

# THRIVENT PARTNER HEALTHCARE PORTFOLIO

SUBADVISED BY BLACKROCK

## Portfolio key points

**Thrivent Partner Healthcare Portfolio** gives investors access to potential long-term global growth themes through dynamic healthcare investing by industry experts.

### Scientific research

The portfolio management team has an average of 20 years of experience in scientific research, medicine and investing with three Ph.D.'s (in biochemistry, chemistry, and molecular medicine), three M.B.A.'s, and one M.D. in internal medicine. The team regularly attends medical conferences and they study clinical trial data/designs and conducts field checks with physicians.

### Fundamental process

Ideas are generated through fundamental research of healthcare industries and companies with a heavy emphasis on company interactions: 1,000 or more company meetings per year (in-house, conferences, and by phone). The team conducts regular due diligence meetings with physicians to assess actual market demand.

### Diversification

The Portfolio strives to maintain balanced exposure to four main industry groups: Biotech, Pharmaceuticals, Medical Devices and Healthcare Providers & Services. The Portfolio has an investable universe of about 1,000 companies globally with exposure to all cap sizes (small, mid, and large cap companies). The Portfolio will typically hold between 70 and 120 positions.

## Investment process

### SUB-INDUSTRY RESEARCH & ANALYSIS

Team analyzes healthcare industry groups on an ongoing basis  
Key assessments are made to generate investment ideas  
Provide context for company analysis

### COMPANY RESEARCH & ANALYSIS

Evaluate investment potential through in-depth fundamental analysis  
Determine upside/downside potential  
Extensive company interaction across sector  
In-depth due diligence with physicians and peer companies

### STOCK SELECTION

Leverage portfolio manager stock picking skills  
Strong and/or improving industry or company fundamental trends  
Valuation  
Collaborative process between analyst and portfolio manager

### PORTFOLIO CONSTRUCTION

Active risk exposures are based on bottom-up fundamental and company research  
Risk mitigated via diversification – industry, market cap, country, investment style, amongst others

### RISK MANAGEMENT

The team utilizes BlackRock's Risk and Quantitative Analysis team and BlackRock's proprietary Aladdin® system for risk and scenario analysis, attribution and hedging.

## Management



**Erin Xie, Ph.D.**  
 Managing Director  
 BlackRock Health Sciences

Industry since: 1999  
 BlackRock since: 2001  
 Portfolio since: 2017

## BlackRock

BlackRock is the world's largest asset manager guiding individuals, financial professionals and institutions in building better financial futures. BlackRock has been managing this strategy since 2000 and Erin Xie has been a portfolio manager on the strategy since 2003.

## Why Healthcare?

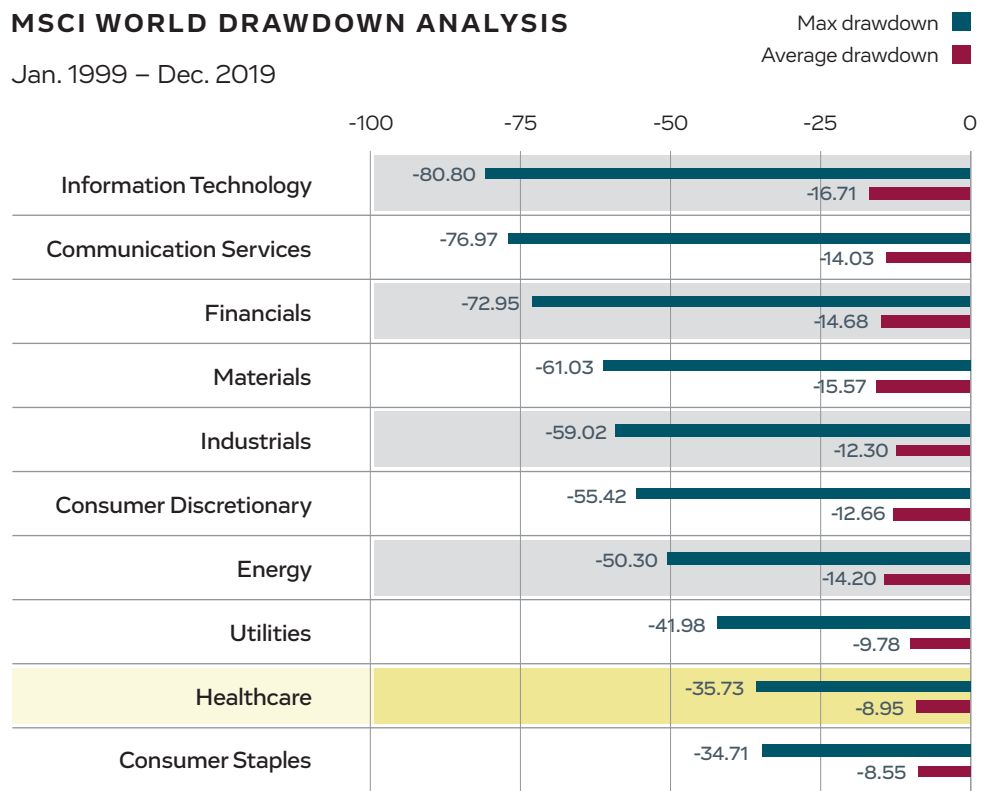
The Healthcare sector typically outperforms during late cycle environments and shows low sensitivity to global growth.

The graph on the right shows the max and average drawdown for different sectors. Drawdown measures the peak-to-trough decline during a specific period. This can provide insight into how well these sectors performed during historical down markets.

There is demand from a growing aging population that provides long-term support for the broader sector and this transpires into increased spending on healthcare.

### MSCI WORLD DRAWDOWN ANALYSIS

Jan. 1999 – Dec. 2019



Source: Morningstar

**Risks:** The Portfolio primarily invests in healthcare companies, which are subject to numerous risks including legislative or regulatory changes and adverse market conditions. The value of the Portfolio is influenced by factors impacting the overall market, certain asset classes, certain investment styles, and specific issuers. The Portfolio may incur losses due to investments that do not perform as anticipated by its investment adviser. Small and medium-sized companies often have greater price volatility and less liquidity than larger companies. Foreign investments involve additional risks, including currency fluctuations, liquidity, political, economic and market instability, and different legal and accounting standards; these risks are magnified for investments in emerging markets. The Portfolio is non-diversified, which means that it may invest a greater percentage of its assets in the securities of any single issuer compared with diversified portfolios. These and other risks are described in the Portfolio's prospectus.

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

**Investing involves risks, including the possible loss of principal. The prospectus and summary prospectus contain more complete information on the investment objectives, risks, charges and expenses of the portfolio, and other information, which investors should read and consider carefully before investing. Prospectuses are available at [ThriventPortfolios.com](http://ThriventPortfolios.com) or by calling 800-847-4836.**

The principal underwriter for Thrivent Variable Portfolios, the marketing name for Thrivent Series Fund, Inc., is Thrivent Distributors, LLC, a registered broker/dealer and member of FINRA and SIPC. Thrivent Financial for Lutherans, an SEC-registered investment adviser, serves as the investment adviser. Thrivent Distributors, LLC is a subsidiary of Thrivent, the marketing name for Thrivent Financial for Lutherans.

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