

# Thrivent Small Cap Index Portfolio

Available in Thrivent Retirement Choice Variable Annuity

**Benchmark**  
S&P SmallCap 600 TR USD

**Morningstar Category**  
Small Blend

## Investment Information

The investment seeks capital growth that tracks the performance of the S&P SmallCap 600 Index. The fund invests substantially all of its assets (more than 80% of its net assets, plus the amount of any borrowings for investment purposes) in small company common stocks included in the S&P SmallCap 600 Index in the proportions in which they are represented in the index. The S&P SmallCap 600 Index is a capitalization-weighted index comprised of 600 domestic small capitalization stocks chosen for market size, liquidity, and industry representation.

### Annual Net Operating Expenses as of 04-30-23

Mortality and Expense(M&E)	1.25%
12b-1 Fee	—
Prospectus Gross Expense Ratio	0.24%
Prospectus Net Expense Ratio	0.24%

Waiver Data	Type	Exp. Date	%
—	—	—	—

### Portfolio Manager(s)

Brian Bomgren. Since 2018.  
Sharon Wang, CFA. Since 2018.

### Operations and Management

Fund Inception Date	07-01-20
Initial Class Inception Date	06-14-95
Advisor	Thrivent Financial For Lutherans
Subadvisor	—

## Risk Evaluation

3-Yr Risk Measures as of 06-30-23	Port Avg	Bmark	Cat Avg
Standard Deviation	21.78	21.80	21.11
Sharpe Ratio	0.61	0.68	0.59
Information Ratio	-45.95	—	-0.89
R-Squared	100.00	—	98.22
Beta	1.00	—	0.96
Alpha	-1.49	—	-1.86

## Volatility Analysis

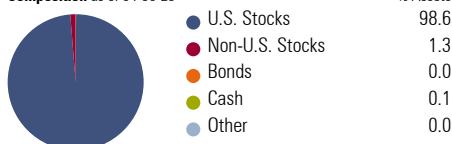


In the past, this investment has shown a wide range of price fluctuations relative to other investments. This investment may experience significant price increases in favorable markets or undergo large price declines in adverse markets. Some of this risk may be offset by owning other investments that follow different investment strategies.

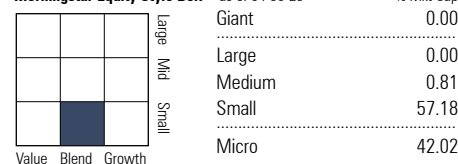
Smaller, less seasoned companies often have greater price volatility, lower trading volume, and less liquidity than larger, more established companies. The Portfolio's value is influenced by a number of factors, including the performance of the broader market, and risks specific to the Portfolio's asset classes, investment styles, and issuers. The use of derivatives such as futures involves additional risks. The Portfolio attempts to track the performance of the S&P Small Cap 600 Index but the return may not match that of the Index due to several factors including timing, expenses and the foreign investment process. These and other risks are described in the prospectus.

## Portfolio Analysis

### Composition as of 04-30-23



### Morningstar Equity Style Box™ as of 04-30-23



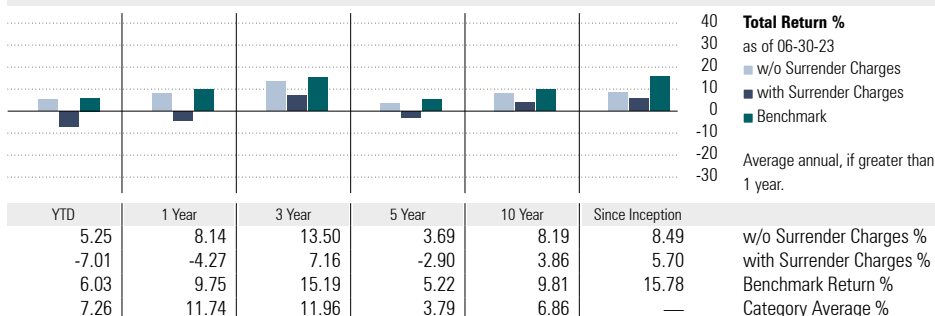
### Top 10 Holdings as of 04-30-23

Top 10 Holdings as of 04-30-23	% Assets
iShares Core S&P Small-Cap ETF	1.94
Ensign Group Inc	0.60
Comfort Systems USA Inc	0.59
SPS Commerce Inc	0.59
Applied Industrial Technologies Inc	0.58
Academy Sports and Outdoors Inc Ordinary Shares	0.55
ATI Inc	0.55
Rambus Inc	0.53
e.l.f. Beauty Inc	0.52
Meritage Homes Corp	0.52
Total Number of Stock Holdings	602
Total Number of Bond Holdings	0
Annual Turnover Ratio %	27
Total Fund Assets (\$mil)	960.00

### Morningstar Sectors as of 04-30-23

Morningstar Sectors as of 04-30-23	% Fund
Cyclical	42.64
Basic Materials	5.01
Consumer Cyclical	14.35
Financial Services	14.96
Real Estate	8.32
Sensitive	37.92
Communication Services	2.61
Energy	4.50
Industrials	17.32
Technology	13.49
Defensive	19.43
Consumer Defensive	5.96
Healthcare	11.14
Utilities	2.33

## Performance



Annualized total returns are based on the change in unit values at the portfolio level for the time period mentioned. **All data represents past performance and does not guarantee future results. The past performance shown is based on the change in unit values of the Portfolios, and effects of compounding. The performance returns are based solely on the increase or decrease in the value of these units. Both the investment return and the principal value of an investment fluctuate so that units, when redeemed, may be worth more or less than the original investment. Investing involves risk, including the possible loss of principal. The prospectus and summary prospectuses of the variable annuity contract and underlying investment options contain more information on the investment objectives, risks, charges and expenses, which investors should read carefully and consider before investing. For performance results current to the most recent month-end, please contact your financial professional or visit thrivent.com.**

# Glossary of Terms

(Not all terms appropriate for this specific portfolio.)

**Alpha** is a measure of the difference between a portfolio's actual returns and its expected performance, given its level of risk as measured by beta.

**Annual Net Operating Expenses** includes the fees and expenses associated with the underlying portfolio.

**Beta** is a measure of a portfolio's sensitivity to market movements.

**Credit Analysis** For corporate-bond and municipal bond funds, the credit analysis depicts the quality of the U.S. and non-U.S. issuers of the underlying bonds in the fund's portfolio. Credit quality can influence the returns of portfolios that invest heavily in bonds. The Credit Analysis graph shows the percentage of fund assets that are invested in each of the major credit ratings, as determined by Standard & Poor's or Moody's. At the top of the ratings are AAA bonds. Bonds within a BBB rating are the lowest bonds that are still considered to be of investment grade. Bonds that are rated at or lower than BB (often called junk bonds or high-yield bonds) are considered to be quite speculative and are more risky than higher-rated credits. Any bonds that appear in the NR/NA category are either not rated by Standard & Poor's or Moody's or did not have a rating available. These ratings are subject to change. These ratings apply only to the credit worthiness of the issuers of the underlying securities and do not apply to any fund or its shares.

**Duration** is a measure of a portfolio's sensitivity to changes in interest rates; the longer the portfolio's duration, the more sensitive it is.

**Expense Ratio** is the percentage of portfolio assets used to pay for operating expenses and management fees, including 12b-1 fees, administrative fees and all other asset-based costs incurred by the portfolio.

**Geometric average cap** is the geometric mean of the market capitalization for all the stocks the portfolio owned.

**Inception date** is when the investment option became part of the separate account.

**Income ratio** is calculated by dividing the portfolio's net investment income by its NAV (net average value). The portfolio's year-end income ratio reveals the percentage of current income earned per share.

**Information ratio** is a risk-adjusted performance measure. The information ratio is a special version of the Sharpe ratio in that the benchmark doesn't have to be the risk-free rate.

**Market capitalization** is a measure of the size of the companies held in the portfolio, calculated by multiplying a company's total outstanding shares by the stock price. Market cap ranges change as stock market valuations shift over time. In general, market cap ranges of approximately \$1-\$5 billion represent small cap stocks, \$5-\$15 billion represent mid cap stocks and greater than \$15 billion represent large cap stocks.

• **Weighted average market capitalization** is the average size of the companies held in the portfolio, based on the

market value of each company's stock, weighted by the position size.

• **Median market capitalization** is the median size of the companies held in the portfolio. The median market cap is the midpoint; half of the companies held in the portfolio are larger and half are smaller than the median.

**Maturity** is the average effective maturity, which is a weighted average of all the maturities of the bonds in a portfolio, computed by weighting each maturity date by the market value of the security.

**Morningstar Style Box™** reveals a portfolio's investment style. For equity funds the vertical axis shows the market capitalization of the long stocks owned and the horizontal axis shows investment style (value, blend, or growth). For fixed-income funds, the vertical axis shows the credit quality of the long bonds owned and the horizontal axis shows interest rate sensitivity as measured by a bond's effective duration.

**Mortality and Expense (M&E)** is the percentage of the portfolio's assets that the insurance company deducts to cover costs associated with mortality and expense risk.

**Price/Book (P/B) ratio** is the weighted average of the price/book ratios of all the stocks in a portfolio. The P/B ratio is calculated by dividing the market price of its stock by the company's per-share book value.

**Price/Cash (P/C) ratio** represents the weighted average of the price/cash-flow ratios of the stocks in a portfolio. It shows the ability of a business to generate cash and acts as a gauge of liquidity and solvency.

**Price/Earnings (P/E) ratio** is a stock's current price divided by the company's trailing 12-month earnings per share.

**R-squared** reflects the percentage of a portfolio's movements that can be explained by movements in its benchmark.

**Return on Equity (ROE)** is a measure of corporate profitability that shows how much net income the companies in the portfolio have generated as a percentage of shareholder equity.

**Risk potential** is categorized into five levels: Conservative, Moderately Conservative, Moderate, Moderately Aggressive, and Aggressive, ranking from lower risk potential to higher risk potential. Portfolios on the lower risk portion of the scale (Conservative, Moderately Conservative) are expected to have a lower degree of volatility and price fluctuations, while those on the higher risk portion of the scale (Aggressive, Moderately Aggressive) are expected to have a higher degree of volatility and price fluctuations.

**Sharpe ratio** uses standard deviation and excess return to determine reward per unit of risk.

**Standard deviation** is a statistical measure of the volatility of the portfolio's returns.

**Turnover ratio** of a portfolio is a decent proxy for how frequently a manager trades his or her portfolio.

## Morningstar Category

Small-blend portfolios favor U.S. firms at the smaller end of the market-capitalization range. Some aim to own an array of value and growth stocks while others employ a discipline that leads to holdings with valuations and growth rates close to the small-cap averages. Stocks in the bottom 10% of the capitalization of the U.S. equity market are defined as small cap. The blend style is assigned to portfolios where neither growth nor value characteristics predominate.

**S&P SmallCap 600 TR USD:** The index measures the performance of small cap segment of US equity market. It consists of 600 domestic stocks chosen for market size, liquidity, and industry group representation and covers approximately 3% of the domestic equities market.

## Performance

Returns with Surrender Charges reflect the surrender charges that would have been applied had the contract been surrendered within seven years of the last premium. Each premium has its own surrender charge schedule. These charges are 7% in the first and second year, and decrease by 1% each subsequent year until they are zero in year eight. Up to 10% of your accumulated value or earnings, whichever is greater, may be withdrawn each contract year without a surrender charge. Returns without Surrender Charges do not include surrender charges. All values reflect the deduction of the current and maximum mortality and expense risk (M&E) charge of 1.25% (actual M&E charges are approximated) and annual net operating expenses of 0.23% to 1.27%, depending on the Portfolio. The expenses for certain Portfolios are taken after fee waiver arrangements are applied. Without these reimbursements, the fees would be higher. These may be discontinued at any time. Annual operating expenses are subject to change. Total returns are calculated from the inception date of the portfolio.

## Important Information

Thrivent is the marketing name for Thrivent Financial for Lutherans. Insurance products issued by Thrivent. Not available in all states. The principal underwriter and distributor of variable insurance products is Thrivent Investment Management Inc., member FINRA and SIPC and a subsidiary of Thrivent. [Thrivent.com/disclosures](http://Thrivent.com/disclosures).