



December 31, 2018

Portfolio Inception Date 5/15/1998
Total Portfolio Assets \$686.1 million

Portfolio Description

The Thrivent Diversified Income Plus Portfolio looks to provide a steady and dependable income stream along with modest capital appreciation. It invests in higher-yielding, higher-risk, fixed-income securities to generate income, and in equities to provide potential growth and income. Investments are diversified across sectors in order to manage risk and potentially provide more stability when interest rates rise.

Investment Strategy/Process

The Portfolio has a long-term target allocation of 75% fixed-income and 25% equity securities. The portfolio management team actively manages the Portfolio with overweight and underweight positions in the various sectors based on their views of the market and economy. Individual stocks and bonds are analyzed and chosen on an ongoing basis. The Portfolio is regularly rebalanced to ensure that the holdings are within appropriate ranges.

Calendar Year Performance (%)

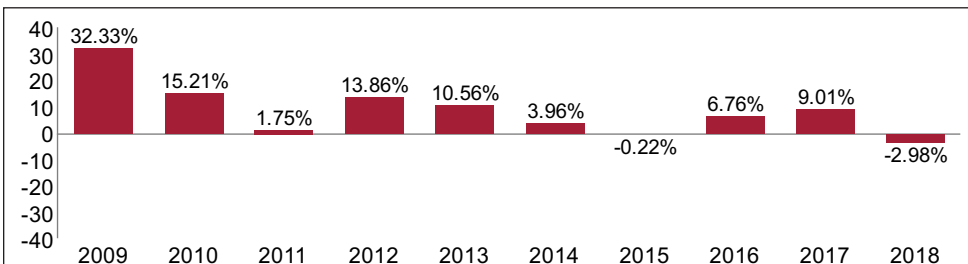


Chart represents calendar year performance and reflects the deduction of investment advisory fees, operating expenses and current mortality and expense charge of 0.30%. Performance of other contracts will be greater or less than the bars shown based on the differences in contract charges and expenses paid by the contract holder.

Trailing Returns — Average Annual (%)

	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	Since Incept.
Subaccount	-5.45	-2.98	-2.98	4.13	3.21	8.76	4.54
Subaccount (w/addl fees)	-10.44	-8.87	-8.87	1.30	1.08	7.49	3.32
MSCI World Index - USD Net Returns	-13.42	-8.71	-8.71	6.30	4.56	9.67	N/A
BBgBarc U.S. Mortgage-Backed Securities Index	2.08	0.99	0.99	1.71	2.53	3.11	N/A
BBgBarc U.S. High Yield Ba/B 2% Issuer Capped Index	-3.61	-1.88	-1.88	6.17	3.79	9.95	N/A
S&P/LSTA Leveraged Loan Index	-3.45	0.44	0.44	4.83	3.05	8.57	N/A
Lipper Mixed-Asset Target Alloc Conserv Funds Median ¹	-3.90	-2.97	-2.97	3.44	2.81	6.16	N/A

All data represents past performance of this subaccount in Thrivent Financial Variable Universal Life Insurance II (contract V-VQ-VUL (07) and ICC07V-VM-VUL) and should not be viewed as an indication of future results. Total investment returns and principal value of an investment will fluctuate and units, when redeemed, may be worth more or less than the original investment. Current performance may be lower or higher than the performance data quoted. Market volatility can significantly affect short-term performance, and more recent returns may be different from those shown. Call 800-847-4836 or visit Thrivent.com for most recent month-end performance results.

Periods less than one year are not annualized. Trailing return calculations are based on the fees associated with an initial investment of \$10,000. At various times, the investment adviser may have waived and/or reimbursed Portfolio expenses. Had the investment adviser not done so, the total returns would have been lower. "Since Inception" trailing returns are calculated from the date the Subaccount was made available through the separate account used with this contract.

Trailing Returns reflect the deduction of investment advisory fees and operating expenses (reduced by any applicable waivers) associated with the Subaccount, as well as the current mortality and expense charge of 0.30%. "Subaccount w/addl fees" data reflects additional deductions of the policy fee and the 5% premium expense charge. The following charges are not reflected in the Subaccount's trailing returns and vary by contract: percent of asset charge, monthly administrative charge, cost of insurance charge, and rider or additional benefits charges. If these charges had been deducted, the performance quoted would have been significantly lower.

Since charges and fees vary from individual to individual at the contract level based on several factors, including the amount of the death benefit, the contract value, the insured's attained age, sex and risk classification, it is not possible to include them in this report. You are encouraged to contact your Thrivent Financial representative for a personalized illustration to determine what additional charges and fees you may incur. You can also review the hypothetical illustrations in the prospectus to see the effects of fees and charges on performance.

¹Source: Lipper. The Lipper median represents the median annualized total return for all reported portfolios in the classification. Lipper medians do not include sales charge/fees. If included, returns would have been lower.

Investment Objective

Thrivent Diversified Income Plus Portfolio seeks to maximize income while maintaining prospects for capital appreciation.

Who Should Consider Investing?

The Portfolio may be suitable for investors who:

- Seek a high level of income and the opportunity for long-term growth.
- Have a medium to long-term investment time horizon and a moderately conservative risk tolerance.
- Are able to withstand a low to moderate level of risk and volatility in pursuit of commensurate long-term returns.

Benchmark(s)

Indexes are unmanaged and do not reflect the fees and expenses associated with active management. Investments cannot be made directly into an index.

- **Morgan Stanley Capital International (MSCI) World Index - USD Net Returns** represents large- and mid-cap stocks in 23 developed-market countries.
- **Bloomberg Barclays (BBgBarc) U.S. Mortgage-Backed Securities Index** represents the performance of securities backed by pools of mortgages.
- **Bloomberg Barclays (BBgBarc) U.S. High Yield Ba/B 2% Issuer Capped Index** represents the performance of the non-investment grade, Ba or B-rated corporate bond market. Issuers are constrained to a maximum 2% weighting.
- **S&P/LSTA U.S. Leveraged Loan Index** is a market-value weighted index representing the performance of the universe of U.S. dollar-denominated, senior secured, syndicated term loans.

Portfolio Management & Experience

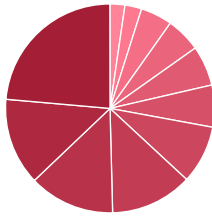
Mark L. Simenstad, CFA - Portfolio Start: 2006; Industry Start: 1983; **Stephen D. Lowe, CFA** - Portfolio Start: 2015; Industry Start: 1996; **Noah J. Monsen, CFA** - Portfolio Start: 2015; Industry Start: 2008; **Gregory R. Anderson, CFA** - Portfolio Start: 2018; Industry Start: 1993; **Matthew D. Finn, CFA** - Portfolio Start: 2018; Industry Start: 1985

Risks: The Portfolio invests in debt securities and equity securities. 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 the investment adviser. Bond prices may decline during periods of rising interest rates. Credit risk is the risk that an issuer of a debt security may not pay its debt, and high yield securities are subject to increased credit risk as well as liquidity risk. Leveraged loans, REITS, preferred securities, convertible securities, sovereign debt, and mortgage-related and other asset-backed securities are subject to additional risks. 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. An ETF is subject to additional fees and expenses, tracking error, and the risks of the underlying investments that it holds. The use of derivatives (such as futures and swaps) involves additional risks and transaction costs, which could leave the Portfolio in a worse position than if it had not used these instruments. The Portfolio may engage in active and frequent trading of portfolio securities in implementing its principal investment strategies, which may result in higher transaction costs and higher taxes.

THRIVENT DIVERSIFIED INCOME PLUS PORTFOLIO

December 31, 2018

Portfolio Diversification



Securitized Debt	23.6%
US Large Cap Equity	13.5%
Floating-Rate Bank Loans	13.3%
High Yield Bonds	12.7%
Investment Grade Credit	9.0%
International Equity	6.5%
Opportunistic Fixed Income	6.2%
US Mid/Small Cap Equity	5.4%
International Debt	4.9%
Cash	2.6%
Opportunistic Equity	2.3%

Top 10 Holdings—Excluding Derivatives

(14.26% of Portfolio, as of 11/30/2018)

Thrivent Core EM Debt Fund	4.84%
FNMA Conv'l 30-Yr. Pass-Thru	4.08%
FHLM Corp Gold 30-Yr. Pass-Thru	1.37%
FNMA Conv'l 30-Yr. Pass-Thru	1.08%
FNMA Conv'l 30-Yr. Pass-Thru	0.62%
THL Credit Wind River CLO, Ltd.	0.53%
Cisco Systems, Inc.	0.50%
Vanguard Short-Term Corp Bond ETF	0.43%
Microsoft Corp	0.41%
Bank of America Corp	0.40%

Bond Quality Rating Distribution (%)

The lower of the bond ratings assigned by Moody's Investor Services, Inc. or Standard & Poor's® Financial Services, LLC ("S&P"). Investments in derivatives and short-term investments are not included.

Category	Percentage
HIGH QUALITY (HQ)	
Cash	3.5
U.S. Gov't Guaranteed	11.6
AAA	2.0
AA	1.0
A	4.1
BBB	13.7
HIGH YIELD (HY)	
BB	20.3
B	17.6
CCC	5.1
CC	0.6
C	0.1
D	0.2
OTHER	
Non-Rated (NR)	13.9
ETFs/Closed-End Funds (may be (HQ/HY/NR))	6.3

²Turnover Ratio: 12-month rolling as of 11/30/2018. A measure of the Portfolio's trading activity, which is calculated by dividing the lesser of long-term purchases or long-term sales by average long-term market value.

³Source: Barclays Capital Indices, POINT. ©2019 Barclays Capital Inc. Used with permission. POINT is a registered trademark of Barclays Capital Inc. Bloomberg Barclays U.S. Aggregate Bond Index measures the performance of U.S. investment-grade bonds.

^{4,5,6}S&P 500® is a registered trademark of Standard & Poor's® Financial Services LLC, a part of McGraw Hill Financial, Inc. and/or its affiliates. The Index is a market-cap weighted index that represents the average performance of a group of 500 large-capitalization stocks. Sources: (4) Morningstar; (5) FactSet; (6) Thrivent Financial.

This document must be preceded or accompanied by the current prospectus for Thrivent Financial Variable Universal Life Insurance II.

Investing involves risk, including the possible loss of principal. The product and summary prospectus contains information on investment objectives, risks, charges and expenses. Read carefully before investing. Available at Thrivent.com. Since every investor's situation is unique, please work with a financial professional to determine which products and strategies are most appropriate for your needs and goals.

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PORTFOLIO STATISTICS

Statistics shown below are compared to the S&P 500® Index and Bloomberg Barclays U.S. Aggregate Bond Index. These benchmarks are intended to provide a comparison to the broad U.S. large cap stock market and broad U.S. bond market, and may not be representative of the Portfolio's investment strategies and holdings.

Holdings Information

Number of Holdings	1,360
Turnover Ratio (last 12-months) ²	156%
Percent U.S.	80.7%
Percent Non-U.S.	19.3%

Risk/Volatility Measures

Beta (3-year vs. S&P 500®): A measure of the volatility, or market risk, of an investment compared to the broad U.S. large-cap stock market.

Lower than Benchmark	S&P 500® 1.0	Higher than Benchmark
Portfolio 0.34		

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

	Portfolio	S&P 500® Index ⁴	BBgBarc U.S. Aggregate ³
3 Year	4.14%	10.95%	2.81%
5 Year	4.19%	10.95%	2.77%
10 Year	6.64%	13.61%	3.02%

Equity Characteristics (27.7% of Portfolio)

Market-Capitalization: A measure of the size of the companies held in the portfolio, calculated by multiplying a company's total outstanding shares by the stock price.

	Portfolio	S&P 500® Index ⁵
Avg Mkt Cap	\$34.9 B	\$45.7 B
Wtd Median Mkt Cap	\$28.0 B	\$99.1 B

Price to Earnings (P/E) Ratio: A valuation ratio calculated by dividing the share price of each stock held in the portfolio by its trailing 12-month earnings per share.

	Portfolio	S&P 500® Index ⁶
P/E Ratio	13.1	16.4

Return on Equity (ROE): A measure of corporate profitability that shows how much net income the companies in the portfolio have generated as a percentage of shareholder equity.

	Portfolio	S&P 500® Index ⁶
ROE	18.0%	20.1%

Fixed Income Characteristics (72.3% of Portfolio)

Average Duration: A measure of a portfolio's sensitivity to changes in interest rates; the longer the portfolio's duration, the more sensitive it is.

	Portfolio	BBgBarc U.S. Aggregate ³
Average Duration (years)	3.4	5.9

Weighted Average Life: The market-value weighted average of the time remaining until the bond in the portfolio will repay principal.

	Portfolio	BBgBarc U.S. Aggregate ³
Wtd Avg Life (years)	7.0	8.3