# RDVI

As of 21/3/25

# FT Vest Rising Dividend Achievers Target Income ETF

## » Fund Objective

This exchange-traded fund seeks to provide investors with current income with a secondary objective of providing capital appreciation.

## » Fund Facts

| | |
|---|---|
| Fund Ticker | RDVI |
| ISIN | US33738D8790 |
| CUSIP | 33738D879 |
| Intraday NAV | RDVIIV |
| Fund Inception Date | 19/10/22 |
| Total Expense Ratio | 0.75% |
| 30-Day SEC Yield† | 1.24% |
| Primary Listing | Cboe BZX |

## » Fund Description

- Under normal market conditions, the FT Vest Rising Dividend Achievers Target Income ETF (the "fund") will pursue its investment objective by investing primarily in U.S. exchange-traded equity securities contained in the Nasdaq US Rising Dividend Achievers™ Index (the "Index") and by utilizing an "option strategy" consisting of writing (selling) U.S. exchange-traded call options on the S&P 500® Index or ETFs that track the S&P 500® Index.
- The investment process consists of two parts:
  - Income Potential – A target level of distributions at an annual rate that is approximately 8.0% (before fees and expenses) over the current annual dividend yield of the S&P 500® Index.
  - Growth Potential – Capital appreciation based on the price returns of the equity securities held by the fund.
- The equity securities for the fund are selected from the Index which is comprised of a selection of companies with a history of raising their dividends and that exhibit the characteristics to potentially continue doing so in the future. Key factors include:
  - Earnings Growth
  - Cash Levels Relative to Debt
  - Dividend Payout Ratios
- The fund will seek additional cash flow in the form of premiums on the options.
  - Each week, the fund compares the dividend income of the equity securities against the target distribution and looks to bridge that difference with the premiums that come from selling call options. By combining premiums collected from the sale of calls with the dividend income of the equity securities, the fund seeks to increase total income for investors while still participating in the growth potential from the price appreciation of the stocks.
- There is no guarantee that the fund's distribution target will be achieved. The fund does not seek to achieve any specific level of total return performance compared with the total return performance of the Index or the S&P 500® Index. Capital appreciation on the securities held by the fund may be less than the capital appreciation of the Index and the S&P 500® Index, and the total return performance of the fund may be less than the total return performance of the Index and the S&P 500® Index.

## » Fund Sub-Advisor

- Vest Financial LLC ("Vest") is the sub-advisor to the fund and will manage the fund's portfolio.
  - Vest was founded in 2012 and managed the first investment funds to use a Target Outcome Investments® strategy which were first introduced to the market in 2016.

## » Performance Summary (%) as of 31/12/24

| | 3 Month | YTD | 1 Year | 3 Year | 5 Year | 10 Year | Since Fund Inception |
|---|---|---|---|---|---|---|---|
| **Fund Performance*** | | | | | | | |
| Net Asset Value (NAV) | 0.37 | 14.41 | 14.41 | – | – | – | 19.47 |
| Market Price | 0.53 | 14.45 | 14.45 | – | – | – | 19.53 |
| **Index Performance**** | | | | | | | |
| Nasdaq US Rising Dividend Achievers™ Index | 0.43 | 17.00 | 17.00 | – | – | – | 21.81 |
| S&P 500® Index | 2.41 | 25.02 | 25.02 | – | – | – | 25.45 |

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

†30-day SEC yield is calculated by dividing the net investment income per share earned during the most recent 30-day period by the maximum offering price per share on the last day of the period.

*__NAV__ returns are based on the fund's net asset value which represents the fund's net assets (assets less liabilities) divided by the fund's outstanding shares. __Market Price__ returns are determined by using the midpoint of the national best bid offer price ("NBBO") as of the time that the fund's NAV is calculated. Returns are average annualized total returns, except those for periods of less than one year, which are cumulative.

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

# FT Vest Rising Dividend Achievers Target Income ETF

As of 21/3/25

## » Portfolio Information

| | |
|---|---|
| Number Of Holdings | 77 |
| Maximum Market Cap. | $3,278.87 Billion |
| Median Market Cap. | $40.68 Billion |
| Minimum Market Cap. | $6.12 Billion |
| Price/Earnings | 14.22 |
| Price/Book | 2.62 |
| Price/Cash Flow | 12.04 |
| Price/Sales | 2.06 |

## » Top Holdings (%)

| | |
|---|---|
| Unum Group | 2.54 |
| The Bank of New York Mellon Corporation | 2.32 |
| Visa Inc. (Class A) | 2.25 |
| eBay Inc. | 2.23 |
| Meta Platforms Inc. (Class A) | 2.21 |
| Mueller Industries, Inc. | 2.18 |
| BlackRock, Inc. | 2.13 |
| Booking Holdings Inc. | 2.13 |
| Snap-on Incorporated | 2.13 |
| Automatic Data Processing, Inc. | 2.12 |

## » Top Sector Exposure (%)

| | |
|---|---|
| Financials | 31.64 |
| Technology | 19.22 |
| Industrials | 17.13 |
| Consumer Discretionary | 16.02 |
| Energy | 5.48 |
| Basic Materials | 5.20 |
| Health Care | 2.38 |
| Telecommunications | 1.78 |
| Consumer Staples | 1.29 |

## » Portfolio Options Information[1] as of 28/2/25

| | |
|---|---|
| Average Monthly Option Overwrite % | 16.69% |
| Average Monthly Upside Participation % | 83.31% |
| Average ATM Short Call Maturity | 7 Days |

[1]**Average Monthly Option Overwrite %** is the prior calendar month average percentage of the net asset value used for writing of call options against a long position at each monthly call selling date. **Average Monthly Upside Participation %** is the prior calendar month average percentage of participation in the price returns of the underlying instrument at each monthly call selling date. **Average ATM (At the Money) Short Call Maturity** reflects the average number of days until expiration of the call options written over the prior calendar month.

***You should consider the fund's investment objectives, risks, and charges and expenses carefully before investing. Contact First Trust Japan at www.ftportfolios.jp to obtain a prospectus which contains this and other information about the fund. The prospectus should be read carefully before investing.***

## Risk Considerations

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

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

A fund's use of call options involves risks different from those associated with ordinary portfolio securities transactions and depends on the ability of a fund's portfolio managers to forecast market movements correctly. As the seller (writer) of a call option, a fund will tend to lose money if the value of the reference index or security rises above the strike price. When writing a call option, a fund will have no control over the exercise of the option by the option holder and the American style options sold by a fund may be exercised at any time before the option expiration date (as opposed to the European style options which may be exercised only on the expiration date). There may be times a fund needs to sell securities in order to settle the options, which may constitute a return of capital and make a fund less tax-efficient than other ETFs. Options may also involve the use of leverage, which could result in greater price volatility than other markets.

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

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

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

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

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

A fund normally pays its income as distributions and therefore, a fund may be required to reduce its distributions if it has insufficient income. Additionally at times, a fund may need to sell securities when it would not otherwise do so and could cause distributions from that sale to constitute return of capital. Because of this, a fund may not be an appropriate investment for investors who do not want their principal investment in a fund to decrease over time or who do not wish to receive return of capital in a given period.

Companies that issue dividend-paying securities are not required to continue to pay dividends on such securities. Therefore, there is a possibility that such companies could reduce or eliminate the payment of dividends in the future.

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

Financial services companies are subject to the adverse effects of economic recession, currency exchange rates, government regulation, decreases in the availability of capital, volatile interest rates, portfolio concentration in geographic markets, industries or products, and competition from new entrants in their fields of business.

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

As inflation increases, the present value of a fund's assets and distributions may decline.

Information technology companies are subject to certain risks, including 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 regulation and frequent new product introductions.

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

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

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

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

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

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

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

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

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

The prices of options are volatile and the effective use of options depends on a fund's ability to terminate option positions at times deemed desirable to do so. There is no assurance that a fund will be able to effect closing transactions at any particular time or at an acceptable price.

A fund's investment in equity securities and written call options are not correlated, meaning the performance is independent of one another. Market events may impact one position held by a fund more than the other position and the returns from a fund's investments in equity securities and written call options may not move in the same direction as one another.

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

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

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

If a fund does not qualify as a RIC for any taxable year and certain relief provisions were not available, a fund's taxable income would be subject to tax at the fund level and to a further tax at the shareholder level when such income is distributed. Further, there may be other tax implications to a fund based on the type of investments in a fund.

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

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

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. First Trust Japan is the fund's sub-distributor.

The information presented is not intended to constitute an investment recommendation for, or advice to, any specific person. Nor does the document implicitly or explicitly recommend or suggest an investment strategy, reach conclusions in relation to an investment strategy for the reader or provide an opinion as to the present or future value or price of any fund. First Trust has no knowledge of and has not been provided any information regarding any investor. Financial professionals must determine whether particular investments are appropriate for their clients.

## Definitions

An **option** is a contractual obligation between a buyer and a seller. There are two types of options known as "calls" and "puts." The buyer of a call option has the right, but not the obligation, to purchase an agreed upon quantity of an underlying asset from the writer (seller) of the option at a predetermined price (the strike price) within a certain window of time (until the option's expiration), creating a long position. The **Nasdaq US Rising Dividend Achievers™** Index is comprised of 50 companies with a history of raising their dividends. These companies also exhibit the characteristics to continue to do so in the future. The **S&P 500® Index** is an unmanaged index of 500 companies used to measure large-cap U.S. stock market performance.