December 9, 2020, the DJ Index was composed 39 securities, including investments in communication services companies and information technology companies, although this may change from time to time. To the extent a Fund invests a significant portion of its assets in a given jurisdiction or investment sector, a Fund may be exposed to the risks associated with that jurisdiction or investment sector

Nasdaq CTA Cybersecurity IndexSM

The Nasdaq CTA Cybersecurity IndexSM (the "CTA Index") includes securities of companies classified as "cybersecurity" companies by CTA. CTA gives the cybersecurity classification to those companies that meet one of three elements: (1) companies focused on developing technologies that are designed and implemented to protect computer and communication networks from attacks and outside unauthorized use; (2) companies involved in the deployment of technologies for cybersecurity industry use including government, private and public corporations, financial institutions and various other industries; or (3) companies focused on the protection of priority data from being accessed and exploited by unauthorized external parties. To be included in the CTA Index, a security issued by a "cybersecurity" company must also have a minimum market capitalization of \$250 million, a minimum three-month average daily dollar trading volume of \$1 million, a minimum free float of 20% and be listed on a CTA Index-eligible global exchange. The term "free float" is used to describe the portion of an issuer's outstanding securities that can be publicly traded, and therefore excludes locked-in securities held by an issuer's affiliates, officers or promoters and securities subject to some other restrictive arrangement that prevents them from being freely traded. The CTA Index employs a modified liquidity-weighted methodology, meaning that security weights are based on the liquidity of the securities comprising the CTA Index. Liquidity is measured by using the three-month average daily dollar trading volume for each company. To provide diversification among the weighting of the constituent securities, the CTA Index caps the weighting of the securities of the five most liquid companies at 6% each, and collectively 30%, of the CTA Index. The excess weight of any capped security is distributed proportionally across the securities of the remaining constituent companies. The securities of the remaining companies are capped at a 3% weight as well. Any security of those remaining constituent companies with a weight in excess of 3% will have that excess weight redistributed proportionally across the securities of any remaining companies. The CTA Index is reconstituted semi-annually and rebalanced quarterly. The CTA Index's quarterly rebalance schedule may cause a Fund to experience a higher rate of portfolio turnover. As of December 9, 2020, the CTA Index was composed of 40 securities from companies located in France, Israel, Japan, South Korea, the United Kingdom and the United States. To the extent a Fund invests a significant portion of its assets in a given

jurisdiction or investment sector, a Fund may be exposed to the risks associated with that jurisdiction or investment sector.

NYSE Arca Biotechnology IndexSM

The NYSE Arca Biotechnology IndexSM (the “**Biotechnology Index**”) is an equal-dollar weighted index designed to measure the performance of a cross section of small, mid and large capitalization companies in the biotechnology industry that are primarily involved in the use of biological processes to develop products or provide services. Such processes include, but are not limited to, recombinant DNA technology, molecular biology, genetic engineering, monoclonal antibody-based technology, lipid/liposome technology and genomics. In order to be eligible for inclusion in the Biotechnology Index, a security must be listed on a qualifying U.S. securities exchange, be issued by a company with a market capitalization of at least \$1 billion, have an average daily trading value of at least \$1 million over the prior three months and have a current last-traded price of greater than \$3. The securities selected for inclusion in the Index are equally weighted. Once included in the Biotechnology Index, it is required that a security maintain a market capitalization of at least \$900 million, an average daily trading value of at least \$900,000 over the prior three months and a current last-traded price of greater than \$1. The Biotechnology Index is rebalanced and reconstituted quarterly. The Biotechnology Index’s quarterly rebalance and reconstitution schedule may cause a Fund to experience a higher rate of portfolio turnover. As of December 9, 2020 the Biotechnology Index was composed of 30 securities. To the extent a Fund invests a significant portion of its assets in a given jurisdiction or investment sector, a Fund may be exposed to the risks associated with that jurisdiction or investment sector.

Indxx 5G & NextG Thematic IndexSM

The Indxx 5G & NextG Thematic IndexSM (the “**Indxx Index**”) is designed to track the performance of companies that have devoted, or have committed to devote, material resources to the research, development and application of fifth generation (“**5G**”) and next generation digital cellular technologies as they emerge. By utilizing higher frequency radio waves, 5G networks enable significantly increased data rates, reduced latency and high-density connections that were previously unavailable in preceding technological generations.

The equity securities comprising the Indxx Index may include common stock, real estate investment trusts (“**REITs**”) and depositary receipts issued by small, mid and large capitalization companies operating in both developed and emerging market countries. To be eligible for inclusion in the Index, a security must have: (i) a minimum market capitalization of \$500 million; (ii) a six-month average daily trading volume of greater than or equal to \$2 million for developed market companies and \$1 million for emerging market companies; (iii) traded for at least 90% of the total trading days over the prior six months or, for a security recently issued in an initial public offering, have traded for at least 90% of the trading days over the prior three months; (iv) at least 10% of its outstanding shares publicly available for trading; and (v) a share price of less than \$10,000 for new Indxx Index constituents.

The Indxx Index’s selection universe is further narrowed by excluding all securities issued by companies that do not comprise one of the following two sub-themes: (i) “5G Infrastructure & Hardware” and (ii) “Telecommunications Service Providers.” Issuers comprising the 5G Infrastructure & Hardware sub-theme include the following companies:

- *Data Center REITs*: Companies that own and manage facilities used to safely store data and offer a range of products and services to help keep servers and data safe, including providing uninterruptable power supplies, air-cooled chillers and physical security.

- *Cell Tower REITs*: Companies that own, operate and develop wireless communications and broadcast “cell towers”. A cell tower houses the electronic communications equipment along with an antenna to support cellular communication in a network.
- *Equipment Manufacturers*: Companies that manufacture the equipment that facilitates the development, set-up and operation of the 5G network architecture. This includes fiber optics, semiconductors, chipsets, 5G modems for enhanced bandwidth, hotspot devices, wireless spectrum equipment and other such equipment required to support the 5G domain.
- *Network Testing and Validation Equipment and Software Companies*: Companies that provide testing and measurement solutions along with quality assurance for equipment manufacturers, mobile phone manufacturers and telecommunications service providers.
- *Mobile Phone Manufacturers*: Companies that manufacture smartphones and mobile devices that support and enable 5G network access.

Companies comprising the Telecommunications Service Providers sub-theme are those companies that operate the mobile cellular and wireless communication networks that offer public access to 5G networks. All securities issued by companies that do not fall within one of the Indxx Index’s identified sub-themes are removed from consideration for inclusion in the Indxx Index. The Indxx Index ranks all remaining eligible securities based upon their market capitalization and selects the 100 securities with the largest market capitalizations for inclusion. If fewer than 100 companies qualify for inclusion in the Indxx Index, then all constituents will be included. Securities comprising the 5G Infrastructure & Hardware sub-theme are cumulatively allocated 80% of the Indxx Index weight and securities comprising Telecommunications Service Providers sub-theme are cumulatively allocated 20% of the Indxx Index weight. Securities within each sub-theme are initially equally weighted. Indxx Index components with market capitalizations of less than \$2 billion have their Indxx Index weight halved, with the remaining weight equally allocated among other components of the sub-theme with market capitalizations of greater than \$2 billion. To ensure that the Indxx Index continues to provide exposure to the companies actively devoting material resources to the research, development and application of 5G and/or next generation technology, the selection process will be periodically reviewed by the index provider. Any modifications to the Indxx Index methodology will become effective at the next Indxx Index reconstitution. The Indxx Index is rebalanced and reconstituted semi-annually. As of December 9, 2020, the Indxx Index was composed of 99 securities. To the extent a Fund invests a significant portion of its assets in a given jurisdiction or investment sector, a Fund may be exposed to the risks associated with that jurisdiction or investment sector.

NASDAQ® Clean Edge® Green Energy IndexSM

The NASDAQ® Clean Edge® Green Energy IndexSM (the “**Clean Edge Index**”) is developed, maintained and sponsored by Nasdaq, Inc. and Clean Edge, Inc. (“Clean Edge”). The index provider may, from time to time, exercise reasonable discretion as it deems appropriate in order to ensure Clean Edge Index integrity. The Clean Edge Index is designed to track the performance of small, mid and large capitalization clean energy companies that are publicly traded in the United States. To be eligible for inclusion in the Clean Edge Index, a security must be issued by companies classified, according to Clean Edge, as technology manufacturers, developers, distributors, and/or installers in one of the following sub-sectors:

- *Advanced Materials* (nanotech, membranes, silicon, lithium, carbon capture and utilization and other materials and processes that enable clean-energy technologies)
- *Energy Intelligence* (conservation, automated meter reading, energy management systems, smart

grid, superconductors and power controls)

- *Energy Storage & Conversion* (advanced batteries, hybrid drivetrains, hydrogen, fuel cells for stationary, portable and transportation applications)
- *Renewable Electricity Generation & Renewable Fuels* (solar photovoltaics, concentrating solar, wind, geothermal, and ethanol, biodiesel, biofuel enabling enzymes)

In order to be eligible for inclusion in the Clean Edge Index, a security must also be listed on a qualifying U.S. securities exchange, be issued by a company with a market capitalization of at least \$150 million, have a minimum average daily trading volume of at least 100,000 shares and have a minimum closing price per share of \$1. Securities selected for inclusion in the Clean Edge Index are weighted according to modified market capitalization methodology. At each quarter, the Clean Edge Index is rebalanced so that the maximum weight of any component security does not exceed 8% and no more than five securities have a weight of 8%. The excess weight of any capped security is distributed proportionally across the other component securities. If after redistribution any of the five highest ranked securities are weighted below 8%, these securities are not capped. Next, any remaining securities with weights in excess of 4% are capped at 4% and the excess weight is redistributed proportionally across the remaining securities. The process is repeated, if necessary, to derive the final weights. The Clean Edge Index is rebalanced quarterly and reconstituted semi-annually. The Clean Edge Index's quarterly rebalance schedule may cause a Fund to experience a higher rate of portfolio turnover. As of December 23, 2020, the Clean Edge Index was composed of 44 securities. To the extent a Fund invests a significant portion of its assets in a given jurisdiction or investment sector, a Fund may be exposed to the risks associated with that jurisdiction or investment sector.

Morningstar® Dividend Leaders IndexSM

The Morningstar® Dividend Leaders IndexSM (the “**Morningstar Index**”) is designed to measure the performance of the 100 highest-yielding stocks that have a consistent record of dividend payment and have the ability to sustain their dividend payments. The securities comprising the Morningstar US Market IndexSM (the “**Base Index**”) serve as a Fund's selection universe. The Base Index is a broad market index representing 97% of U.S. equity market capitalization. To be eligible for inclusion in the Base Index, a security must be listed on a qualifying U.S. securities exchange and be issued by a company incorporated in the United States or its territories and whose primary stock market activities are carried out in the United States. Securities issued by companies incorporated outside the United States and its territories may nonetheless be included in the Base Index if the company files a Form 10-K/10-Q or equivalents, and its primary business activities, as measured by the geographic distribution of revenue and assets, are conducted in the United States. The Base Index also excludes securities with more than 10 non-trading days in the prior quarter and those securities not ranked in the top 75% of the companies in the investable universe based on liquidity score, which is the average of a security's rank on each of the following measures: (i) average monthly trading volume in U.S. dollars during the six calendar months immediately before reconstitution or, in the case of corporate entities younger than six months, since the security was first issued; and (ii) the security's lowest two months' total trading volume during the six calendar months immediately before reconstitution (the months need not be sequential). From this universe, the Morningstar Index further excludes any securities issuing dividend payments that do not constitute qualifying income (i.e., real estate investment trusts). The Morningstar Index also excludes securities issued by companies with a five-year indicated dividend per share growth of less than zero and a coverage ratio of less than one. A security's coverage ratio equals its one-year forecast of earnings per share divided by its indicated dividend per share. All remaining securities are then ranked by indicated dividend yield and the top 100 securities are selected for inclusion in the Morningstar Index. The Morningstar Index weights the component securities based upon an indicated dividend dollar weighted methodology.

Weights are adjusted so that no individual security has a weight of greater than 10% and securities with a weight of more than 5% do not collectively exceed 50% of the entire portfolio. The Morningstar Index is rebalanced quarterly and reconstituted annually. The Morningstar Index’s quarterly rebalance schedule may cause a Fund to experience a higher rate of portfolio turnover. As of December 9, 2020, the Morningstar Index was composed of 99 securities. To the extent a Fund invests a significant portion of its assets in a given jurisdiction or investment sector, a Fund may be exposed to the risks associated with that jurisdiction or investment sector.

Change in the Index of an Underlying Fund or Change in the Index of a Fund

The Manager may, subject to any required Unitholder approval, change the underlying fund, accept a change in the index in which the underlying fund invests or invest directly in another index that provides investors with substantially the same exposure to the asset class to which such Fund is currently exposed. If the Manager changes the index, or any index replacing such Index, the Manager will issue a press release identifying the new index, describing its constituent securities and specifying the reasons for the change in the index.

In the event that the index provider of an underlying fund ceases to calculate the index or a License Agreement (as defined below) is terminated, the Manager may terminate a Fund on 60 days’ notice, change the investment objective of such Fund, base such Fund on an alternative index or make such other arrangements as the Manager considers appropriate and in the best interests of Unitholders in the circumstances, subject to unitholder approval if required.

Use of the Index

The Manager or an affiliate has entered into a license agreement (each, a “**License Agreement**”) with S&P Dow Jones Indices LLC, Nasdaq, Inc., ICE Data Indices, LLC, Indxx, LLC, Clean Edge, Inc. and Morningstar, Inc. for use of each of the indices in connection with the applicable Fund. The Manager and the Funds do not accept responsibility for, or guarantee the accuracy and/or completeness of the indices or any data included in the index.

Additional Risk Factors Relating to the Funds:

If the Proposals are approved, the Funds will change their investment objectives to track new indices through investments in the underlying funds. As a result, the following additional risk factors should be considered in respect of an investment in certain of the Funds as indicated in the table below.

Fund	Additional Risks
First Trust Cloud Computing ETF (formerly, First Trust AlphaDEX™ U.S. Utilities Sector Index ETF)	Communication Services Companies Risk, Information Technology Companies Risk, Internet Companies Risk, Smaller Companies Risk
First Trust Dow Jones Internet ETF (formerly, First Trust AlphaDEX™ U.S. Consumer Staples Sector Index ETF)	Cloud Computing Companies Risk, Information Technology Companies Risk, Internet Companies Risk, Non-U.S. Securities Risk, Smaller Companies Risk
First Trust Nasdaq Cybersecurity ETF (formerly, First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF)	Cybersecurity Companies Risk, Information Technology Companies Risk, Non-U.S. Securities Risk, Smaller Companies Risk

First Trust NYSE Arca Biotechnology ETF (formerly, First Trust AlphaDEX™ U.S. Materials Sector Index ETF)	Biotechnology Companies Risk, Health Care Companies Risk, Non-U.S. Securities Risk, Pharmaceutical Companies Risk, Smaller Companies Risk
First Trust Indxx NextG ETF (formerly, First Trust AlphaDEX™ U.S. Energy Sector Index ETF)	Asia Risk, Communications Services Companies Risk, Emerging Technologies Risk, Information Technology Companies Risk, Non-U.S. Securities Risk, REIT Risk, Smaller Companies Risk
First Trust Nasdaq Clean Edge Green Energy ETF (formerly, First Trust AlphaDEX™ U.S. Financial Sector Index ETF)	Clean Energy Companies Risk, Information Technology Companies Risk, Smaller Companies Risk, Utility Companies Risk
First Trust Morningstar Dividend Leaders ETF (CAD-Hedged) (formerly, First Trust Dorsey Wright U.S. Sector Rotation Index ETF (CAD-Hedged))	Energy Companies Risk

Asia Risk. Certain Funds are subject to certain risks specifically associated with investments in the securities of Asian issuers. Many Asian economies have experienced rapid growth and industrialization, and there is no assurance that this growth rate will be maintained. Some Asian economies are highly dependent on trade, and economic conditions in other countries within and outside Asia can impact these economies. Certain of these economies may be adversely affected by trade or policy disputes with its major trade partners. There is also a high concentration of market capitalization and trading volume in a small number of issuers representing a limited number of industries, as well as a high concentration of investors and financial intermediaries. Certain Asian countries have experienced and may in the future experience expropriation and nationalization of assets, confiscatory taxation, currency manipulation, political instability, armed conflict and social instability as a result of religious, ethnic, socio-economic and/or political unrest. In particular, escalated tensions involving North Korea and any outbreak of hostilities involving North Korea could have a severe adverse effect on Asian economies. Governments of certain Asian countries have exercised, and continue to exercise, substantial influence over many aspects of the private sector. In certain cases, the government owns or controls many companies, including the largest in the country. Accordingly, government actions could have a significant effect on the issuers of such Fund's securities or on economic conditions.

Biotechnology Companies Risk. Biotechnology companies invest heavily in research and development which may not necessarily lead to commercially successful products. Biotechnology companies are subject to increased governmental regulation which may delay or inhibit the release of new products. The effects of high development costs and increased regulation may be exacerbated by a company's inability to raise prices to cover costs because of managed care pressure or price controls. Many biotechnology companies are dependent upon their ability to use and enforce intellectual property rights and patents. Any impairment of such rights may have adverse financial consequences. Biotechnology stocks, especially those issued by smaller, less-seasoned companies, tend to be more volatile than the overall market. Biotechnology companies can also be significantly affected by technological change and obsolescence, product liability lawsuits and consequential high insurance costs.

Clean Energy Companies Risk. Renewable and alternative energy companies can be significantly affected by the following factors: obsolescence of existing technology, short product cycles, legislation resulting in more strict government regulations and enforcement policies, fluctuations in energy prices and supply and demand of alternative energy fuels, energy conservation, the success of exploration

projects, the supply of and demand for oil and gas, world events and economic conditions. In addition, shares of clean energy companies have been significantly more volatile than shares of companies operating in other more established industries and the securities included in a Fund may be subject to sharp price declines. This industry is relatively nascent and under-researched in comparison to more established and mature sectors, and should therefore be regarded as having greater investment risk.

Cloud Computing Companies Risk. Cloud computing companies include companies that provide remote computation, software, data access and storage services. The risks related to investing in such companies include disruption in service caused by hardware or software failure, interruptions or delays in service by third-party data center hosting facilities and maintenance providers, security breaches involving certain private, sensitive, proprietary and confidential information managed and transmitted by cloud computing companies, and privacy concerns and laws, evolving Internet regulation and other foreign or domestic regulations that may limit or otherwise affect the operations of such companies. In addition, the business models employed by the companies in the cloud computing industry may not prove to be successful.

Communication Services Companies Risk. Communication services companies may be subject to specific risks associated with legislative or regulatory changes, adverse market conditions, intellectual property use and/or increased competition. Communication services companies are particularly vulnerable to rapid advancements in technology, the innovation of competitors, rapid product obsolescence and government regulation and competition, both domestically and internationally. Additionally, fluctuating domestic and international demand, shifting demographics and often unpredictable changes in consumer tastes can drastically affect a communication services company's profitability. While all companies may be susceptible to network security breaches, certain communication services companies may be particular targets of hacking and potential theft of proprietary or consumer information or disruptions in service, which could have a material adverse effect on their businesses.

Cybersecurity Companies Risk. Cybersecurity companies are companies that provide products and services intended to protect the integrity of data and network operations for private and public networks, computers and mobile devices. Like other technology and industrials companies, cybersecurity companies are generally subject to the risks of rapidly changing technologies, short product life cycles, fierce competition, aggressive pricing and reduced profit margins, loss of patent, copyright and trademark protections, cyclical market patterns, evolving industry standards and frequent new product introductions. These companies may also be smaller and less experienced companies, with limited product lines, markets, qualified personnel or financial resources.

Emerging Technologies Risk. Certain Funds invests in certain companies because of their exposure to emerging technologies. All of the risks associated with such technology may not fully emerge until the technology is more widely used. The regulatory environment surrounding new technologies is often unclear. There is often uncertainty regarding the application of existing regulation and there can be no guarantee that new regulations will not be enacted that inhibit a technology's widespread adoption or prevent a company from realizing all of its potential benefits. Companies that initially develop or adopt a novel technology may not be able to capitalize on it and there is no assurance that a company will derive any significant revenue from it in the future. An emerging technology may constitute a small portion of a company's overall business and the success of a technology may not significantly affect the value of the equity securities issued by the company. In addition, a company's stock price may be overvalued by market participants that value the company's securities based upon expectations of a technology that are never realized.

Energy Companies Risk. The success of energy companies may be cyclical and highly dependent on energy prices. The market value of securities issued by energy companies may decline for many reasons,

including, among other things, changes in the levels and volatility of global energy prices, energy supply and demand, capital expenditures on exploration and production of energy sources, exchange rates, interest rates, economic conditions, tax treatment, energy conservation efforts, increased competition and technological advances. Energy companies may be subject to substantial government regulation and contractual fixed pricing, which may increase the cost of doing business and limit the earnings of these companies. A significant portion of the revenues of energy companies may depend on a relatively small number of customers, including governmental entities and utilities. As a result, governmental budget constraints may have a material adverse effect on the stock prices of energy companies. Energy companies may also operate in, or engage in transactions involving, countries with less developed regulatory regimes or a history of expropriation, nationalization or other adverse policies. Energy companies also face a significant risk of liability from accidents resulting in injury or loss of life or property, pollution or other environmental problems, equipment malfunctions or mishandling of materials and a risk of loss from terrorism, political strife or natural disasters.

Health Care Companies Risk. Health care companies, such as companies providing medical and healthcare goods and services, companies engaged in manufacturing medical equipment, supplies and pharmaceuticals, as well as operating health care facilities and the provision of managed health care, may be affected by government regulations and government health care programs, increases or decreases in the cost of medical products and services and product liability claims, among other factors. Many health care companies are heavily dependent on patent protection, and the expiration of a company's patent may adversely affect that company's profitability. Health care companies are also subject to competitive forces that may result in price discounting, may be thinly capitalized and susceptible to product obsolescence.

Information Technology Companies Risk. Information technology companies produce and provide hardware, software and information technology systems and services. These companies may be adversely affected by rapidly changing technologies, short product life cycles, fierce competition, aggressive pricing and reduced profit margins, the loss of patent, copyright and trademark protections, cyclical market patterns, evolving industry standards and frequent new product introductions. In addition, information technology companies are particularly vulnerable to federal, state and local government regulation, and competition and consolidation, both domestically and internationally, including competition from foreign competitors with lower production costs. Information technology companies also heavily rely on intellectual property rights and may be adversely affected by the loss or impairment of those rights.

Internet Companies Risk. Internet companies are subject to rapid changes in technology, hacking or other cyber security events, worldwide competition, rapid obsolescence of products and services, loss of patent protections, cyclical market patterns, evolving industry standards, frequent new product introductions and the considerable risk of owning small capitalization companies that have recently begun operations. Many Internet companies have incurred large losses since their inception and may continue to incur large losses in the hope of capturing market share and generating future revenues. Accordingly, many such companies expect to incur significant operating losses for the foreseeable future, and may never be profitable. The markets in which many Internet companies compete face rapidly evolving industry standards, frequent new service and product announcements, introductions and enhancements and changing customer demands. The failure of an Internet company to adapt to such changes could have a material adverse effect on the company's business. In addition, the widespread adoption of new Internet, networking, telecommunications technologies, or other technological changes could require substantial expenditures by an Internet company to modify or adapt its services or infrastructure, which could have a material adverse effect on an Internet company's business.

Non-U.S. Securities Risk. Non-U.S. securities are subject to higher volatility than securities of domestic issuers due to possible adverse political, social or economic developments, restrictions on foreign investment or exchange of securities, capital controls, lack of liquidity, currency exchange rates,

excessive taxation, government seizure of assets, the imposition of sanctions by foreign governments, different legal or accounting standards, and less government supervision and regulation of securities exchanges in foreign countries.

Pharmaceutical Companies Risk. Pharmaceuticals companies may be affected by industry competition, dependency on a limited number of products, obsolescence of products, government approvals and regulations, loss or impairment of intellectual property rights and litigation regarding product liability. Pharmaceuticals are subject to competitive forces that may make it difficult to raise prices of their products and may result in price discounting. The profitability of some pharmaceutical companies may be dependent on a relatively limited number of products. The research and development costs required to bring a new product to market are substantial with no guarantee that the product will ever become profitable. Many new products are subject to gaining the approval of the U.S. Food and Drug Administration, which can be long and costly. Many pharmaceutical companies are heavily dependent on patents and intellectual property rights. The loss or impairment of these rights may adversely affect the profitability of these companies. Pharmaceuticals companies may also be subject to extensive litigation based on product liability and similar claims.

REIT Risk. REITs typically own and operate income-producing real estate, such as residential or commercial buildings, or real-estate related assets, including mortgages. As a result, investments in REITs are subject to the risks associated with investing in real estate, which may include, but are not limited to: fluctuations in the value of underlying properties; defaults by borrowers or tenants; market saturation; changes in general and local operating expenses; and other economic, political or regulatory occurrences affecting companies in the real estate sector. REITs are also subject to the risk that the real estate market may experience an economic downturn generally, which may have a material effect on the real estate in which the REITs invest and their underlying portfolio securities. REITs may have also a relatively small market capitalization which may result in their shares experiencing less market liquidity and greater price volatility than larger companies. Increases in interest rates typically lower the present value of a REIT's future earnings stream, and may make financing property purchases and improvements more costly. Because the market price of REIT stocks may change based upon investors' collective perceptions of future earnings, the value of a Fund will generally decline when investors anticipate or experience rising interest rates.

Smaller Companies Risk. Small and/or mid capitalization companies may be more vulnerable to adverse general market or economic developments, and their securities may be less liquid and may experience greater price volatility than larger, more established companies as a result of several factors, including limited trading volumes, fewer products or financial resources, management inexperience and less publicly available information. Accordingly, such companies are generally subject to greater market risk than larger, more established companies.

Utility Companies Risk. Utility companies include companies producing or providing gas, electricity or water. These companies are subject to the risk of the imposition of rate caps, increased competition due to deregulation, the difficulty in obtaining an adequate return on invested capital or in financing large construction projects counterparty risk, the limitations on operations and increased costs and delays attributable to environmental considerations and the capital market's ability to absorb utility debt. In addition, taxes, government regulation, domestic and international politics, price and supply fluctuations, volatile interest rates and energy conservation may negatively affect utility companies.

Investment Risk Classification Methodology and Change of Risk Rating

The investment risk level of the Funds is required to be determined in accordance with a standardized risk classification methodology that is based on the Funds' historical volatility as measured

by the 10-year standard deviation of the returns of such Fund. The following table sets forth the current reference indices for the risk ratings of each Fund and, if the Proposals are approved, the proposed reference indices for each Fund:

Fund	Current Reference Index for Risk Rating Methodology	Proposed Reference Index for Risk Rating Methodology
First Trust Cloud Computing ETF (formerly, First Trust AlphaDEX™ U.S. Utilities Sector Index ETF)	StrataQuant® Utilities Index	ISE CTA Cloud Computing™ Index
First Trust Dow Jones Internet ETF (formerly, First Trust AlphaDEX™ U.S. Consumer Staples Sector Index ETF)	StrataQuant® Consumer Staples Index	Dow Jones Internet Composite Index SM
First Trust Nasdaq Cybersecurity ETF (formerly, First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF)	StrataQuant® Consumer Discretionary Index	Nasdaq CTA Cybersecurity Index SM
First Trust NYSE Arca Biotechnology ETF (formerly, First Trust AlphaDEX™ U.S. Materials Sector Index ETF)	StrataQuant® Materials Index	NYSE Arca Biotechnology Index SM
First Trust Indxx NextG ETF (formerly, First Trust AlphaDEX™ U.S. Energy Sector Index ETF)	StrataQuant® Energy Index	Indxx 5G & NextG Thematic Index SM
First Trust Nasdaq Clean Edge Green Energy ETF (formerly, First Trust AlphaDEX™ U.S. Financial Sector Index ETF)	StrataQuant® Financials Index	NASDAQ® Clean Edge® Green Energy Index SM
First Trust Morningstar Dividend Leaders ETF (CAD-Hedged) (formerly, First Trust Dorsey Wright U.S. Sector Rotation Index ETF (CAD-Hedged))	S&P 500 Index	Morningstar® Dividend Leaders Index SM

Using this methodology, the Manager will generally assign a risk rating of low, low to medium, medium, medium to high or high to a Fund. The standardized risk classification methodology allows for the use of discretion to classify a Fund at a higher investment risk level should the Manager deem that appropriate. The following table sets forth the current risk ratings for each Fund and, if the Proposals are approved, the proposed risk ratings for each Fund.

Fund	Class of Units	Current Risk Rating	Proposed Risk Rating
First Trust Cloud Computing ETF (formerly, First Trust AlphaDEX™ U.S. Utilities Sector Index ETF)	Units	Medium	Medium to High
	Hedged Units	Medium	Medium to High
First Trust Dow Jones Internet ETF (formerly, First Trust AlphaDEX™ U.S. Consumer Staples Sector Index ETF)	Units	Medium	Medium to High
	Hedged Units	Medium	Medium to High
First Trust Nasdaq Cybersecurity ETF (formerly, First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF)	Units	Medium to High	Medium to High
	Hedged Units	Medium to High	Medium to High

First Trust NYSE Arca Biotechnology ETF	Units	Medium to High	High
(formerly, First Trust AlphaDEX™ U.S. Materials Sector Index ETF)	Hedged Units	Medium to High	High
First Trust Indxx NextG ETF	Units	High	Medium
(formerly, First Trust AlphaDEX™ U.S. Energy Sector Index ETF)	Hedged Units	High	Medium
First Trust Nasdaq Clean Edge Green Energy ETF	Units	Medium	High
(formerly, First Trust AlphaDEX™ U.S. Financial Sector Index ETF)	Hedged Units	Medium to High	High
First Trust Morningstar Dividend Leaders ETF (CAD-Hedged)	Units	Medium	Medium
(formerly, First Trust Dorsey Wright U.S. Sector Rotation Index ETF (CAD-Hedged))			

The risk ratings above do not necessarily correspond to an investor's risk tolerance assessment. Investors are advised to consult their financial advisor for advice regarding an individual investor's personal circumstances.

Comparison of Performance

The annual performance history of the new indices as compared to the current indices are set out below:

Fund	Index	1 Year	3 Year	5 Year	10 Year
First Trust Cloud Computing ETF	ISE CTA Cloud Computing™ Index	48.30%	26.99%	24.93%	N/A
(formerly, First Trust AlphaDEX™ U.S. Utilities Sector Index ETF)	StrataQuant® Utilities Index	3.07%	4.87%	8.70%	10.04%
First Trust Dow Jones Internet ETF	Dow Jones Internet Composite Index SM	51.38%	24.62%	22.82%	20.77%
(formerly, First Trust AlphaDEX™ U.S. Consumer Staples Sector Index ETF)	StrataQuant® Consumer Staples Index	7.64%	4.46%	5.72%	12.25%
First Trust Nasdaq Cybersecurity ETF	Nasdaq CTA Cybersecurity Index SM	30.39%	21.31%	17.40%	N/A
(formerly, First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF)	StrataQuant® Consumer Discretionary Index	10.45%	6.99%	8.23%	11.57%

First Trust NYSE Arca Biotechnology ETF	NYSE Arca Biotechnology Index SM	10.43%	9.35%	8.06%	17.30%
(formerly, First Trust AlphaDEX™ U.S. Materials Sector Index ETF)	StrataQuant® Materials Index	18.50%	4.82%	11.26%	9.90%
First Trust Indxx NextG ETF	Indxx 5G & NextG Thematic Index SM	26.74%	N/A	N/A	N/A
(formerly, First Trust AlphaDEX™ U.S. Energy Sector Index ETF)	StrataQuant® Energy Index	-14.70%	-17.86%	-12.28%	-7.14%
First Trust Nasdaq Clean Edge Green Energy ETF	NASDAQ® Clean Edge® Green Energy Index	179.46%	47.59%	34.97%	15.72%
(formerly, First Trust AlphaDEX™ U.S. Financial Sector Index ETF)	StrataQuant® Financials Index	-0.62%	3.75%	8.68%	11.70%
First Trust Morningstar Dividend Leaders ETF (CAD-Hedged)	Morningstar® Dividend Leaders Index SM	-4.44%	3.86%	8.69%	11.37%
(formerly, First Trust Dorsey Wright U.S. Sector Rotation Index ETF (CAD-Hedged))	Dorsey Wright® U.S. Sector Focus Five Index	26.17%	12.84%	11.42%	N/A

Index performance does not reflect deductions for management fees and other expenses associated with the operation and administration of a fund. Past performance is not an indication future performance.

Management Fee Change

Currently each Fund pays the Manager a management fee of 0.70% per annum of the net asset value of the Fund plus applicable taxes, which accrues daily and is payable monthly in arrears. See Schedule A – Additional Information Regarding Management of the Fund for further details on the management fee.

The Funds will pay the underlying fund's management fee on all of Fund's portfolio assets invested in the other fund. The management fee payable to the Manager will not be payable in respect of the portion of the Fund portfolio assets invested in the other fund to the extent that such fee would be duplicative.

Under the Proposals, the management fee charged to each of the Funds will be changed to 0.15% per annum of the net asset value of the Fund. In addition, the Funds will bear the management fee associated with the underlying funds which are:

Fund	Underlying Fund	Management Fee of Underlying Fund
First Trust Cloud Computing ETF (formerly, First Trust AlphaDEX™ U.S. Utilities Sector Index ETF)	First Trust Cloud Computing ETF	0.60% of net asset value
First Trust Dow Jones Internet ETF (formerly, First Trust AlphaDEX™ U.S. Consumer Staples Sector Index ETF)	First Trust Dow Jones Internet Index Fund	0.40% of net asset value
First Trust Nasdaq Cybersecurity ETF (formerly, First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF)	First Trust Nasdaq Cybersecurity ETF	0.60% of net asset value
First Trust NYSE Arca Biotechnology ETF (formerly, First Trust AlphaDEX™ U.S. Materials Sector Index ETF)	First Trust NYSE Arca Biotechnology Index Fund	0.40% of net asset value
First Trust Indxx NextG ETF (formerly, First Trust AlphaDEX™ U.S. Energy Sector Index ETF)	First Trust Indxx NextG ETF	0.70% of net asset value
First Trust Nasdaq Clean Edge Green Energy ETF (formerly, First Trust AlphaDEX™ U.S. Financial Sector Index ETF)	First Trust NASDAQ Clean Edge Green Energy Index Fund	0.40% of net asset value
First Trust Morningstar Dividend Leaders ETF (CAD-Hedged) (formerly, First Trust Dorsey Wright U.S. Sector Rotation Index ETF (CAD-Hedged))	First Trust Morningstar Dividend Leaders Index Fund	0.30% of net asset value

RECOMMENDATION OF THE BOARD OF DIRECTORS

Proposals

The board of directors of the Manager has determined that the Proposals are in the best interests of the Unitholders, and unanimously recommends that Unitholders vote in favour of the Proposal. In making its recommendation, the board of directors of the Manager considered a number of factors.

In particular, the Manager believes that the change in investment objective of the Funds will provide Unitholders with several benefits, including the following:

- The new indices should modernize the sector exposures and investment portfolios of the Funds with the goal of producing a more attractive return profile for Unitholders moving forward, while maintaining concentrated equity exposure through an exchange-traded fund structure.
- The change in investment objective alone will not result in a disposition of Units of the Funds to unitholders for Canadian income tax purposes.

RECOMMENDATION OF THE INDEPENDENT REVIEW COMMITTEE

As required by National Instrument 81-107 – *Independent Review Committee for Investment Funds* (“**NI 81-107**”), the Manager has presented the Proposal to the Independent Review Committee for a recommendation. The Independent Review Committee has reviewed the Proposals and has recommended that the Proposals be put to Unitholders for their consideration on the basis that each Proposal would achieve a fair and reasonable result for such Fund.

CONDITIONS TO IMPLEMENTING THE PROPOSAL

The Proposals are subject to Unitholder approval and Toronto Stock Exchange approval. In accordance with the Declaration of Trust of the Funds, the Proposals must be approved by a majority of votes cast at each Meeting by Unitholders holding units and hedged units of each of the Funds, as applicable, in each case, voting together as a class.

There can be no assurance that the conditions precedent to implementing the Proposals will be satisfied on a timely basis, if at all. If the requisite Unitholder approval for the Proposals are not obtained, or if any other required approval is not obtained, then the Proposals may not be implemented.

If the Proposals are approved, Unitholders of each Fund will continue to be able to trade their Units over the Toronto Stock Exchange and have the same right to redeem their Units for cash as described in the prospectus of the Funds. As a result, Unitholders may sell or redeem their Units prior to the implementation of the Proposals.

EXPENSES OF THE PROPOSALS

Whether or not the Proposals are approved, all costs associated with the change in the investment objective of each of the Funds will be borne by the Manager.

TERMINATION OF THE PROPOSALS

Any of the Proposals may, at any time before or after the holding of the Meetings, be terminated by the Board of Directors of the Manager, without further notice to, or action on the part of, unitholders of any of the Funds if the Board of Directors of the Manager determines in its sole judgement that it would be inadvisable for such Fund to proceed with its respective Proposal.

INTERESTS OF MANAGEMENT AND OTHERS IN THE PROPOSALS

FT Canada is the manager of each of the Funds. The Manager receives and will receive a management fee from the Funds as described in “Schedule A – Additional Information Regarding Management of the Funds”. If the Proposals are approved and implemented, the management fee payable by each of the Funds will change as described under “The Proposal - Management Fee Change” above.

CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Osler, Hoskin & Harcourt LLP, counsel to the Funds, the following is a summary of the principal Canadian federal income tax considerations relating to the resolutions that are generally applicable to Unitholders who, at all relevant times, for purposes of the *Income Tax Act* (Canada) and the regulations thereunder (the “**Tax Act**”), are resident or are deemed to be resident in Canada, hold their units as capital property, have not with respect to their units entered into a derivative forward agreement as defined in the Tax Act and deal at arm’s length with and are not affiliated with the Funds. Certain holders whose securities might not otherwise qualify as capital property may be entitled to

make the irrevocable election in the circumstances permitted by subsection 39(4) of the Tax Act to deem such securities (and all other Canadian securities owned by the holder) to be capital property. Holders considering making such an election should consult their own tax advisors.

This summary is based on the current provisions of the Tax Act, all specific proposal to amend the Tax Act and regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof and counsel’s understanding of the current administrative policies and assessing practices of Canada Revenue Agency (“CRA”) published in writing prior to the date hereof. This summary is not exhaustive of all possible Canadian federal income tax considerations and, except as mentioned above, does not anticipate any changes in the relevant laws, whether by judicial, governmental or legislative action or decision, nor any changes in the administrative policies or assessing practices of CRA, nor does it take into account provincial, territorial or foreign tax considerations, which may differ significantly from those discussed herein. This summary also relies on advice from the Funds relating to certain factual matters.

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any Unitholder, and no representations with respect to the income tax consequences to any particular Unitholder are made. Accordingly, Unitholders should consult their own tax advisors for advice with respect to the tax consequences to them of the Proposals.

Tax Consequences of the Proposals

The changes set forth in the resolutions, as described in Schedule B, Schedule C, Schedule D, Schedule E, Schedule F, Schedule G or Schedule H of the Circular, as applicable, alone will not result in Unitholders of each of the Funds being considered to have disposed of their Units and accordingly, Unitholders will not realize capital gains (or capital losses). However, if the Proposals are approved, the Funds will dispose of securities and acquire new securities to achieve the change of investment objectives and such dispositions may cause the Funds to realize capital gains which may result in Unitholders receiving distributions that will be treated as capital gains.

Amounts designated as taxable capital gains and distributed to Unitholders, whose Units are not held in a registered retirement savings plan, a registered retirement income fund, a deferred profit-sharing plan, a registered education savings plan, a tax-free savings account or any other registered plan, will be subject to the general rules relating to the taxation of capital gains.

VOTING SECURITIES AND PRINCIPAL UNITHOLDERS

As of December 18, 2020, the number of outstanding units and hedged units of the Funds were as follows:

Fund	Class of Units	Number Outstanding
First Trust AlphaDEX™ U.S. Utilities Sector Index ETF	Units	50,000
	Hedged Units	N/A
First Trust AlphaDEX™ U.S. Consumer Staples Sector Index ETF	Units	150,000
	Hedged Units	50,000
First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF	Units	550,000
	Hedged Units	N/A

Fund	Class of Units	Number Outstanding
First Trust AlphaDEX™ U.S. Materials Sector Index ETF	Units	550,000
	Hedged Units	N/A
First Trust AlphaDEX™ U.S. Energy Sector Index ETF	Units	150,000
	Hedged Units	N/A
First Trust AlphaDEX™ U.S. Financial Sector Index ETF	Units	150,000
	Hedged Units	N/A
First Trust Dorsey Wright U.S. Sector Rotation Index ETF (CAD-Hedged)	Units	100,000

To the knowledge of the directors and officers of the Manager, no person beneficially owned more than 10% of the outstanding Units of any class of any of the Funds at such time. CDS Clearing and Depository Services Inc. is the registered holder of all of the outstanding units of FHU, FHC, FHD, FHM, FHE, FHF and FSR.

GENERAL PROXY INFORMATION

Joint Management Information Circular

This Circular is furnished in connection with the solicitation of proxies by management of the Funds to be used at the Meetings for the purposes set out in the notice accompanying this Circular or at any adjournment thereof. The Meetings will be held virtually on February 3, 2021 at 10:00 a.m. (Toronto time). Solicitation of proxies will be by mail, and may be supplemented by telephone or other personal contact by representatives or agents of the Funds.

Unitholders of the Funds can join the Meeting by using the coordinates below:

Audio	<p>Dial (for higher quality, dial a number based on your current location):</p> <p>Canada: +1 587 328 1099 or +1 647 374 4685 or +1 647 558 0588 or +1 778 907 2071 or +1 204 272 7920 or +1 438 809 7799</p> <p>US: +1 312 626 6799 or +1 346 248 7799 or +1 646 558 8656 or +1 669 900 9128 or +1 253 215 8782 or +1 301 715 8592</p> <p>Webinar ID: 966 0566 9416</p> <p>Passcode: 102311</p> <p>International numbers available: https://zoom.us/j/96605669416</p>
Online	<p>Go to: https://zoom.us/j/96605669416?pwd=UmFPNmp3dGJoQ3k0TEs1eGgzTXlscz09</p> <p>Event password: 102311</p>

Unitholders will be able to listen to and ask questions at the Meetings and submit their votes by telephone or internet by 5:00 p.m. (Toronto time) on February 1, 2021. If the Meetings are adjourned for any reason, the adjourned meeting will be held virtually on February 15, 2021 at 10:00 a.m. (Toronto time).

In light of the COVID-19 global pandemic and the current restrictions on public gatherings, unitholders of the Funds will not be able to attend the Meetings in person. Unitholders and duly appointed proxyholders will have an equal opportunity to participate at the virtual meeting as they would at an in-person meeting, provided they remain connected to the internet and telephone at all times during the Meetings. It is the unitholders' responsibility to ensure connectivity for the duration of the Meetings.

Proxy Information, Record Date, Voting Rights and Quorum

To be used at the Meetings, a proxy must be deposited with the registrar and transfer agent, which for the units and hedged units of each of the Funds is TSX Trust Company, at the address on the envelope provided at any time up to 5:00 p.m. (Toronto time) on February 1, 2021 or with the Chair of the Meetings prior to the commencement of the Meeting on the day of the Meeting or the day of any adjournment of the Meetings.

Only Unitholders of record at the close of business on December 18, 2020 will be entitled to receive notice of the Meeting and to vote in respect of the matters to be voted at the Meetings or any adjournment thereof, including the respective resolutions with respect to the Proposal.

With respect to each matter properly before the Meetings, a Unitholder shall be entitled to one vote for each unit or hedged unit, as the case may be, registered in the name of such Unitholder. In order to become effective, the Proposal applicable to each Fund must be approved by a simple majority of holders of units and hedged units of the Fund, or a simple majority of holders of units in the case of FSR, voting together as a class and represented in person or by proxy at the Meeting.

Pursuant to the constating documents of each of the Funds, a quorum at each Meeting will consist of two (2) Unitholders of each Fund permitted to vote at each Meeting present in person or represented by proxy holding not less than five percent of the Units then outstanding of such Fund. If the quorum requirement is not satisfied within one-half hour of the scheduled time for each such Meeting, then the Meeting will be adjourned by the Chair of the Meetings. If adjourned, the Meetings will be rescheduled to 10:00 a.m. (Toronto time) on February 15, 2021. At the adjourned Meetings, the business of the Meetings will be transacted by those Unitholders present in person or represented by proxy.

Appointment of Proxy Holders

Unitholders who are unable to be present at the Meetings may still vote through the use of proxies. If you are a Unitholder, you should complete, execute and return the enclosed proxy form. By completing and returning the enclosed proxy form, you can participate in the Meetings through the person or persons named on the form. Please indicate the way you wish to vote and your vote will be cast accordingly. **If you do not indicate a preference, the Units represented by the enclosed proxy form, if the same is executed in favour of the management appointees named in the proxy form and deposited as provided in the notice to this Circular (the "Notice"), will be voted in favour of all matters identified in the Notice.**

Discretionary Authority of Proxies

The proxy forms confer discretionary authority upon the management appointees named therein with respect to such matters, including, without limitation, amendment or variation to the Proposal, as, though not specifically set forth in the Notice, may properly come before the Meetings. Management does not know of any such matter which may be presented for consideration at the Meetings. However, if such a matter is presented, the proxies will be voted on the matter in accordance with the best judgment of the management appointees named in the proxy forms.

On any ballot that may be called for at the Meetings, all Units in respect of which the management appointees named in the accompanying proxy form have been appointed to act will be voted in accordance with the specification of the Unitholder signing the proxy form. If no such specification is made, the Units will be voted in favour of all matters identified in the Notice.

Alternate Proxy

A Unitholder has the right to appoint a person to represent them at the Meeting other than the management appointees designated on the accompanying proxy form by crossing out the printed names and inserting the name of the person he or she wishes to act as proxy in the blank space provided or by completing another proxy form. Proxy forms that appoint persons other than the management appointees whose names are printed on the form should be submitted to the Fund and the person so appointed should be notified. A person acting as proxy need not be a Unitholder.

On any ballot that may be called for at the Meeting, all Units in respect of which the management appointees named in the accompanying proxy form have been appointed to act will be voted in accordance with the specification of the Unitholder signing the proxy form. If the Unitholder specifies a choice with respect to any matter to be acted upon, the Units will be voted accordingly. If no such specification is made, the Units may be voted in accordance with the best judgment of the person named in the proxy form. Furthermore, the person named in the proxy form will have discretionary authority with respect to any amendments to the matters set forth in the Notice and with respect to any other matters that may properly come before the Meetings, and will vote on such amendments and other matters in accordance with the best judgment of the person named in the proxy form.

Revocation of Proxies

If the accompanying form of proxy is executed and returned, the proxy may nevertheless be revoked by an instrument in writing executed by the Unitholder or his or her attorney authorized in writing, as well as in any other manner permitted by law. Any such instrument revoking a proxy must be deposited with the Funds' transfer agent no later than 5:00 p.m. (Toronto time) on the day before the day of the Meeting or any adjournment thereof.

Solicitation of Proxies

In addition to solicitation by mail, officers and directors of the Manager, as the case may be, may, without additional compensation, solicit proxies personally or by telephone.

Advice to Beneficial Holders of Securities

The information set forth in this section is of significant importance to beneficial holders of Units of a Fund ("**Beneficial Holders**"). Beneficial Holders should note that only proxies deposited by Unitholders whose names appear on the records of a Fund as the registered holders of Units can be

recognized and acted upon at the Meeting. Units held by brokers, dealers or their nominees can only be voted upon the instructions of the Beneficial Holder. Without specific instructions, brokers, dealers and their nominees are prohibited from voting Units for their clients. The Funds do not know for whose benefit the Units of a Fund registered in the name of such intermediaries are held. Therefore, Beneficial Holders cannot be recognized at the Meeting for purposes of voting their Units in person or by way of proxy unless they comply with the procedures described below.

Applicable regulatory policy requires brokers, dealers and other intermediaries to seek voting instructions from Beneficial Holders in advance of the Meeting. Every intermediary has its own mailing procedures and provides its own return instructions, which should be carefully followed by Beneficial Holders in order to ensure that their Units are voted at the Meeting. Often, the form of proxy supplied to a Beneficial Holder by its intermediary is identical to that provided to registered unitholders. However, its purpose is limited to instructing the registered unitholders how to vote on behalf of the Beneficial Holders. The majority of intermediaries now delegate responsibility for obtaining instructions from clients to Broadridge Investor Communication Solutions (“**Broadridge**”). Broadridge typically prepares a voting instruction form that it mails to the Beneficial Holders and asks Beneficial Holders to complete and return directly to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Units to be represented at the Meeting. **A Beneficial Holder receiving a voting instruction form cannot use that form to vote Units directly at the Meeting. Rather, the voting instruction form must be returned to Broadridge well in advance of the Meeting to have the Units voted.**

If you are a Beneficial Holder and wish to vote at the Meeting, please contact your broker, dealer or other intermediary well in advance of the Meeting to determine how you can do so.

FORWARD-LOOKING STATEMENTS

Certain statements in this Circular are forward-looking statements, including those identified by the expressions “anticipate”, “believe”, “plan”, “estimate”, “expect”, “intend” and similar expressions to the extent they relate to the Funds or the Manager. Forward-looking statements are not historical facts but reflect the current expectations of the Fund or the Manager regarding future results or events. Such forward-looking statements reflect the Funds’ or the Manager’s current beliefs and are based on information currently available to them. Forward-looking statements involve significant risks and uncertainties. A number of factors could cause actual results or events to differ materially from current expectations. Some of these risks, uncertainties and other factors are described under the heading “Risk Factors” in the prospectus of the Funds and under the heading “Additional Risk Factors Relating to the Funds” in this Circular. Although the forward-looking statements contained in this Circular are based upon assumptions that the Funds or the Manager believe to be reasonable, neither the Funds nor the Manager can assure investors that actual results will be consistent with these forward-looking statements. The forward-looking statements contained herein were prepared for the purpose of providing Unitholders with information about the Funds and may not be appropriate for other purposes. Neither the Funds nor the Manager assumes any obligation to update or revise them to reflect new events or circumstances, except as required by law.

DOCUMENTS INCORPORATED BY REFERENCE

Additional information relating to the Units, the Funds and the risks associated with an investment therein are described in the prospectus of the Funds, which is specifically incorporated by reference into, and forms an integral part of, this Circular. Any statement contained herein or in a document incorporated by reference herein shall be deemed to be modified or superseded for purposes of

this Circular to the extent that a statement contained herein modifies or supersedes such statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Circular. Information on any website maintained by the Funds or the Manager does not constitute a part of this Circular. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purpose that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

A copy of the documents incorporated by reference are available on SEDAR at www.sedar.com. Copies of these documents will be provided by the Manager free of charge upon request. See “Additional Information”.

ADDITIONAL INFORMATION

Financial information about the Funds is available in each Fund’s annual financial statements and management report of fund performance for its most recently completed financial year. These documents, the ETF Facts, the final prospectus of Funds and other information about the Funds are available on SEDAR at www.sedar.com. Copies of these documents will be provided by the Manager free of charge upon request. To make such a request, call toll-free at 1-877-622-5552, write to Investor Relations, FT Portfolios Canada Co., 40 King Street West, Suite 5102, Toronto, Ontario, M5H 3Y2, email: info@firsttrust.ca or visit the Funds website at www.firsttrust.ca.

Approval by the Board of Directors

The Board of Directors of the Manager has approved the contents and the sending of this Circular to Unitholders.

DATED as of the 24th day of December, 2020.

“Susan Johnson”

Susan Johnson, Chief Financial Officer

SCHEDULE A

ADDITIONAL INFORMATION REGARDING MANAGEMENT OF THE FUNDS

Capitalized terms used but not defined in this Appendix shall have the meanings attributed to them in the management information circular of First Trust AlphaDEX™ U.S. Utilities Sector Index ETF (“**FHU**”), First Trust AlphaDEX™ U.S. Consumer Staples Sector Index ETF (“**FHC**”), First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF (“**FHD**”), First Trust AlphaDEX™ U.S. Materials Sector Index ETF (“**FHM**”), First Trust AlphaDEX™ U.S. Energy Sector Index ETF (“**FHE**”), First Trust AlphaDEX™ U.S. Energy Sector Index ETF (“**FHF**”) and First Trust Dorsey Wright U.S. Sector Rotation Index ETF (CAD-Hedged) (“**FSR**” and together with FHU, FHC, FHD, FHM, FHE and FHF the “**Funds**”) dated December 24, 2020.

The Trustee, Manager and Promoter

FT Portfolio Canada Co. is the trustee, manager and promoter of the Funds and is responsible for the administration of the Funds. It is a privately owned company and an affiliate of First Trust Portfolios L.P., a U.S. registered broker-dealer, and First Trust Advisors L.P., a U.S. registered investment advisor. The First Trust companies are a global enterprise with a history in the U.S. market since 1991 and in Canada since 1996.

FT Portfolios Canada Co. is registered with the Ontario Securities Commission as a mutual fund dealer and investment fund manager. Its head office and principal place of business is at 40 King Street West, Suite 5102, Toronto, Ontario, M5H 3Y2.

FT Portfolios Canada Co. may resign as trustee and/or manager of any of the Funds upon 60 days’ notice to the Unitholders. If the Manager resigns it may appoint its successor but, unless its successor is an affiliate of the Manager, its successor must be approved by the Unitholders. If the Manager is in material default of its obligations under the Declaration of Trust and such default has not been cured within 30 days after notice of the same has been given to the Manager, the Unitholders may remove the Manager and appoint a successor trustee and/or manager.

FT Portfolios Canada Co. is entitled to fees for its services as manager under the Declaration of Trust as described below. In addition, FT Portfolios Canada Co. and its affiliates and each of their directors, officers, employees and agents will be indemnified by each of the Funds for all liabilities, costs and expenses incurred in connection with any action, suit or proceeding that is proposed or commenced or other claim that is made against any of them in the exercise of FT Portfolios Canada Co.’s duties under the Declaration of Trust, if they do not result from FT Portfolios Canada Co.’s wilful misconduct, bad faith, gross negligence or material breach of its obligations thereunder.

The management and trustee services of FT Portfolios Canada Co. are not exclusive and nothing in the Declaration of Trust or any agreement prevents FT Portfolios Canada Co. from providing similar services to other investment funds and other clients (whether or not their investment objectives and policies are similar to those of the Funds) or from engaging in other business activities.

FT Portfolios Canada Co. has taken the initiative in founding and organizing the Funds and is, accordingly, the promoter of the Funds within the meaning of securities legislation of certain provinces and territories of Canada.

Management Fees

The Funds will pay the Manager a management fee as set forth in the table below based on the average daily net asset value (“NAV”) of the applicable Fund. 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.

Fund	Maximum Annual Management Fee (%)
First Trust Cloud Computing ETF (formerly, First Trust AlphaDEX™ U.S. Utilities Sector Index ETF)	0.15% of NAV of the Fund
First Trust Dow Jones Internet ETF (formerly, First Trust AlphaDEX™ U.S. Consumer Staples Sector Index ETF)	0.15% of NAV of the Fund
First Trust Nasdaq Cybersecurity ETF (formerly, First Trust AlphaDEX™ U.S. Consumer Discretionary Sector Index ETF)	0.15% of NAV of the Fund
First Trust NYSE Arca Biotechnology ETF (formerly, First Trust AlphaDEX™ U.S. Materials Sector Index ETF)	0.15% of NAV of the Fund
First Trust Indxx NextG ETF (formerly, First Trust AlphaDEX™ U.S. Energy Sector Index ETF)	0.15% of NAV of the Fund
First Trust Nasdaq Clean Edge Green Energy ETF (formerly, First Trust AlphaDEX™ U.S. Financial Sector Index ETF)	0.15% of NAV of the Fund
First Trust Morningstar Dividend Leaders ETF (CAD-Hedged) (formerly, First Trust Dorsey Wright U.S. Sector Rotation Index ETF (CAD-Hedged))	0.15% of NAV of the Fund

In the event that a Fund invests portfolio assets in another investment fund to obtain exposure to constituent securities the Fund will pay the other fund’s management fee on the portion of the Fund’s portfolio assets invested in the other fund, regardless of whether the other fund is managed by the Manager or an affiliate of the Manager. The management fee payable to the Manager will not be payable in respect of the portion of the Fund portfolio assets invested in the other fund to the extent that such fee would be duplicative.

Officers and Directors of the Trustee, Manager and Promoter

The name and municipality of residence of each of the directors and executive officers of FT Portfolios Canada Co., the trustee, manager, and promoter of the Funds, and their principal occupations are as follows:

Name and Municipality of Residence	Position with Manager	Principal Occupation
ANDREW ROGGENSACK Western Springs, Illinois	Chair (as chief executive officer), Corporate Secretary and Director	President, First Trust Portfolios L.P., First Trust Advisors L.P. and First Trust Global Enterprises L.P.
DAVID G. MCGAREL Western Springs, Illinois	Director	Managing Director, Chief Investment Officer and Chief Operating Officer of First Trust Portfolios L.P., and First Trust Advisors L.P., and Chief Operating Officer of First Trust Global Enterprises L.P.
ERIC ANDERSON West Chicago, Illinois	Director	Senior Vice President, First Trust Portfolios L.P. and First Trust Advisors L.P.
SUSAN JOHNSON Oakville, Ontario	Chief Financial Officer, Chief Compliance Officer and Ultimate Designated Person	Chief Financial Officer and Chief Compliance Officer of FT Portfolios Canada Co.
KARL CHEONG Toronto, Ontario	Director	Head of Distribution, Canada of FT Portfolios Canada Co.

Each of the foregoing individuals has held his or her current office or a senior position with the Manager or an affiliate thereof during the past five years other than Susan Johnson who was appointed Chief Financial Officer on September 1, 2017 and Chief Compliance Officer on February 17, 2020, Andrew Roggensack who was appointed Chair and a director on July 18, 2017, Eric Anderson who was appointed a director on July 18, 2017 and Karl Cheong who was appointed a director on July 18, 2017.

As the table illustrates, Mr. Roggensack is President of First Trust Portfolios L.P., First Trust Advisors L.P. and First Trust Global Enterprises L.P. Mr. McGarel is Managing Director, Chief Investment Officer and the Chief Operating Officer of First Trust Portfolios L.P., First Trust Advisors L.P. and Chief Operating Officer of First Trust Global Enterprises L.P. Mr. Anderson is a Senior Vice President of First Trust Portfolios L.P. and First Trust Advisors L.P. First Trust Global Enterprises L.P., is a holding company that indirectly holds all of the shares of the Manager through FDPM Trust and First Trust Portfolios L.P. is a privately owned investment manager, affiliated with the Manager and located in Wheaton, Illinois.

The Portfolio Advisor

First Trust Advisors L.P. is the portfolio advisor (the “**Portfolio Advisor**”) of the Funds and is responsible for providing investment advisory services to the Funds. First Trust Advisors L.P. is registered with the Ontario Securities Commission as a portfolio manager. The Portfolio Advisor was established in 1991 and together with its affiliate, First Trust Portfolios L.P., has over 800 employees in North America. The principal office of First Trust Advisors L.P. is located at 120 E Liberty Drive, #400, Wheaton, Illinois, 60187, United States.

Duties and Services to be Provided by the Portfolio Advisor

The portfolio advisor agreement (the “**Portfolio Advisor Agreement**”) between the Portfolio Advisor and the Manager sets out the duties of the Portfolio Advisor. Under the Portfolio Advisor

Agreement, the Portfolio Advisor is responsible for the implementation of the overall investment strategy of the Funds which includes the acquisition of the securities for the portfolio of the Funds.

Under the Portfolio Advisor Agreement, the Portfolio Advisor is required to act at all times on a basis which is fair and reasonable to the Funds, to act honestly and in good faith with a view to the best interests of the Unitholders of the applicable Fund, and, in connection therewith, to exercise the degree of care, diligence and skill that a reasonably prudent portfolio advisor would exercise in comparable circumstances. The Portfolio Advisor Agreement provides that the Portfolio Advisor shall not be liable to the Manager, the Funds, a Unitholder thereof or any other person for any loss in respect of an investment decision if such decision shall have been made with due care and in good faith, provided the Portfolio Advisor has satisfied the duties and standard of care, diligence and skill set forth above and further provided the Portfolio Advisor has not acted with wilful misconduct, bad faith, reckless disregard or gross negligence in the performance of its obligations and duties under the Portfolio Advisor Agreement or materially breached the terms of such agreement. The Funds shall indemnify the Portfolio Advisor and its directors, officers, employees and agents and save them harmless in respect of all losses, liabilities, damages, expenses and costs incurred in connection with any action, suit or proceeding or other claim that is made against the Portfolio Advisor or any of its directors, officers, employees or agents in the exercise of their duties under the Portfolio Advisor Agreement, except those resulting from the Portfolio Advisor's wilful misconduct, bad faith, reckless disregard, gross negligence or material breach of its obligations and duties under such agreement.

The Portfolio Advisor Agreement, unless terminated in accordance with its terms, will continue in effect until the termination of the Manager as manager of the Funds. The Manager can terminate the Portfolio Advisor Agreement at any time on 30 days' notice for breach thereof by the Portfolio Advisor. The Portfolio Advisor's appointment under the Portfolio Advisor Agreement may be immediately terminated by the Manager if (i) the Portfolio Advisor shall cease to carry on business, become bankrupt or insolvent, resolve to wind up, dissolve or liquidate, if a receiver of any of the assets of the Portfolio Advisor is appointed or if the Portfolio Advisor makes a general assignment for the benefit of its creditors, (ii) the Manager establishes that the Portfolio Advisor has committed any fraud or material wrongdoing in conducting its business, generally or under the Portfolio Advisor Agreement or (iii) the Portfolio Advisor has lost any registration, license or other authorization required of it to perform its services under the Portfolio Advisor Agreement. The Portfolio Advisor Agreement may be terminated by either party on 60 days' notice to the other party. The Portfolio Advisor Agreement may be assigned by the Portfolio Advisor to an affiliate thereof. In addition, pursuant to the terms of the Portfolio Advisor Agreement, the Portfolio Advisor may retain a sub-advisor to provide investment advisory and portfolio management services.

The Portfolio Advisor is entitled to fees for providing investment management services. All such fees will be paid to the Portfolio Advisor by the Manager.

The services of the Portfolio Advisor and its officers and directors are not exclusive to the Manager. The Portfolio Advisor or any of its affiliates and associates may, at any time, engage in the promotion, management or investment management of any other entity which invests primarily in the same securities as those held by the Funds and provide similar services to other investment funds and other clients and engage in other activities. Investment decisions for the Funds will be made independently of those made for other clients and independently of investments of the Portfolio Advisor. On occasion, however, the Portfolio Advisor may identify the same investment for the Funds and for one or more of its other clients. If the Funds and one or more of the other clients of the Portfolio Advisor are engaged in the purchase or sale of the same security, the transactions will be effected on an equitable basis.

There is no one individual primarily responsible for investment management decisions made by the Portfolio Advisor for the Funds. Rather, investment decisions are made under the direction of an investment committee. The investment committee consists of Roger F. Testin, Jon C. Erickson, David G. McGarel, Daniel J. Lindquist, Stan Ueland and Chris Peterson. The below table sets forth information about these individuals:

Name	Title with the Portfolio Advisor	Length of Service
ROGER F. TESTIN	Senior Vice President	Since 2001
JON C. ERICKSON	Senior Vice President	Since 1994
DAVID G. MCGAREL	Managing Director and Chief Investment Officer	Since 1997
DANIEL J. LINDQUIST	Managing Director	Since 2004
STAN UELAND	Senior Vice President	Since 2005
CHRIS PETERSON	Senior Vice President	Since 2000

Each of the foregoing individuals has held his or her current office or a senior position with the Portfolio Advisor or an affiliate thereof during the past five years.

Roger F. Testin is a senior vice president of the Portfolio Advisor and chairman of the investment committee in respect of Canadian funds advised by the Portfolio Advisor and presides over its meetings. As the head of the portfolio management group for the Portfolio Advisor, Mr. Testin is responsible for executing instructions from the Portfolio Advisor's strategy research group and equity research group.

Jon C. Erickson is a senior vice president of the Portfolio Advisor. As head of the Portfolio Advisor's equity research group, Mr. Erickson is responsible for determining the securities to be purchased and sold by funds that do not utilize quantitative investment strategies.

David G. McGarel is a managing director and chief investment officer of the Portfolio Advisor. As chief investment officer, Mr. McGarel consults with the investment committee on market conditions and the Portfolio Advisor's general investment philosophy.

Daniel J. Lindquist is a managing director of the Portfolio Advisor. He acts as the chairman of the investment committee and presides over investment committee meetings. Mr. Lindquist is also responsible for overseeing the implementation of investment strategies for investment funds being advised by the Portfolio Advisor.

Stan Ueland is a senior vice president of the Portfolio Advisor. He plays an important role in executing the investment strategies of each portfolio of exchange-traded funds advised by the Portfolio Advisor.

Chris Peterson is a senior vice president of the Portfolio Advisor and head of the strategy research group. Mr. Peterson is responsible for developing and implementing quantitative equity investment strategies.

SCHEDULE B

**ORDINARY RESOLUTION
FIRST TRUST ALPHADEX™ U.S. UTILITIES SECTOR INDEX ETF
(the “Fund”)**

BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. The changes to the Fund’s investment objectives to seek to replicate, to the extent possible, the performance of an index of U.S. companies involved in the cloud computing industry, initially the ISE CTA Cloud Computing™ Index, net of expenses and change the management fee in connection therewith as described in the Fund’s management information circular dated December 24, 2020, are hereby authorized and approved.
2. The directors and officers of FT Portfolios Canada Co. (“**FT Canada**”), the manager of the Fund, are hereby authorized and directed to take such action and to execute and deliver such documentation as may be necessary or desirable for the implementation of this resolution.
3. Notwithstanding the provisions hereof, the directors of FT Canada may revoke this resolution at any time without further approval of the unitholders of the Fund.

SCHEDULE C

**ORDINARY RESOLUTION
FIRST TRUST ALPHADEX™ U.S. CONSUMER STAPLES SECTOR INDEX ETF
(the “Fund”)**

BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. The changes to the Fund’s investment objectives to seek to replicate, to the extent possible, the performance of an index of U.S. companies involved in the internet industry, initially the Dow Jones Internet Composite IndexSM, net of expenses and change the management fee in connection therewith as described in the Fund’s management information circular dated December 24, 2020, are hereby authorized and approved.
2. The directors and officers of FT Portfolios Canada Co. (“**FT Canada**”), the manager of the Fund, are hereby authorized and directed to take such action and to execute and deliver such documentation as may be necessary or desirable for the implementation of this resolution.
3. Notwithstanding the provisions hereof, the directors of FT Canada may revoke this resolution at any time without further approval of the unitholders of the Fund.

SCHEDULE D

ORDINARY RESOLUTION
FIRST TRUST ALPHADEX™ U.S. CONSUMER DISCRETIONARY SECTOR INDEX ETF
(the “Fund”)

BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. The changes to the Fund’s investment objectives to seek to replicate, to the extent possible, the performance of an index of U.S. companies in the cybersecurity industry, initially the Nasdaq CTA Cybersecurity IndexSM, net of expenses and change the management fee in connection therewith as described in the Fund’s management information circular dated December 24, 2020, are hereby authorized and approved.
2. The directors and officers of FT Portfolios Canada Co. (“**FT Canada**”), the manager of the Fund, are hereby authorized and directed to take such action and to execute and deliver such documentation as may be necessary or desirable for the implementation of this resolution.
3. Notwithstanding the provisions hereof, the directors of FT Canada may revoke this resolution at any time without further approval of the unitholders of the Fund.

SCHEDULE E

**ORDINARY RESOLUTION
FIRST TRUST ALPHADDEX™ U.S. MATERIALS SECTOR INDEX ETF
(the “Fund”)**

BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. The changes to the Fund’s investment objectives to seek to replicate, to the extent possible, the performance of an index of U.S. companies in the biotechnology industry, initially the NYSE Arca Biotechnology IndexSM, net of expenses and change the management fee in connection therewith as described in the Fund’s management information circular dated December 24, 2020, are hereby authorized and approved.
2. The directors and officers of FT Portfolios Canada Co. (“**FT Canada**”), the manager of the Fund, are hereby authorized and directed to take such action and to execute and deliver such documentation as may be necessary or desirable for the implementation of this resolution.
3. Notwithstanding the provisions hereof, the directors of FT Canada may revoke this resolution at any time without further approval of the unitholders of the Fund.

SCHEDULE F

ORDINARY RESOLUTION FIRST TRUST ALPHADDEX™ U.S. ENERGY SECTOR INDEX ETF (the “Fund”)

BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. The changes to the Fund’s investment objectives to seek to replicate, to the extent possible, the performance of an index of U.S. companies that have devoted or have committed to devote, material resources to the research, development and application of fifth generation and next generation digital cellular technologies as they emerge, initially the Indxx 5G & NextG Thematic IndexSM, net of expenses and change the management fee in connection therewith as described in the Fund’s management information circular dated December 24, 2020, are hereby authorized and approved.
2. The directors and officers of FT Portfolios Canada Co. (“**FT Canada**”), the manager of the Fund, are hereby authorized and directed to take such action and to execute and deliver such documentation as may be necessary or desirable for the implementation of this resolution.
3. Notwithstanding the provisions hereof, the directors of FT Canada may revoke this resolution at any time without further approval of the unitholders of the Fund.

SCHEDULE G

ORDINARY RESOLUTION FIRST TRUST ALPHADEX™ U.S. FINANCIAL SECTOR INDEX ETF (the “Fund”)

BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. The changes to the Fund’s investment objectives to seek to replicate, to the extent possible, the performance of an index of U.S. listed companies designed to track the performance of clean energy companies engaged in manufacturing, development, distribution and installation of emerging clean-energy technologies including, but not limited to, solar photovoltaics, biofuels and advanced batteries, initially the NASDAQ® Clean Edge® Green Energy IndexSM, net of expenses and change the management fee in connection therewith as described in the Fund’s management information circular dated December 24, 2020, are hereby authorized and approved.
2. The directors and officers of FT Portfolios Canada Co. (“**FT Canada**”), the manager of the Fund, are hereby authorized and directed to take such action and to execute and deliver such documentation as may be necessary or desirable for the implementation of this resolution.
3. Notwithstanding the provisions hereof, the directors of FT Canada may revoke this resolution at any time without further approval of the unitholders of the Fund.

SCHEDULE H

**ORDINARY RESOLUTION
FIRST TRUST DORSEY WRIGHT U.S. SECTOR ROTATION INDEX ETF (CAD-HEDGED)
(the “Fund”)**

BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. The changes to the Fund’s investment objectives to seek to replicate, to the extent possible, the performance of an index of U.S. companies that have shown dividend consistency and dividend sustainability, initially the Morningstar® Dividend Leaders IndexSM, net of expenses and change the management fee in connection therewith as described in the Fund’s management information circular dated December 24, 2020, are hereby authorized and approved.
2. The directors and officers of FT Portfolios Canada Co. (“**FT Canada**”), the manager of the Fund, are hereby authorized and directed to take such action and to execute and deliver such documentation as may be necessary or desirable for the implementation of this resolution.
3. Notwithstanding the provisions hereof, the directors of FT Canada may revoke this resolution at any time without further approval of the unitholders of the Fund.