

Thrivent Mid Cap Stock Portfolio

Ticker QTMCSX
Inception March 1, 2011
Objective Thrivent Mid Cap Stock Portfolio seeks long-term capital growth.

Portfolio key points

Thrivent Mid Cap Stock Portfolio follows a disciplined, yet flexible, process that uses fundamental and other research techniques.

Thorough research

Analysts focus on a limited number of names, generated by rigorous quantitative screening and fundamental analysis, allowing them to research the companies more thoroughly.

Style optimization

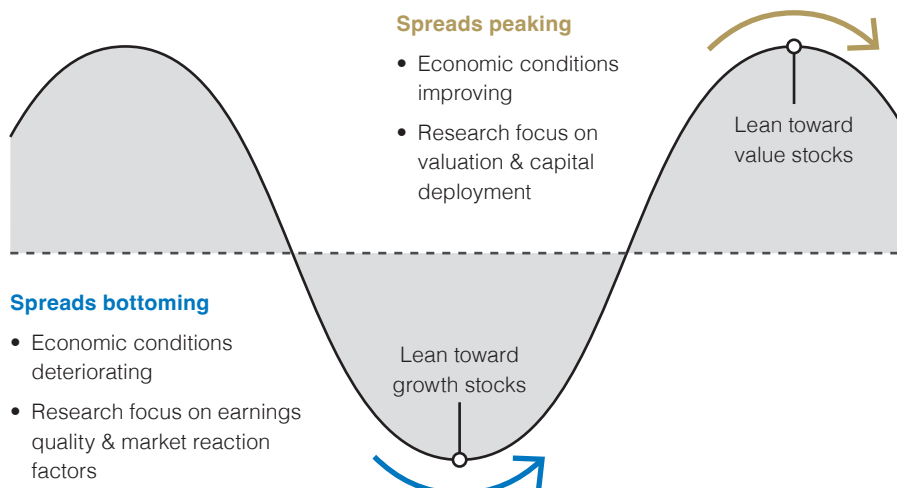
The Portfolio's research focus shifts based on market conditions. As conditions are deteriorating and nearing the bottom, portfolio managers emphasize valuation and capital deployment, which eventually tilts the Portfolio to value stocks. Then when market conditions are improving and nearing the peak, the focus shifts to earnings quality and market reaction factors, with the Portfolio eventually leaning toward growth stocks.

Free cash flow indicator

Changes in market conditions are identified by closely monitoring free cash flow yield spreads (defined below). We measure the spread between the companies with the highest yields and the average. An increasing spread generally indicates deteriorating market conditions, while a decreasing spread indicates improving market conditions.

Free cash flow yield spreads

— Free cash flow yield spread
- - - Historical average



Free cash flow is a financial metric that measures the cash available for distribution to providers of capital, including stock and bond owners, after accounting for the cash necessary to maintain a company's operations. Free cash flow yield is a valuation metric that we calculate by dividing free cash flow by enterprise value (market value of equity & debt + minority interest – cash and investments)—the higher the yield, the better the value.

This concept is applied in the portfolio by taking the average free cash flow yield of stocks in the top quintile of the S&P MidCap 400[®] Index minus that of the average. We then translate the spread to standard deviations above and below historical averages to provide additional context. The illustration is a hypothetical visual representation of how the Portfolio can oscillate between leaning toward growth stocks and value stocks based on the changing free cash flow yield spread.

Management



Brian J. Flanagan, CFA
Senior Portfolio Manager

Industry since: 1993
Thrivent since: 1994
Portfolio since: 2004



Vikram Kaura
Senior Portfolio Manager

Industry since: 1999
Thrivent since: 2017
Portfolio since: 2022



J.P. McKim, CFA
Senior Portfolio Manager

Industry since: 2010
Thrivent since: 2019
Portfolio since: 2022

We have a very disciplined process, and we know that different types of stocks will likely do better in certain market environments, so we give ourselves the ability to shift our research focus when it's appropriate.

Why invest in mid-cap equities?

Mid-cap equities are often described as the "sweet spot" of equity investing. Typically defined as stocks with a market capitalization between \$2 and \$25 billion, mid-cap equities have historically displayed the following characteristics:

- Favorable historical returns compared to small- and large-cap equities
- Traditionally less analyst coverage, which indicates a less efficient market with a potentially higher opportunity for fundamental research to add value
- Typically more established companies than those with smaller market capitalizations along with an infrastructure that can support and promote further growth

Risks: Medium-sized 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 and issuers. The Adviser's assessment of investments may prove incorrect, resulting in losses or poor performance. These and other risks are described in the prospectus.

¹Standard Deviation: A statistical measure of volatility. The higher the standard deviation, the riskier an investment is considered to be.

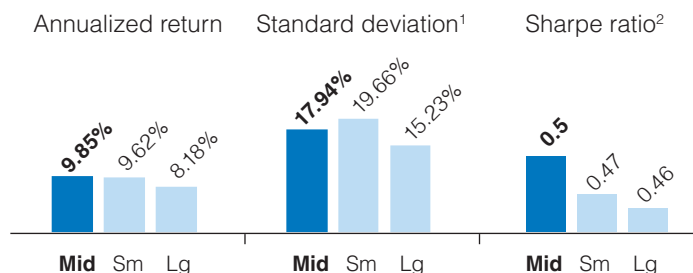
²Sharpe Ratio: A measure of return per unit of risk. The higher the ratio, the higher the compensation for the risk assumed with an investment.

Any indexes shown are unmanaged and do not reflect the typical costs of investing. Investors cannot invest directly in an index.

³S&P Mid Cap 400® Index is a market-cap weighted index that represents the average performance of a group of 400 medium

Comparing mid-, small- and large-cap stocks since 1999

Jan. 1, 1999 – Dec. 31, 2024



This index performance is not indicative of the Portfolio's past or future performance. For Portfolio performance, visit thriventportfolios.com.

Mid-cap stocks are represented by the S&P Mid Cap 400® Index³
Small-cap stocks are represented by the S&P Small Cap 600® Index⁴
Large-cap stocks are represented by the S&P 500® Index⁵

Source: Morningstar

capitalization stocks.

⁴S&P Small Cap 600® Index is a market-cap weighted index that represents the average performance of a group of 600 small-capitalization stocks.

⁵S&P 500® Index is a market-cap weighted index that represents the average performance of a group of 500 large-capitalization stocks.

The Portfolio is only available to the public through a variable life or variable annuity product. Contact the applicable insurance company for more information and a contract prospectus which will include information on the additional charges and fees that apply to the specific contract.

Before investing, investors should consider carefully the investment objectives, risks, charges and expenses of a portfolio and the variable insurance product. This and other important information is contained in the portfolio and variable insurance product prospectuses, which may be obtained from a financial professional or by contacting the applicable insurance company. Read them carefully before investing.

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Asset Management