

SMDV

## ProShares Russell 2000 Dividend Growers ETF

### Key Takeaways

**SMDV is the only ETF focused exclusively on dividend growers within the Russell 2000 Index that have the longest track records of dividend growth.**

#### Best levels of dividend growth

SMDV's holdings are the quality names of the Russell 2000 Dividend Growth Index—companies that have not just paid dividends but grown them for at least 10 consecutive years.

#### A legacy of stability and strength

As a group, SMDV's holdings have had stable earnings, solid fundamentals, and often strong histories of profit and growth.

#### A demonstrated history of weathering market turbulence

SMDV's strategy has captured most of the gains of rising markets and limited losses in falling markets. In addition, the strategy had lower volatility than the Russell 2000 Index—providing a smoother ride over the long term.

### Quality Small Caps for the Long Term

#### Only the Best Small-Cap Dividend Growers

Investors looking to build a durable equity portfolio with quality companies at its core may want to consider a dividend growth strategy—specifically one that invests in companies with the longest track records of dividend growth. ProShares Russell 2000 Dividend Growers ETF (SMDV) is the only ETF focusing exclusively on a rare breed of companies within the Russell 2000® Index that have raised their dividends for at least 10 consecutive years.

**102**  
**Companies Qualify**  
Average of 20 years  
of uninterrupted  
dividend growth

### Key Potential Risks

#### Market Risk

Adverse developments in equity markets may cause the value of your investment to decrease.

#### Small-Cap Stocks

Investments in smaller companies typically exhibit higher volatility.

#### See Prospectus

For more on risks, obtain a prospectus from your financial professional or visit ProShares.com.

## How the Strategy Captures Quality

SMDV invests in the small-cap companies of the Russell 2000 Dividend Growth Index. As a group, SMDV's holdings have had hallmarks of quality, like stable earnings, solid fundamentals, and often strong histories of profit and growth.

## Higher Average Return on Equity

|                                    | Return on Equity (ROE) |
|------------------------------------|------------------------|
| Russell 2000 Dividend Growth Index | 9.72%                  |
| Russell 2000 Index                 | 5.18%                  |

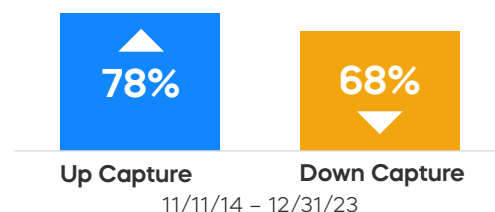
12/31/16 – 12/31/23

Source: FactSet

## A History of Weathering Market Turbulence

SMDV's strategy has captured more of the gain in rising markets and less of the loss in falling markets. Moreover, the Russell 2000 Dividend Growth Index has exhibited less volatility than the Russell 2000 Index since its inception in 2014.

## SMDV's Strategy Has Captured More of the Market's Gain with Less of the Loss



Source: Morningstar. "Up capture ratio" measures the performance of a fund or index relative to a benchmark when that benchmark has risen. "Down capture ratio" measures performance during periods when the benchmark has declined. Ratios are calculated by dividing monthly returns for the fund's index by the monthly returns of the primary index during the stated time period and multiplying that factor by 100. Index returns are for illustrative purposes only and do not represent actual fund performance. Index performance returns do not reflect any management fees, transaction costs or expenses. Indexes are unmanaged and one cannot invest directly in an index. Past performance does not guarantee future results.

## About the ETF

TickerSymbol: **SMDV**

Intraday Symbol: **SMDV.IV**

Bloomberg Index Symbol: **R2DIVGRO**

Investment Objective: **SMDV seeks investment results, before fees and expenses, that track the performance of the Russell 2000 Dividend Growth Index.**

Inception: **2/3/15**

## Fund Performance and Index History Fund inception (2/3/15) through 12/31/23

|   | Year To Date | 1 Year | 3 Years | 5 Years | Fund Inception |
|---|--------------|--------|---------|---------|----------------|
| ProShares Russell 2000 Dividend Growers ETF NAV Total Return          | 8.89%        | 8.89%  | 6.91%   | 6.40%   | 7.90%          |
| ProShares Russell 2000 Dividend Growers ETF Market Price Total Return | 9.03%        | 9.03%  | 6.88%   | 6.40%   | 7.91%          |
| Russell 2000 Dividend Growth Index                                    | 9.30%        | 9.30%  | 7.33%   | 6.86%   | 8.38%          |
| Russell 2000 Index  | 16.93%       | 16.93% | 2.22%   | 9.97%   | 7.56%          |

Source: ProShares, Bloomberg

# How the Russell 2000 Dividend Growth Index Works

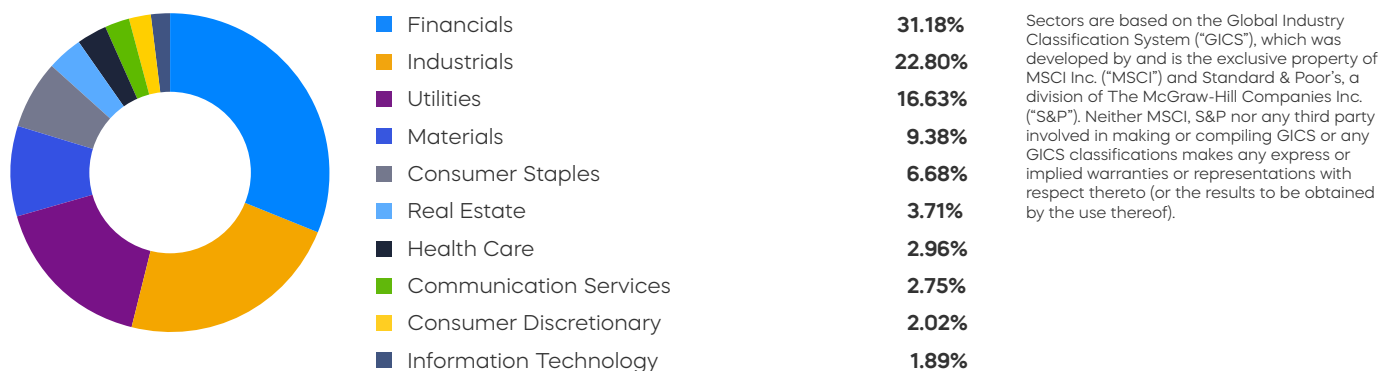
SMDV follows the Russell 2000 Dividend Growth Index, which includes companies in the Russell 2000 that have increased dividends every year for at least 10 consecutive years. As of June 30, 2023 the index held 100 constituents, with an average of 20 years of consecutive dividend growth.

## Index Holdings with the Longest Records of Dividend Growth as of 6/30/23\*

| Name                           | Ticker | Sector      | Years | Name                   | Ticker | Sector           | Years |
|--------------------------------|--------|-------------|-------|------------------------|--------|------------------|-------|
| American States Water Co.      | AWR    | Utilities   | 69    | SJW Group              | SJW    | Utilities        | 56    |
| Northwest Natural Holding Co.  | NWN    | Utilities   | 68    | Stepan Co.             | SCL    | Materials        | 56    |
| ABM Industries Inc.            | ABM    | Industrials | 59    | Lancaster Colony Corp. | LANC   | Consumer Staples | 54    |
| California Water Service Group | CWT    | Utilities   | 56    | Universal Corp./VA     | UVV    | Consumer Staples | 53    |
| H.B. Fuller Co.                | FUL    | Materials   | 56    | Black Hills Corp.      | BKH    | Utilities        | 52    |

\*Holdings are as of the most recent reconstitution date and are subject to change. Source of Years: Mergent, FTSE Russell, data as of 6/30/23. Number of consecutive years of dividend growth is based on dividends paid during the calendar year. Constituents are subject to change. If fewer than 40 stocks meet criteria the index may include companies with shorter dividend growth history. ProShares makes reasonable efforts to obtain content from sources it believes to be reliable, but cannot guarantee that information from such sources is correct, accurate, complete or reliable. Data from sources may vary.

## Index Breakdown by Sector as of 12/31/23



## Index Highlights

- **10 years of consecutive dividend growth points to the general strength and stability of the index constituents.**
- **Contains a minimum of 40 stocks.**
- **Equal weighting methodology, unlike market cap weighting:**
  - Treats each company as a distinct investment opportunity without regard to its size.
  - Does not have any single large weighting, so the index is not overly dependent on a few holdings for performance.
- **Well diversified across sectors.**
  - Limits the weight of any single sector to no more than 30% of the total index.
- **Is rebalanced each March, June, September and December, with an annual reconstitution during the June rebalance.**

## About ProShares

ProShares has been at the forefront of the ETF revolution since 2006. ProShares now offers one of the largest lineups of ETFs, with more than \$65 billion in assets. The company is the leader in strategies such as dividend growth, interest rate hedged bond and geared (leveraged and inverse) ETF investing. ProShares continues to innovate with products that provide strategic and tactical opportunities for investors to manage risk and enhance returns.

Find out more

Visit [ProShares.com](https://proshares.com) or consult your financial professional.

SMDV's total operating expenses are 0.41%. **The performance quoted represents past performance and does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than the original cost. Shares are bought and sold at market price (not NAV) and are not individually redeemed from the fund. Market price returns are based upon the midpoint of the bid/ask spread at 4:00 p.m. ET (when NAV is normally determined for most funds) and do not represent the returns you would receive if you traded shares at other times. Brokerage commissions will reduce returns. Current performance may be lower or higher than the performance quoted. Standardized returns and performance data current to the most recent month end may be obtained by visiting [ProShares.com](https://proshares.com).** Indexes are unmanaged and one cannot invest directly in an index. Index performance does not reflect any management fees, transaction costs or expenses. There is no guarantee dividends will be paid. Companies may reduce or eliminate dividends at any time, and those that do will be dropped from the index at reconstitution.

**Investing involves risk, including the possible loss of principal.** This ProShares ETF is diversified and entails certain risks, including imperfect benchmark correlation and market price variance, that may decrease performance. Investments in smaller companies typically exhibit higher volatility. Small- and mid-cap companies may have limited product lines or resources, may be dependent upon a particular market niche and may have greater fluctuations in price than the stocks of larger companies. Small- and mid-cap companies may lack the financial and personnel resources to handle economic or industry-wide setbacks and, as a result, such setbacks could have a greater effect on small- and mid-cap security prices. Please see summary and full prospectuses for a more complete description of risks. **There is no guarantee any ProShares ETF will achieve its investment objective.**

Diversification may not protect against market loss.

**Carefully consider the investment objectives, risks, charges and expenses of ProShares before investing. This and other information can be found in their summary and full prospectuses. Read them carefully before investing. Obtain them from your financial advisor or broker-dealer representative or visit [ProShares.com](https://proshares.com).**

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