



December 31, 2018

Portfolio Inception Date 5/15/1998
Total Portfolio Assets \$483.8 million

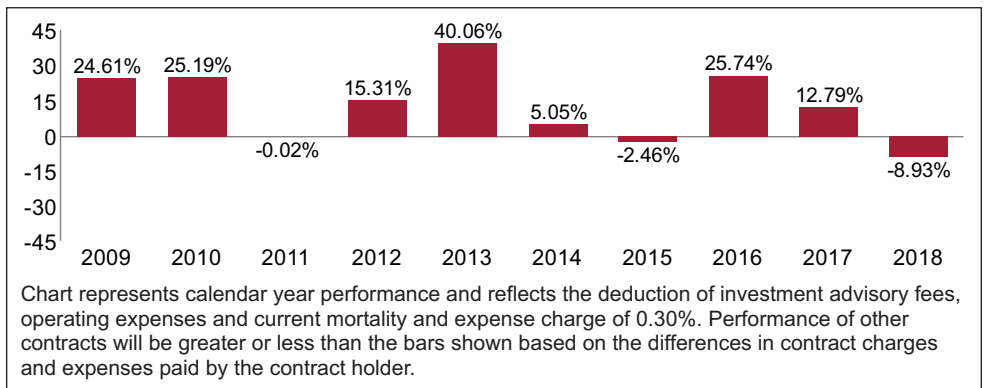
Portfolio Description

The Thrivent Small Cap Index Portfolio normally invests substantially all of its assets in small company common stocks included in the S&P SmallCap 600 Index in the proportions at which they are represented in the Index. The Small Cap Index Portfolio invests across the broad U.S. small-cap market, including a combination of both small-cap “growth” stocks and “value” stocks. Small companies may have the opportunity to grow more rapidly than larger companies as they potentially emerge from a small- to medium-sized companies. However, they typically do not pay significant dividends to shareholders and instead, reinvest earnings back into the company and may have greater volatility (or more risk) than larger companies.

Investment Strategy/Process

This is a passively-managed Portfolio, which means that the portfolio manager does not actively choose the securities that should make up the Portfolio. The S&P SmallCap 600 Index is a capitalization-weighted index of 600 U.S. small-capitalization stocks chosen for market size, liquidity and industry representation. The Index is adjusted quarterly, and when changes to the Index occur, the portfolio manager will attempt to replicate these changes within the Portfolio. However, any such changes may result in slight variations from time to time.

Calendar Year Performance (%)



Trailing Returns — Average Annual (%)

	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	Since Incept.
Subaccount	-20.17	-8.93	-8.93	8.91	5.76	12.94	7.87
Subaccount (w/addl fees)	-24.40	-14.42	-14.42	6.08	3.65	11.69	6.85
S&P SmallCap 600 Index	-20.10	-8.48	-8.48	9.46	6.34	13.61	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.

Investment Objective

Thrivent Small Cap Index Portfolio seeks capital growth that tracks the performance of the S&P SmallCap 600 Index.

Who Should Consider Investing?

The Portfolio may be suitable for investors who:

- Seek long-term growth.
- Have a long-term investment time horizon and an aggressive risk tolerance.
- Are able to withstand a high level of risk and volatility in pursuit of potentially high 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.

- **S&P SmallCap 600 Index** represents the average performance of a group of 600 small-capitalization stocks.

Portfolio Management & Experience

Brian W. Bomgren, CQF

Portfolio Start: 2018

Industry Start: 2006

Sharon Wang, CFA, FRM

Portfolio Start: 2018

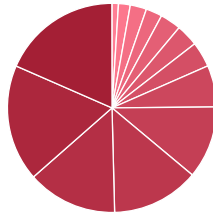
Industry Start: 2001

Risks: The Portfolio primarily invests in small company common stocks. Smaller, less seasoned companies often have greater price volatility, lower trading volume, and less liquidity than larger, more established companies. The value of the Portfolio is influenced by factors impacting the overall market, certain asset classes, certain investment styles, and specific issuers.

THRIVENT SMALL CAP INDEX PORTFOLIO

December 31, 2018

Portfolio Diversification



Financials	18.5%
Industrials	18.1%
Information Technology	14.0%
Consumer Discretionary	13.6%
Health Care	11.3%
Real Estate	6.5%
Materials	4.0%
Consumer Staples	3.5%
Energy	3.3%
Utilities	2.6%
Miscellaneous	2.6%
Communication Services	1.9%
Cash	0.1%

Top 10 Holdings (6.71% of Portfolio, as of 11/30/2018)

iShares Core S&P Small-Cap ETF	2.08%
First Financial Bankshares, Inc.	0.56%
Ingevity Corp	0.52%
CACI Int'l, Inc.	0.52%
Green Dot Corp	0.51%
Glacier Bancorp, Inc.	0.51%
Spire, Inc.	0.51%
FirstCash, Inc.	0.50%
Amedisys, Inc.	0.50%
Selective Insurance Grp, Inc.	0.50%

¹Turnover 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.

^{2,3,4}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: (2) Morningstar; (3) FactSet; (4) 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. The benchmark is intended to provide a comparison to the broad U.S. large cap stock market, and may not be representative of the Portfolio's investment strategies and holdings.

Holdings Information

Number of Holdings	606
Turnover Ratio (last 12-months) ¹	21%

Risk/Volatility Measures

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 ²
3 Year	16.21%	10.95%
5 Year	15.23%	10.95%
10 Year	18.11%	13.61%

Equity Characterizations

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 ³
Avg Mkt Cap	\$1.3 B	\$45.7 B
Wtd Median Mkt Cap	\$1.6 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 ⁴
P/E Ratio	16.5	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 ⁴
ROE	9.6%	20.1%

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