

Target asset allocation of charitable assets

June 30, 2023

Thrivent Charitable's investment strategy for charitable assets focuses on diversification, skilled investment managers and ongoing assessment of investment performance against strategic benchmarks. Thrivent Charitable puts these strategies and resources to work to obtain the highest investment return possible within acceptable levels of risk over the long term. Information about each portfolio's objectives and investment managers is outlined below.



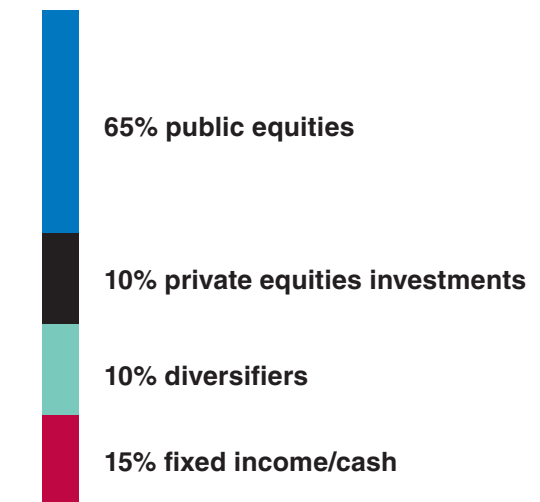
Core Growth Portfolio

Investment allocation: 75% equities (public and private)/
10% diversifiers/15% fixed income/cash

Objective: Invested for long-term growth and maximum sustained support to charities far into the future.

Investment/fund name	Ticker symbol
U.S. equities	
Thrivent Large Cap Growth Fund—Class S Shares	THLCX
Thrivent Large Cap Value Fund—Class S Shares	TLVIX
Thrivent Mid Cap Stock Fund—Class S Shares	TMSIX
AltraVue Small Cap Value Strategy	N/A
Thrivent Small Cap Stock Fund - Class S Shares	TSCSX
Global equities	
Impax Specialist Strategy	N/A
Ownership Capital Global Equity	N/A
Non-U.S. developed equities	
American Funds EuroPacific Growth Fund	AEPGX
Thrivent Partner Worldwide Allocation	TWAIX
Emerging markets equities	
Generation IM Asia Fund	N/A
WGI Emerging Markets	N/A
Diversifiers	
Davidson Kempner Multi-Strategy Funds	N/A
Varde Investment Partners	N/A
CIM Enterprise Loan Fund	N/A
Fixed income/cash	
Thrivent Government Bond Fund—S Shares	TBFIIX
Thrivent Income Fund	LBIIIX
Thrivent Money Market	AALXXX
U.S. Treasury Notes	N/A
U.S. Bank Cash Account	FOZXX

Target allocation



Expense ratio:* 0.89%

Expense ratio as of June 30, 2023.

*Expense ratio represents the weighted average annual management fee of the portfolio. Performance-based fees (i.e., incentive allocations and/or carried interest) and advisor fees are not included. Management fees payable to private investment funds are based on committed capital.

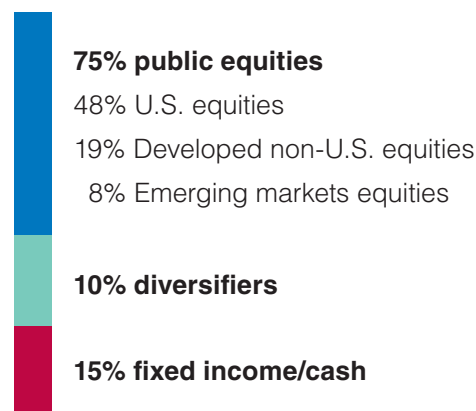
Mission Growth Portfolio

Investment allocation: 75% equities/10% diversifiers/15% fixed income/cash

Objective: Invested for long-term growth and maximum sustained support to charities through investments aligned with our mission for positive outcomes throughout our shared community.

Investment/fund name	Ticker symbol *
U.S. equities	
Parametric Custom Core Socially Responsible Strategy	N/A
AltraVue Small Cap Value Strategy	N/A
Global equities	
Wellington Global Impact	N/A
Generation IM Global Equity Fund LLC	N/A
Impax Specialist Strategy	N/A
Ownership Capital Global Equity	N/A
KBI Water Strategy	N/A
Baillie Gifford Positive Change	BPEKX
Non-U.S. developed equities	
Mondrian International Equity	N/A
Emerging markets equities	
Generation IM Asia Fund	N/A
Diversifiers	
Davidson Kempner Multi-Strategy Funds	N/A
Varde Investment Partners	N/A
CIM Enterprise Loan Fund	N/A
Fixed income/cash	
Thrivent Government Bond Fund—S Shares	TBFIX
Breckinridge Intermediate Sustainable Gov't/Credit	N/A
Thrivent Money Market	AALXX

Target allocation



Expense ratio:* 0.61%

Expense ratio as of June 30, 2023.

*Expense ratio represents the weighted average annual management fee of the portfolio. Performance-based fees (i.e., incentive allocations and/or carried interest) and advisor fees are not included.

WomenInvest Portfolio

Investment allocation: 75% equities/25% fixed income

Objective: Invested for long-term growth and maximum sustained support to charities through investments that do well when women do well by addressing the root causes of violence against women. The portfolio invests in women by providing economic opportunity, access to education, affordable housing and full participation in business and public decision-making.

Target allocation

75% equities

U.S. equities
Global equities (U.S. & non-U.S.)
Emerging markets equities
Non-U.S. developed equities
Private real estate

25% fixed income

Government, agency and corporate bonds
Promissory notes and CDs
Private debt
Short-term money market

Expense ratio: 0.45%

Expense ratio as of December 31, 2022.

Investment/fund name	Ticker symbol
U.S. equities	
Trillium Large Cap Core	N/A
Thrivent Large Cap Growth	THLCX
Thrivent Large Cap Value	TLVIX
Aperio Custom Gender Lens Index Portfolio	N/A
Global equities	
Pax Ellevest Global Women's Index Fund	PXWIX
Emerging markets equities	
RBC Emerging Markets	REEIX
Developed non-U.S. equities	
Domini International	DOMOX
Aperio Custom Gender Lens Index Portfolio	N/A
Private debt and real assets	
Advance Global Capital (AGC)	N/A
Rose Affordable Housing Fund V	N/A
Fixed income	
Fidelity Money Market	FDRXX
Self Help Credit Union Women & Children CD	N/A
Calvert Impact Capital Promissory Note targeted to Gender Equity	N/A
CCM Community Impact Bond Fund targeted to Barrier Free Living	CRANX
Breckinridge Gender Lens Portfolio	N/A

Income Portfolio

Investment allocation: 100% fixed income/cash

Objective: Invested for stability and maximum grant support within a shorter time horizon.

Investment/fund name	Ticker symbol	Target allocation
Fixed income/cash		
Thrivent Government Bond Fund—S Shares	TBFIX	<div><div></div><div>100% fixed income/cash</div><div>Corporate and government bonds</div><div>Short-term money market</div></div>
Thrivent Income Fund	LBIX	
Thrivent Money Market	AALXX	
		Expense ratio: 0.50% Expense ratio as of June 30, 2023.



Strategic benchmarks

Thrivent Charitable continually monitors its investments as well as its objectives and strategies. Investments are measured by appropriate strategic benchmarks (i.e., indexes) and monitored quarterly. The overall investment portfolio is measured against a composite benchmark that reflects the target asset allocation.

Strategic benchmarks

Asset class	Core Growth Portfolio	Mission Growth Portfolio	WomenInvest Portfolio
Public equities	Blended Benchmark <ul style="list-style-type: none"> • Russell 3000 Index (65%) • MSCI EAFE Index (25%) • MSCI Emerging Markets Index (10%) 	Blended Benchmark <ul style="list-style-type: none"> • Russell 3000 Index (65%) • MSCI EAFE Index (25%) • MSCI Emerging Markets Index (10%) 	Blended Benchmark <ul style="list-style-type: none"> • Russell 3000 Index (50%) • MSCI EAFE Index (25%)
Private investments	<ul style="list-style-type: none"> • Self-benchmarked 	N/A	N/A
Diversifiers	<ul style="list-style-type: none"> • HFRI Fund of Funds Diversified Index 	<ul style="list-style-type: none"> • HFRI Fund of Funds Diversified Index 	N/A
Fixed income/ cash	Blended Benchmark <ul style="list-style-type: none"> • Bloomberg Barclays Inter. Govt/Credit Bond Index (85%) • BofA ML 91-Day T-Bills (15%) 	Blended Benchmark <ul style="list-style-type: none"> • Bloomberg Barclays Inter. Govt/Credit Bond Index (85%) • BofA ML 91-Day T-Bills (15%) 	Blended Benchmark <ul style="list-style-type: none"> • Bloomberg Barclay U.S. Government Credit Index (22%) • Citigroup Treasury Bill 3-Month Index (3%)

Income Portfolio Benchmark consists of a blend between Bloomberg Barclays Inter. Govt/Credit Bond Index (85%) and BofA ML 91-day T-Bills (15%).

Role of asset classes within portfolios

To better understand the role and function of each asset class within Thrivent Charitable portfolios, please review these insights from investment advisors Cambridge Associates and Veris Wealth Partners.

U.S. equity

(Large, medium and small capitalization equities) U.S. equity is typically the core asset class in a U.S. investor's portfolio. For many endowment funds, equity assets of various sorts comprise most of the portfolio and so the fund's exposure to U.S. economic risk is significant. The major macroeconomic risks are severe economic contraction and sharp, unexpected inflation.

International equity

(Non-U.S. developed equities and emerging markets equities)
The inclusion of international equities provides portfolio diversification and enlarges the investment opportunity set. The disadvantages of investing in international equity are higher investment costs and exposure to currency risk.

Diversifiers

Diversifiers provide the portfolio with strong risk-adjusted returns and diversification. Diversifiers differ widely in the kinds of investment strategies they pursue and the level of risk they incur, making generalizations challenging. Thrivent Charitable generally structures hedge fund/diversifiers programs to fill one or both of two roles:
(1) to generate a modest return with relatively low risk and little or no correlation to other assets in the portfolio; (2) to generate equity-like returns with less-than-market volatility.

Fixed income/cash

Bonds offer the best protection against economic and equity price deflation. To serve as a reliable hedge, the bonds must be high-quality, non-callable and of intermediate to long duration. The allocation should be sufficient to meet several years' spending needs in the event of a severe equity market decline—unless the investor is confident that other assets in the portfolio would also appreciate during a prolonged economic contraction. In addition, bonds may provide an overall reduction in portfolio volatility, a steady flow of income and high liquidity.

Private investments

The objectives of the private investment allocation are to generate long-term return enhancement over public equity markets (net of all fees/carried interest) and to provide portfolio diversification and exposure to innovative strategies and niche markets, including growth with impact. Strategies may include venture capital, growth equity, buyouts, credit and sustainable real assets. Private investments are illiquid by nature, and the allocation will grow over time toward the Core Growth Portfolio's long-term target allocation of 10%, as underlying funds call down capital commitments.



About us

Thrivent Charitable Impact & Investing® brings hope to the world by empowering people to create the change that matters most to them. We open the joy of generosity to all by making it easy for anyone to give to the causes they cherish. We take a holistic, personalized approach to help our donors create strategic charitable plans, illuminating new paths to personalized impact through visionary models, tailored service and deep expertise. Ignited by our faith, we are passionate about creating positive impact and inspiring lasting change in our communities.



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