



 First Trust

# Target Date Fund Family

Your Guide to Retirement Investing with First Trust Target Date Strategies

# Target Date Fund Family

The First Trust Target Date Funds are Collective Investment Funds which offer diversified portfolios for a convenient, targeted approach to your workplace retirement savings. The Funds follow a long-term investment strategy by investing in a mix of asset classes according to an investment model that becomes more conservative over time. These strategies can improve your potential for long-term returns while attempting to limit your risk through diversification. (Research shows that asset allocation has been one of the most important factors in long-term portfolio performance.) With one single fund—geared to your targeted retirement date—the family of First Trust Target Date Funds may be used by some investors as an all-in-one approach to managing workplace savings plan investments.

## First Trust Target Date Funds Offer:

- A lifetime approach to your retirement investing.
- One single fund, geared to an investor's targeted retirement date, streamlining your retirement decisions.
- Professional management.
- Diversified portfolios that systematically and gradually adjust for risk as your targeted retirement date approaches.

## Benefits

- **Diversification across asset classes.** The First Trust Target Date Funds invest in a mix of asset classes within five investment categories, including U.S. Equity, Non-U.S. Equity, U.S. Fixed-Income, Non-U.S. Fixed-Income and Other Investments as outlined in the Funds' fact sheets. Each investment category contains multiple asset classes.
- **Avoidance of extreme asset allocations.** A common mistake some young investors make is to invest very conservatively by allocating too much to fixed-income investments. Conversely, some investors nearing retirement invest very aggressively, allocating too much of their accounts to equity investments. The First Trust Target Date Funds follow professionally designed asset allocation models to eliminate such extremes.
- **Systematic rebalancing.** The First Trust Target Date Funds are systematically rebalanced quarterly to maintain their target asset allocation, so that swings in the market do not throw an investor's allocation off course. Although past performance does not guarantee future results, research shows that systematic rebalancing has tended to improve a portfolio's long-term performance.
- **Systematic adjustment for changing risk profile.** The asset allocation of the First Trust Target Date Funds is adjusted annually to become more conservative over time to account for factors that affect an investor's risk profile: a shorter time horizon, fewer chances to make contributions to savings, and greater sensitivity to capital market swings.

## The Glide Path

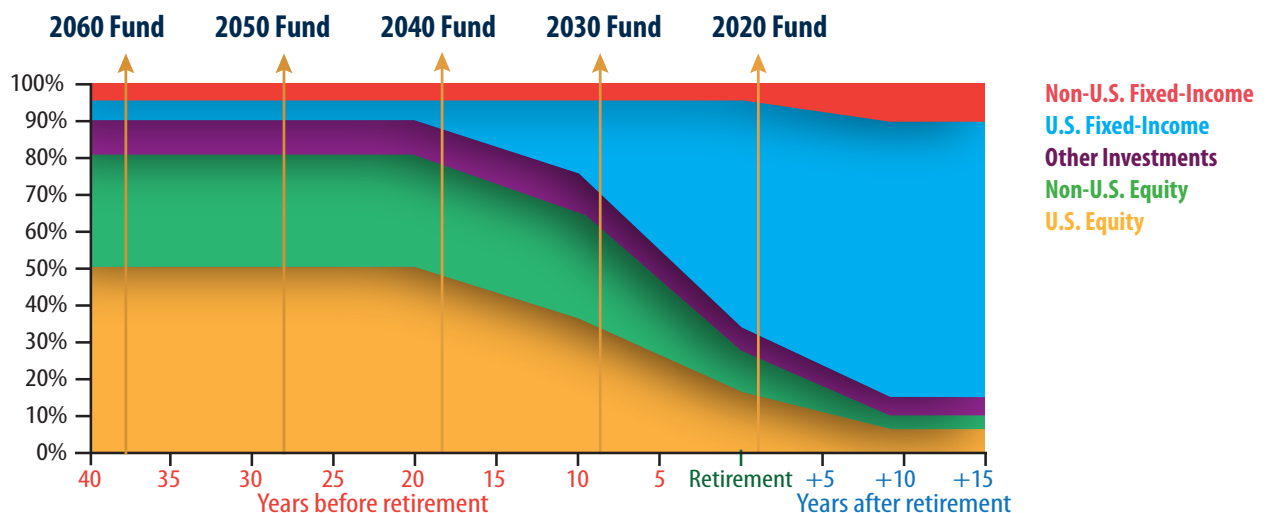
The First Trust Target Date Funds follow a "glide path" as illustrated below. The glide path demonstrates the Funds' anticipated exposure to bonds, equities and other investments. It also provides for more equity exposure for younger investors and more exposure to fixed-income for investors nearing retirement. As investors continue down the path toward retirement, over time the glide path gradually shifts from more aggressive investments to more conservative investments.

The "date" in the First Trust Target Date Funds' portfolios generally signifies the date at which the "typical" investor—for whom that fund is designed—would reach retirement age and stop making new investments in a fund. The date in the name of the First Trust Target Date Funds do not signify the date at which an investor should cash out the entire target date fund investment. Generally, target date funds are designed to be held beyond the presumed retirement date.

The First Trust Target Date Funds' Glide Path is adjusted annually and generally reach their most conservative asset allocation 10 years after the target date. Investors may choose to purchase target date funds with dates other than their presumed retirement date. An investor who expects to retire in 2035, for example, might select a 2030 fund (to be more conservative) or a 2040 fund (to be more aggressive).

At each Target Date Fund's landing point (nine years past the year in the fund's name), asset allocation becomes fixed at 15% Equity, 81% Fixed-Income and 4% Other Investments.

Target glide path allocations are specifically determined for each year, although they are subject to change in the future. When weighting the investment categories, the Sub-Advisor may, depending on market conditions, deviate from the glide path weightings by up to 10%. For example, if an investment category weighting is 20% per the glide path, the Sub-Advisor may weight the investment category between 18% and 22%. This glide path is for illustrative purposes only and is not meant to reflect an actual portfolio.



# A Disciplined Approach to Investing

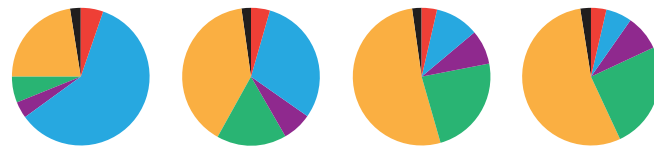
## Transparency

For a better understanding of how the First Trust Target Date Funds may be used by some investors as an all-in-one approach to the task of workplace retirement savings plan investing, take a look at the Target Date Funds' Asset Allocation table below. The First Trust Target Date Funds are diversified with different asset classes, market capitalizations and international regions and the name of each fund refers to when a participant expects to retire. As shown below, as retirement becomes closer, the professional managers adjust each Fund's mix of investments to become more conservative over time. The portfolio managers will also continue to manage the Funds' asset allocation after the retirement date, providing investors with an age appropriate asset allocation mix.

Like all investments, the First Trust Target Date Funds are subject to market fluctuations and neither asset allocation nor diversification can ensure against loss. The Funds are not FDIC insured, are not bank guaranteed, and may lose value.

## Target Date Funds Asset Allocation Table

As of 6/30/22



	2020 Fund	2030 Fund	2040 Fund	2050 Fund	2060 Fund
<b>Non-U.S. Fixed-Income</b>	<b>5.45%</b>	<b>4.65%</b>	<b>3.74%</b>	<b>3.75%</b>	N/A
SPDR® Bloomberg International Treasury Bond ETF (BWX)	2.84%	2.42%	1.95%	1.95%	N/A
Invesco Emerging Markets Sovereign Debt ETF (PCY)	2.61%	2.23%	1.79%	1.80%	N/A
<b>U.S. Fixed-Income</b>	<b>59.60%</b>	<b>30.10%</b>	<b>10.21%</b>	<b>6.18%</b>	N/A
iShares 7-10 Year Treasury Bond ETF (IEF)	13.16%	6.72%	2.09%	1.04%	N/A
BlackRock Short Maturity Bond ETF (NEAR)	4.75%	2.16%	0.00%	0.00%	N/A
iShares 1-5 Year Investment Grade Corporate Bond ETF (IGSB)	3.12%	0.00%	0.00%	0.00%	N/A
iShares 5-10 Year Investment Grade Corporate Bond ETF (IGIB)	8.41%	6.57%	3.57%	1.53%	N/A
iShares iBoxx \$ Investment Grade Corporate Bond ETF (LQD)	6.77%	2.97%	0.00%	0.00%	N/A
iShares iBoxx High Yield Corporate Bond ETF (HYG)	4.75%	1.94%	1.47%	0.00%	N/A
iShares TIPS ETF (TIP)	2.92%	1.99%	1.50%	1.00%	N/A
iShares MBS ETF (MBB)	4.07%	2.08%	0.00%	0.00%	N/A
iShares CMBS ETF (CMBS)	7.69%	3.14%	1.58%	1.59%	N/A
Invesco Senior Loan ETF (BKLN)	3.96%	2.53%	0.00%	1.02%	N/A
<b>Other Investments</b>	<b>4.06%</b>	<b>7.11%</b>	<b>8.21%</b>	<b>8.23%</b>	N/A
iShares Cohen & Steers REIT ETF (ICF)	1.82%	2.32%	2.81%	2.81%	N/A
Aberdeen Standard Physical Precious Metals Basket ETF (GLTR)	0.00%	1.93%	1.94%	1.95%	N/A
Wisdomtree Bloomberg U.S. Dollar Bullish Fund (USDU)	2.24%	2.86%	3.46%	3.47%	N/A
<b>Non-U.S. Equity</b>	<b>6.09%</b>	<b>16.42%</b>	<b>23.51%</b>	<b>24.96%</b>	N/A
First Trust International Target Strategy	4.65%	12.50%	17.58%	18.53%	N/A
Vanguard FTSE Emerging Markets ETF (VWO)	1.44%	3.92%	5.93%	6.43%	N/A
<b>U.S. Equity</b>	<b>22.57%</b>	<b>39.58%</b>	<b>52.15%</b>	<b>54.55%</b>	N/A
First Trust Large-Cap Growth Target Strategy	4.75%	8.13%	11.13%	11.56%	N/A
First Trust Large-Cap Value Target Strategy	7.08%	12.53%	15.55%	17.03%	N/A
First Trust Mid-Cap Growth Target Strategy	2.29%	4.33%	5.79%	5.80%	N/A
First Trust Mid-Cap Value Target Strategy	4.27%	6.38%	8.40%	8.37%	N/A
First Trust Small-Cap Growth Target Strategy	1.83%	3.83%	5.33%	5.80%	N/A
First Trust Small-Cap Value Target Strategy	2.35%	4.38%	5.95%	5.99%	N/A
<b>Cash</b>	<b>2.23%</b>	<b>2.14%</b>	<b>2.18%</b>	<b>2.33%</b>	N/A
<b>Total†</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	N/A

## RISK FACTORS

**Plan sponsors and participants should consider the Fund's investment objective, time horizon, risks, charges and expenses carefully before investing. Contact your financial professional visit [www.ftportfolios.com](http://www.ftportfolios.com), or call First Trust Portfolios L.P. at 877.937.4015 to request an Information Statement, which contains this and other information about the Fund. Read it carefully before you invest.**

The First Trust Collective Investment Funds are not mutual funds and their units are not deposits of the Trustee, Hand Benefits & Trust Company, or the Sub-Advisor, and are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other agency. The units are securities which have not been registered under the Securities Act of 1933 and the Fund is exempted from investment company registration under the Investment Company Act of 1940. Therefore, participating plans and their participants will not be entitled to the protections under these Acts. Management of the Trust, however, is generally subject to the fiduciary duty and prohibited transaction rules under the Employee Retirement Income Security Act of 1974 (ERISA).

As with any investment, you can lose money by investing in a Fund. The mix of assets in a Fund is intended to diminish the risk of loss, but sometimes stocks, bonds, and other assets in a Fund's portfolio may lose value simultaneously. While the Funds are managed to reduce equity market exposure and, therefore, equity market risk over time, investment in a Fund is exposed to market risk and other certain risks. For more information regarding the following risks, please consult the Fund's Information Statement.

The Fund is subject to market risk which is the risk that a particular security owned by the Fund or shares of the Fund in general may fall in value. One of the principal risks of investing in a fund is market risk. Market risk is the risk that a particular stock owned by a fund, fund shares or stocks in general may fall in value. There can be no assurance that the Fund's investment objective will be achieved. In February 2022, Russia invaded Ukraine which has caused and could continue to cause significant market disruptions and volatility within the markets in Russia, Europe, and the United States. The hostilities and sanctions resulting from those hostilities could have a significant impact on certain fund investments as well as fund performance. The COVID-19 global pandemic has caused and may continue to cause significant volatility and declines in global financial markets. While the U.S. has resumed "reasonably" normal business activity, many countries continue to impose lockdown measures. Additionally, there is no guarantee that vaccines will be effective against emerging variants of the disease.

Securities of non-U.S. issuers are 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. These risks may be heightened for securities of companies located in, or with significant operations in, emerging market countries.

Changes in currency exchange rates and the relative value of non-U.S. currencies may affect the value of the Fund's investments and the value of the Fund's shares.

Small- and mid-capitalization companies may experience greater price volatility than larger, more established companies.

Certain securities held by the Fund are subject to call, credit, inflation, income, and interest rate risks. These risks could result in a decline in a security's value and/or income, increased volatility as interest rates rise or fall and have an adverse impact on the Fund's performance.

Companies that issue loans tend to be highly leveraged and thus are more susceptible to the risk of interest deferral, default and/or bankruptcy. Senior floating rate loans, in which the Fund may invest, are usually rated below investment grade but may also be unrated. As a result, the risks associated with these senior floating rate loans are similar to the risks of high-yield fixed income instruments.

High-yield securities or "junk" bonds are subject to greater market fluctuations and risk of loss than securities with higher ratings, and therefore, are considered to be highly speculative. These securities are issued by companies that may have limited operating history, narrowly focused operations, and/or other impediments to the timely payment of periodic interest and principal at maturity. The market for high-yield securities is smaller and less liquid than that for investment-grade securities.

The Fund may invest in securities of other investment companies, including ETFs or other PIVs which involves additional expenses that would not be present in a direct investment in the underlying funds. In addition, a fund's investment performance and risks may be related to the investment performance and risks of the underlying funds.

Treasury Inflation Protected Securities (TIPS) are subject to numerous risks including changes in interest rates, economic recession and deterioration of the bond market or investors' perception thereof.

The value of commodities and commodity-linked instruments typically is based upon the price movements of a physical commodity or an economic variable linked to such price movements. The prices of commodities and commodities-linked instruments may fluctuate quickly and dramatically and may not correlate to price movements in other asset classes. Each of these factors and events could have a significant negative impact on the Fund.

Real estate investment trusts and other real estate related companies are subject to certain risks, including changes in the real estate market, vacancy rates and competition, volatile interest rates and economic recession.

Certain Fund investments may be subject to restrictions on resale, trade over-the-counter market 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.

Due to the lack of centralized information and trading, and variations in lot sizes of certain debt securities, the valuation of debt securities may carry more uncertainty and risk than that of publicly traded securities.

Securities issued or guaranteed by federal agencies and U.S. government sponsored instrumentalities may or may not be backed by the full faith and credit of the U.S. government.

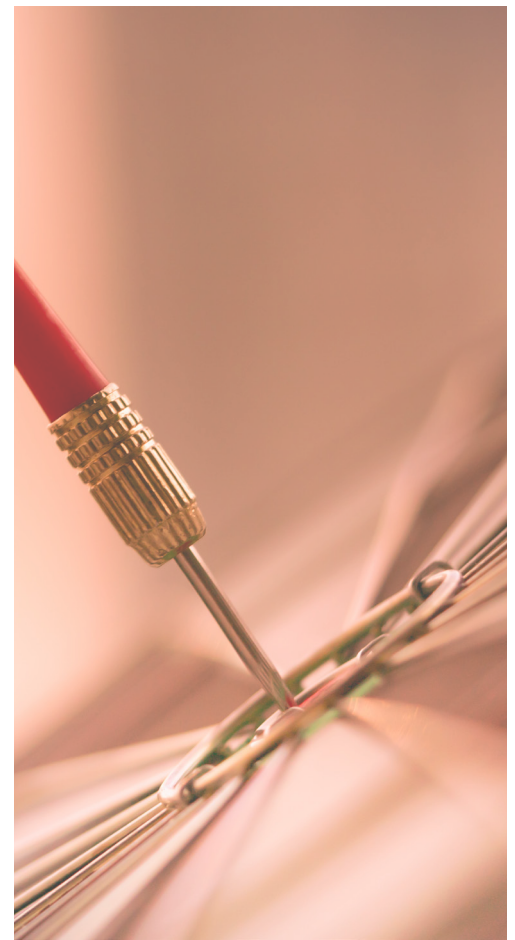
The information presented is not intended to constitute an investment recommendation for, or advice to, any specific person. By providing this information, First Trust is not undertaking to give advice in any fiduciary capacity within the meaning of ERISA, the Internal Revenue Code or any other regulatory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

†Rounding factors may account for slight variances to the asset allocation table. These variances can range anywhere from .10% to .20% depending on the underlying asset class and overall total. As with any investment, an investor/participant can lose money by investing in a target date fund. The mix of asset classes is intended to diminish the risk of loss, but stocks, bonds, and other assets in a target date fund could lose value simultaneously.

NOT FDIC INSURED | MAY LOSE VALUE | NOT BANK GUARANTEED

 First Trust

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## About First Trust

First Trust Advisors L.P. and its affiliate, First Trust Portfolios L.P., were established in 1991. The firms are headquartered in Wheaton, a suburb of Chicago, and operate nationwide and in Canada. The First Trust Advisors and First Trust Portfolios organizations provide multiple investment services, including:

- Asset Management
- Separate Managed Accounts
- Financial Advisory Services
- Closed-End Funds
- Exchange-Traded Funds
- Unit Investment Trust Sponsorship
- Collective Investment Funds

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