



June 30, 2019

Portfolio Inception Date 10/31/2002 Total Portfolio Assets \$1.6 billion

Portfolio Description

The Thrivent Income Portfolio invests primarily in investment-grade corporate bonds, government bonds, asset-backed securities, and mortgage-backed securities. The Portfolio may also invest a portion of its assets in high yield bonds, leveraged loans and preferred stock, and may opportunistically invest in foreign issuers (including emerging-market issuers), non-agency mortgage-backed securities and commercial mortgage-backed securities. The Portfolio typically has its largest allocation in BBB-rated bonds, which are the lowest-tier of investment-grade bonds.

Investment Strategy/Process

The portfolio management team seeks to add value through security selection and active management, and monitors risk in an effort to build a well-diversified portfolio. The team uses fundamental, quantitative and technical investment research techniques to determine which securities to buy and sell. The Portfolio's investment advisor may purchase bonds of any maturity and generally focuses on U.S. companies that it believes are financially sound and have strong cash flows and earnings. The team also considers the macro-economic environment and performs an ongoing assessment of relative value and risk. Based on this market outlook, the Portfolio may take overweight and underweight positions in various sectors and industries and may reallocate across the higher and lower-quality segments of the bond market. The portfolio's fixed-income analysts perform research and provide buy/sell recommendations while the portfolio manager is responsible for portfolio construction and risk management.

Calendar Year Performance (%)

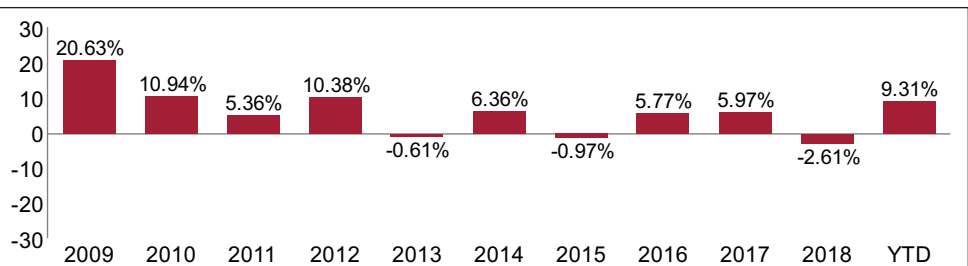


Chart represents calendar year performance and reflects the deduction of investment advisory fees, operating expenses and current mortality and expense charge of 0.30%. Performance of other contracts will be greater or less than the bars shown based on the differences in contract charges and expenses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

Average Annualized Returns (%)

Periods less than one year are not annualized.

Table with 8 columns: Metric, 3 Month, YTD, 1 Year, 3 Year, 5 Year, 10 Year, Since Incept. Rows include Subaccount, Subaccount (w/addl fees), BBgBarc U.S. Aggregate Bond Index, Lipper Corporate Debt Funds BBB-Rated Median¹.

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.

Average annualized 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 performance data shown would have been lower. "Since Inception" returns are calculated from the date the Subaccount was made available through the separate account used with this contract.

Average annualized return 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 Income Portfolio seeks to achieve a high level of income over the longer term while providing reasonable safety of capital.

Who Should Consider Investing?

The Portfolio may be suitable for investors who:

- Seek a high level of income while preserving principal.
• 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.

- Bloomberg Barclays (BBgBarc) U.S. Aggregate Bond Index is an index that measures the performance of U.S. investment-grade bonds.

Portfolio Management & Experience

Stephen D. Lowe, CFA

Portfolio Start: 2009

Industry Start: 1996

Kent L. White, CFA

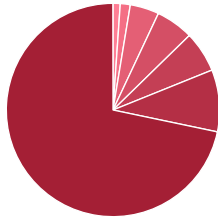
Portfolio Start: 2017

Industry Start: 1999

Risks: The Portfolio primarily invests in investment-grade corporate bonds, government bonds, asset-backed securities and mortgage-backed 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. The value of mortgage-related and other asset-backed securities will be influenced by the factors affecting the housing market and the assets underlying such securities. Preferred securities are subject to risks such as credit and liquidity risk. Foreign investments in developing and emerging-markets involve additional risks, including currency fluctuations, liquidity, political, economic and market instability, and different legal and accounting standards. Quantitative investing uses models and factors that rely on historical data and may be incomplete. 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. In periods when dealer inventories of bonds are low in relation to market size, there is the potential for decreased liquidity and increased price volatility in the fixed income markets. To the extent that the financials sector continues to represent a significant portion of the Portfolio, the Portfolio will be sensitive to changes in, and its performance may depend to a greater extent on, factors impacting this sector. 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. These and other risks are described in the Portfolio's prospectus.

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## Portfolio Diversification



Investment Grade Credit	71.7%
High Yield Bonds	9.4%
Government Bonds	6.2%
Securitized Debt	5.7%
Cash	4.4%
Floating-Rate Bank Loans	1.5%
International Debt	1.1%

## Top 10 Holdings—excluding derivatives and cash (9.96% of Portfolio, as of 05/31/2019)

The coupon rate is the yield paid by a fixed income security. The maturity date is when the principal of the security is due and payable to the investor.

Security	% of Portfolio	Coupon Rate	Maturity Date
U.S. Treasury Bonds	1.77%	3.00	02/49
FNMA Conv'l 30-Yr. Pass-Thru	1.43%	3.50	06/49
U.S. Treas Notes	1.30%	2.25	04/24
FNMA Conv'l	1.29%	4.00	06/49
FNMA Conv'l 30-Yr. Pass-Thru	1.20%	4.50	06/49
U.S. Treasury Bonds	0.64%	2.75	02/28
U.S. Treasury Bonds	0.61%	2.88	08/28
U.S. Treasury Bonds	0.59%	2.75	11/47
FNMA Conv'l 15-Yr. Pass-Thru	0.58%	3.50	06/34
GE Capital Int'l Funding Co	0.55%	4.42	11/35

## 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
<b>HIGH QUALITY (HQ)</b>	<b>87.4</b>
Cash	4.5
U.S. Gov't Guaranteed	10.6
AAA	0.3
AA	1.5
A	13.7
BBB	56.8
<b>HIGH YIELD (HY)</b>	<b>11.4</b>
BB	8.4
B	2.6
CCC	0.1
CC	0.0
C	0.0
D	0.3
<b>OTHER</b>	<b>1.2</b>
Non-Rated (NR)	0.4
ETFs/Closed-End Funds (may be (HQ/HY/NR))	0.8

<sup>2</sup>Turnover Ratio: 12-month rolling as of 05/31/2019. 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.

<sup>3</sup>Source: 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.

**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 Bloomberg Barclays U.S. Aggregate Bond Index. The benchmark is intended to provide a comparison to the broad U.S. bond market, and may not be representative of the Portfolio's investment strategies and holdings.

### Holdings Information

Number of Holdings	585
Turnover Ratio (last 12-months) <sup>2</sup>	98%

### Risk/Volatility Measures

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

	Portfolio	BBgBarc U.S. Aggregate <sup>3</sup>
3 Year	3.53%	3.08%
5 Year	3.56%	2.89%
10 Year	3.98%	2.87%

### Fixed Income Characteristics

**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 <sup>3</sup>
Average Duration (years)	6.3	5.8

**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 <sup>3</sup>
Wtd Avg Life (years)	9.5	8.0