



FOR IMMEDIATE RELEASE

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First Trust Launches the First Trust EIP Carbon Impact ETF

An actively managed ETF that offers impactful investing with exposure to companies that may have a role in mitigating climate change.

WHEATON, IL - (BUSINESS WIRE) - August 20, 2019 - [First Trust Advisors L.P.](#) ("First Trust") a leading exchange-traded fund ("ETF") provider and asset manager, announced today that it has launched the First Trust EIP Carbon Impact ETF (the "fund"). The fund is managed and sub-advised by Energy Income Partners, LLC ("EIP") and seeks to achieve a competitive risk-adjusted total return, balanced between dividends and capital appreciation, by investing in the equity securities of companies that currently have, or are seeking to have, a positive carbon impact.

According to EIP, technological improvements have dramatically lowered the cost of alternative energies, allowing adoption to become more economical and provide a source of earnings growth for utilities. "Electric utilities and gas pipelines sit at the center of the transition to a cleaner, more sustainable energy system. Since peaking in 2007, U.S. carbon dioxide emissions have declined by 12%, through 2018, and the electric power sector—comprising a mere 2%-3% of S&P 500 market capitalization—has driven 90% of that reduction by replacing coal-fired generation with solar, wind and cleaner-burning natural gas," said James Murchie, President, Founder and CEO of EIP and Co-Portfolio Manager for the fund. The companies chosen for inclusion in the fund are companies that reduce, have a publicly available plan to reduce, or enable the reduction of carbon and other greenhouse gas emissions from the production, transportation, conversion, storage and use of energy. "While details are difficult to predict, we believe the trend to cleaner energy will likely remain centered around energy infrastructure companies adopting and integrating new technologies," Murchie said.

EIP's general investment approach is to invest with the regulated monopoly shippers of energy who may benefit when the cost of the energy they are shipping declines, unlike the upstream energy producers whose fortunes are tied to commodity prices. EIP believes this approach remains sound in a transition to lower-carbon energy; the "upstream" makers of wind turbines and solar panels operate in a competitive market that may pressure prices and margins, but the buyers of those products—including utilities and their customers—may benefit as costs decline. Portfolio construction for the fund involves a four step process that screens companies for a positive carbon impact and eliminates companies involved in coal production, crude oil exploration and production, or crude oil transportation, storage or delivery. "This unique strategy provides exposure to companies that may have the greatest impact on reducing carbon emissions, while also pursuing attractive risk-adjusted returns, with a relatively stable stream of income," said Ryan Issakainen, CFA, Senior Vice President, ETF Strategist at First Trust.

In addition to James Murchie, the fund's portfolio management team from EIP includes Eva Pao, Co-Portfolio Manager and Principal of EIP, and John Tysseland, Co-Portfolio Manager and Principal of EIP.

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For more information about First Trust, please contact Ryan Issakainen at (630) 765-8689 or RIssakainen@FTAdvisors.com.

About First Trust

First Trust is a federally registered investment advisor and serves as the fund's investment advisor. First Trust and its affiliate First Trust Portfolios L.P. ("FTP"), a FINRA registered broker-dealer, are privately held companies that provide a variety of investment services. First Trust has collective assets under management or supervision of approximately \$134 billion as of July 31, 2019 through unit investment trusts, exchange-traded funds, closed-end funds, mutual funds and separate managed accounts. First Trust is the supervisor of the First Trust unit investment trusts, while FTP is the sponsor. FTP is also a distributor of mutual fund shares and exchange-traded fund creation units. First Trust and FTP are based in Wheaton, Illinois. For more information, visit <http://www.ftportfolios.com>.

About EIP

Founded in 2003, EIP currently manages a \$6 billion portfolio of high quality, well managed publicly traded energy infrastructure companies that own natural monopolies operating under state and federal cost-of-service regulation or long-term creditworthy contracts. EIP's expertise covers the energy industry as well as state and federal energy policy and utility regulation. EIP's approach, which in its view drives investment success over time, is a singular focus on the quality of the management teams of its portfolio companies.

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

ETF Characteristics

The fund lists and principally trades its shares on the NYSE Arca, Inc.

Investors buying or selling fund shares on the secondary market may incur customary brokerage commissions. Market prices may differ to some degree from the net asset value of the shares. Investors who sell fund shares may receive less than the share's net asset value. Shares may be sold throughout the day on the exchange through any brokerage account. However, unlike mutual funds, shares may only be redeemed directly from the fund by authorized participants, in very large creation/redemption units. If the fund's authorized participants are unable to proceed with creation/redemption orders and no other authorized participant is able to step forward to create or redeem, fund shares may trade at a discount to the fund's net asset value and possibly face delisting.

Risk Considerations

The fund's shares will change in value, and you could lose money by investing in the fund. One of the principal risks of investing in the fund is market risk. Market risk is the risk that a particular stock owned by the fund, fund shares or stocks in general may fall in value. The fund is subject to management risk because it is an actively managed portfolio. In managing the fund's investment portfolio, the sub-advisor

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will apply investment techniques and risk analyses that may not have the desired result. There can be no assurance that the fund's investment objective will be achieved.

The fund may invest in small capitalization and mid capitalization companies. Such companies may experience greater price volatility than larger, more established companies.

The companies held by the fund may not ultimately undertake, or be successful in, their efforts to reduce the carbon impact of the production, transportation, conversion or storage of energy.

The fund is concentrated in the industries comprising the energy infrastructure sector, which involves additional risks, including limited diversification. The companies engaged in the energy infrastructure sector, which includes energy companies, MLPs and utilities companies, are subject to certain risks, including price and supply fluctuations caused by international politics, energy conservation, taxes, price controls, and other regulatory policies of various governments. An investment in the fund may be more volatile than an investment that is more broadly diversified.

An investment in a fund containing securities of non-U.S. issuers is subject to additional risks, including currency fluctuations, political risks, withholding, the lack of adequate financial information, and exchange control restrictions impacting non-U.S. issuers. The fund may invest in depositary receipts which may be less liquid than the underlying shares in their primary trading market.

The fund is subject to inflation risk. Inflation risk is the risk that the value of assets or income from investments will be less in the future as inflation decreases the value of money.

An investment in MLP units involves risks which differ from an investment in common stock of a corporation. Holders of MLP units have limited control and voting rights. In addition, there is the risk that a MLP could be taxed as a corporation. Current and future tax and regulatory policies could adversely impact an MLP's business, financial condition, results of operations and cash flows, and ability to pay cash distributions or dividends. Rising interest rates could adversely impact the financial performance of MLPs, MLP related entities and energy companies.

Illiquid securities involve the risk that the securities will not be able to be sold at the time desired by the fund or at prices approximately the value at which the fund is carrying the securities on its books.

Changes in currency exchange rates and the relative value of non-US currencies may affect the value of a fund's investments and the value of a fund's shares.

As the use of Internet technology has become more prevalent in the course of business, the fund has become more susceptible to potential operational risks through breaches in cyber security.

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

The fund currently has fewer assets than larger funds, and like other relatively new funds, large inflows and outflows may impact the fund's market exposure for limited periods of time.

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

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

Notes:

Carbon emissions stats are from the *U.S. Energy Information Administration's (EIA) Monthly Energy Review, July 2019*. Data from 2005-2018.

The electric power sector is represented by the electric utilities members of PHLX Utility Sector Index (UTY), with data as of 8/14/19. UTY is a market capitalization weighted index composed of geographically diverse public U.S. utility stocks.

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Source: First Trust Advisors L.P.