

Thrivent Small-Mid Cap Equity ETF

Effective Jan. 31, 2025, Thrivent Small-Mid Cap ESG ETF changed its name to Thrivent Small-Mid Cap Equity ETF and no longer pursues ESG considerations as a principal investment strategy. See prospectus for more information.

Objective	Thrivent Small-Mid Cap Equity ETF seeks long-term capital growth.	Ticker	TSME	Benchmark(s)	Russell 2500 Index
		CUSIP	88588G109		S&P MidCap 400 ESG Index
		Inception date	October 5, 2022	Morningstar peer group	Mid-Cap Blend
		Gross expense ratio	0.65%		

Fund key points

Thrivent Small-Mid Cap Equity ETF looks for small- and mid-sized companies to invest in, then combines detailed stakeholder analysis and fundamental investment research techniques.

Why an ETF?

- Intra-day liquidity
- Traditionally a lower-cost option
- No investment minimums
- More tax-efficient structure
- Increasing inflows illustrate that ETFs are gaining in popularity

Why stakeholder analysis?

- It provides a window into the long-term viability of a company.
- Analyzing stakeholder considerations allows us to fully research each company with a holistic risk management perspective.
- Companies that successfully serve their stakeholders have a greater chance of long-term success.

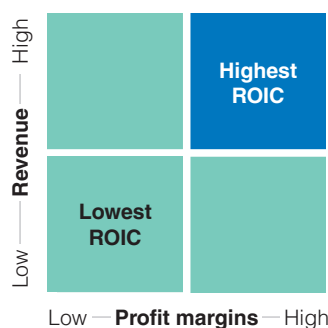
Why small- and mid-sized companies?

- U.S. small- and mid-size (SMID) equities have historically provided outperformance over U.S. large cap equities.
- To take advantage of potential successes, if a small-cap company grows into a mid-cap company, we wouldn't be forced to sell the company just because of its success.
- SMID companies may have less professional analyst coverage, allowing our portfolio managers to leverage their fundamental research capability.

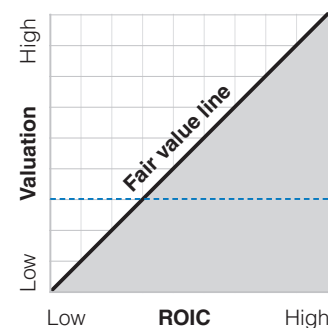
High investor demand for sustainable strategies

- The team is looking for companies with high return on invested capital (ROIC) and valuations below their fair value.
- Revenues and profit margins drive ROIC; high measures of revenues and profit margins will result in high ROIC.
- Research helps determine the sustainability of the drivers.
- Companies with higher ROIC should have higher valuations.

Key return levers



Critical analysis



Focus on companies below the fair value line, not just cheap companies

This fund is different from traditional ETFs. Traditional ETFs tell the public what assets they hold each day. This fund will not. This may **create additional risks** for your investment. For example: You may have to pay more money to trade the fund's shares. This fund provides less information to traders, who tend to charge more for trades when they have less information. The price you pay to buy fund shares on an exchange may not match the value of the fund's portfolio. The same is true when you sell shares. These price differences may be greater for this fund compared to other ETFs because it provides less information to traders. These additional risks may be even greater in bad or uncertain market conditions. The fund publishes on its website each day a "Proxy Portfolio" designed to help trading in shares of the fund. While the Proxy Portfolio includes some of the fund's holdings, it is not the fund's actual portfolio. The differences between this fund and other ETFs may also have advantages. By keeping certain information about the fund nontransparent, this fund may face less risk that other traders can predict or copy its investment strategy. This may improve the fund's performance. If other traders are able to copy or predict the fund's investment strategy, however, this may hurt the fund's performance. For additional information regarding the unique attributes and risks of the fund, see the Principal Risks section of the prospectus.

Management



Charles (Chad) Miller, CFA
Senior Portfolio Manager
Industry since: 2010
Thrivent since: 2013
Strategy since: 2022

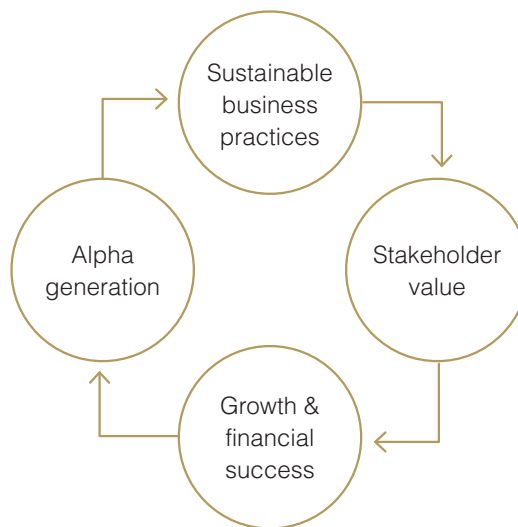


Simon Bizien, CFA
Portfolio Manager
Industry since: 2015
Thrivent since: 2022
Strategy since: 2023

“Our unique process identifies companies that have a valuable position in their industries because the best management teams recognize that all constituencies must win for a company to be successful in the long run.”

Stakeholder research process

- The goal of Thrivent Small-Mid Cap Equity ETF is to generate alpha (excess returns) by investing in companies that demonstrate a commitment to serving primary stakeholders.
- We fully integrate stakeholder analysis into our research process to identify sustainable businesses.
- We seek to invest in companies that deliver positive value based on stakeholder considerations, examples of which are shown on the right.



Examples of stakeholder considerations

- Quality of executives and board of directors
- Employee culture
- Compensation practices

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 fund, and other information, which investors should read and consider carefully before investing. Prospectuses and summary prospectuses are available at thriventETFs.com.

Risks: Performance is influenced by several factors, including the performance of the broader market and risks to specific asset classes, market cap groups, investment styles, and issuers. Small- and mid-sized companies often have greater price volatility, lower trading volume, and less liquidity than larger, more established companies. Transactions in shares of ETFs may result in brokerage commissions, which will reduce returns. These and other risks are described in the prospectus.

An index is unmanaged and an investment cannot be made directly in an index. **Russell 2500 Index** is a market-cap-weighted stock market index featuring U.S. small-and mid-cap stocks. **S&P MidCap 400 ESG Index** is a market-cap-weighted index designed to measure the performance of securities meeting sustainability criteria, while maintaining similar weights as the S&P MidCap 400 Index.

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Asset Management