

Thrivent Ultra Short Bond ETF

TUSB

March 31, 2026

Management



Cortney Swensen, CFA

Senior Portfolio Manager

Industry: 2005

Fund: 2025



Andrew Leeser, CFA

Senior Portfolio Manager

Industry: 2008

Fund: 2025

Executive Summary

- In the first quarter of 2026, Thrivent Ultra Short Bond ETF outperformed the Bloomberg Short-Term Government/Corporate Index by 0.05% during a period of rising rates and wider spreads highlighted by volatile markets responding to news flow out of the war with Iran. The Fund outperformed due to an overweight to securitized bonds and lower duration than the benchmark.
- Despite the widening in corporate spreads, we remain cautious and selective given the uncertainty prevalent in the markets, leaving room to add spread duration at potentially more attractive levels. In the meantime, the portfolio seeks or currently offers a higher carry and diversification through its securitized debt exposure, which remains attractive relative to short, investment grade corporates.

Performance factors

Thrivent Ultra Short Bond ETF outperformed the Bloomberg Short-Term Government/Corporate Index by 0.05% in the first quarter of 2026. This outperformance was attributable to the Fund's overweight to securitized bonds and lower duration. Despite 10 basis points of spread widening (as measured by the Bloomberg U.S. 1-3 Year Corporate Index) throughout the quarter, the portfolio outperformed from its greater income in addition to the strong performance across structured bonds.

The Bloomberg Short-Term Government/Corporate Index is composed of 76% U.S. Treasuries, 2% government-related securities and 22% investment grade corporates. The Fund currently holds approximately 70% of its assets in corporate bonds and 25% in securitized debt. Over longer periods of time, overweights to these asset classes are expected to provide more yield, while the short-duration nature of the Fund's holdings offer attractive breakeven levels during spread-widening scenarios.

Portfolio outlook

In the quarter, the Federal Reserve (Fed) held the Federal Funds rate steady at 3.5–3.75% during its January and March meetings, as inflation fears due to a spike in oil prices derailed momentum of its cutting cycle. With uncertainty around how long the war with Iran will last, the market is no longer pricing in any rate cuts for 2026, and talks of rate hikes are even

percolating. It appears that the Fed prefers to stay on hold rather than cut or hike prematurely, particularly as a 2.6% GDP growth forecast and a 4.3% unemployment rate give the Fed cover to stay restrictive for longer.

The Fed raised its Personal Consumption Expenditures (PCE) inflation forecast, the Fed's preferred measure, to 2.7% for 2026 as tariffs and rising oil prices are still feeding into goods inflation. Jerome Powell, chair of the Fed, emphasized that the Fed needs to see clear progress in goods inflation before easing can resume. As a result, short-term rates increased throughout the quarter. The shorter duration of the Fund, which we shortened further throughout the quarter, benefitted performance.

Corporate spreads widened as macroeconomic uncertainty grew, but still remain tight in our view. With elevated risks of a weakening economy, and the impact of higher oil prices to consumers and corporations, we are being selective in adding corporates at this time, seeking out new issue concessions and strong fundamentals while leaving room to add risk when markets offer better entry points. Spreads on AAA-rated securitized debt remain attractive compared to short-term investment grade corporates, offering modest yield pickup and diversification.

Performance

For the period ending March 31, 2026 | Periods less than one year are not annualized.

Average annualized returns (%)	3 months	YTD	1 year	3 years	5 years	10 years	Since Inception
Thrivent Ultra Short Bond ETF (NAV) - Expense ratio: net 0.20%, gross 0.20%; Incept. date 2/19/2025	0.84	0.84	4.54	N/A	N/A	N/A	4.72
TUSB Market Price	0.96	0.96	4.46	N/A	N/A	N/A	4.83
Bloomberg Short-Term Govt/Corp Index	0.79	0.79	4.13	4.85	3.27	2.39	
Morningstar Ultrashort Bond Avg	0.74	0.74	4.34	5.28	3.39	2.63	

All data represents past performance. Past performance does not guarantee future results. The investment return and principal value of the investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. A fund's performance for very short time periods may not be indicative of future performance. Market returns are based on the midpoint of the bid/ask spread at market close (typically, 4 p.m. ET) and do not represent returns an investor would receive if shares were traded at other times. Current performance may be lower or higher than the performance data quoted. Visit thriventETFs.com for performance results current to the most recent month-end.

Top 10 Holdings (excluding derivatives and cash): 9.52% of Fund as of Feb 27 2026: U.S. Treasury Notes: 1.80%, Wells Fargo & Co: 1.46%, Abbvie Inc: 0.96%, Alphabet, Inc.: 0.96%, Abbott Labs: 0.96%, Goldman Sachs Grp Inc: 0.77%, JPMorgan Chase & Co: 0.72%, Walt Disney Co: 0.72%, Corebridge Fin, Inc.: 0.62%, Morgan Stanley: 0.55%

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Investors: contact your advisor

Risks: The ETF is newly formed and has a limited operating history. Debt securities may decline in price when interest rates rise and/or issuers are no longer able or willing pay their debt. Mortgage-backed and asset-backed securities are influenced by the housing market and assets underlying such securities. U.S. government securities may not be fully backed by the U.S government and issuers may not meet their payment obligations. U.S. government securities' value may be affected by credit ratings. Investing in collateralized debt obligations carries significant risks, including the quality of collateral, potential defaults, market liquidity, and management performance. Performance is influenced by the performance of the broader market and financial sector and risks associated with derivatives and specific issuers. These and other risks are described in the prospectus.

Any indexes shown are unmanaged and do not reflect the typical costs of investing. Investors cannot invest directly in an index. For more information on the index providers and their disclaimers, visit thriventfunds.com/privacy-and-security/index-provider-notices.

Bloomberg Short-Term Govt/Corp Index represents short-term U.S. government bonds and corporate bonds with maturities of less than one year.

The Morningstar average represents the average total return annualized when greater than one year for all reported funds in the category. Morningstar averages do not include sales charges/fees. If included, returns would have been lower. ©2026 Morningstar, Inc. All rights reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

This commentary refers to specific securities which Thrivent ETFs may own. Additional information about the holdings of the ETFs is available on thriventETFs.com.

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.

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