



**December 31, 2017**

**Portfolio Inception Date** 4/30/2008    **Separate Account Date** 10/31/2002    **Total Portfolio Assets** \$193.4 million

**Portfolio Description**

The Thrivent Partner Healthcare Portfolio has been managed by BlackRock Investment Management since 9/11/2017. Prior to that date, it was subadvised by Sectoral Asset Management. It seeks to provide access to a portfolio of health sciences and related industry companies. Investments may include companies that are engaged in the development, production or distribution of pharmaceutical, biotechnology and medical technology and equipment products or services. The Portfolio invests primarily in domestic small, medium and large companies and may invest in companies located outside of the U.S.

**Investment Strategy/Process**

The portfolio management team employs fundamental analysis to the health sciences industry and individual companies. Industry analysis considers structure and dynamics, political and regulatory environment, drivers of growth, margin trends, and valuation. Potential investments are identified through a “bottom-up” approach that seeks to understand the business, product potential, and fair valuations of each company. In selecting stocks, the subadviser engages in primary research and focuses on evaluating the company’s business economics and industry fundamentals, competitive positive, and financial strength. It also assesses the validity and marketability of the company’s products and services and its valuations in the marketplace.

**Growth of \$10,000 and Calendar Year Performance (%)**

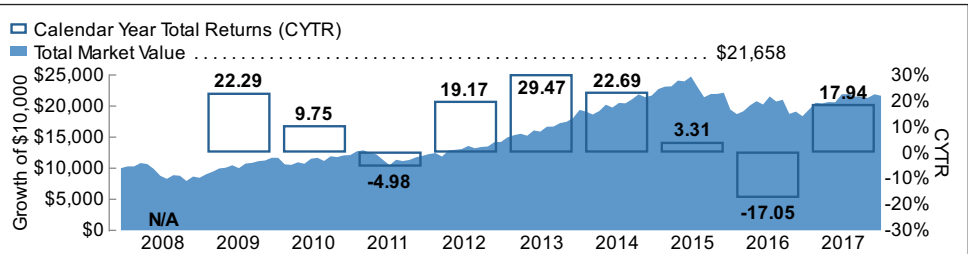


Chart represents the total market value if the contract is not surrendered. Performance reflects the deduction of current mortality and expense charge of 1.25% and applicable annual portfolio operating expenses. Performance of other contracts will be greater or less than the data shown based on the differences 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.
If Contract Is Held	1.04	17.94	17.94	0.35	9.93	N/A	8.32
If Contract Is Surrendered	-5.32	10.51	10.51	-1.18	9.33	N/A	8.32
S&P Composite 1500® Healthcare Index	1.62	22.47	22.47	8.82	17.98	11.36	N/A
MSCI World Healthcare Index – USD Net Returns	0.87	19.80	19.80	5.97	13.88	8.94	N/A
Lipper Health/Biotechnology Funds Median <sup>1</sup>	1.37	22.91	22.91	7.37	18.78	12.13	N/A

*All data represents past performance of the subaccount in Thrivent Flexible Premium Deferred Variable Annuity (Contract W-BC-FPVA (05)) and is no guarantee 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. Data reflects the deduction of the current and maximum mortality and expense charge of 1.25% and applicable annual portfolio operating expenses. Annual expenses are subject to change. See the prospectus for detailed information on fees related specifically to this subaccount.*

Periods less than one year are not annualized. Trailing return calculations assume an initial investment of \$10,000. At various times the investment adviser may have reimbursed Portfolio expenses. Had the investment adviser not done so, the total returns would have been lower.

**Trailing returns do not include any adjustments for any annual administrative or additional feature charges. “If surrendered” data reflects the applicable surrender charge for the time period. “If held” values do not include surrender charges. Maximum surrender charge is 7% if surrendered in the first year and decreases by 1% each subsequent year for the next six years. “Since inception” returns are calculated from the inception date listed above and is based on the date the portfolio was added to the separate account used with this contract.**

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

**Investment Objective**

Thrivent Partner Healthcare Portfolio seeks long-term capital growth.

**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 the high level of risk and volatility associated with investing in a single sector, in pursuit of potentially high long-term returns.

**Portfolio Operating Expense Ratio**

Gross: 0.99%  
Net: 0.95%

The Adviser has contractually agreed, through at least April 30, 2018, to reimburse certain expenses associated with the Portfolio. Refer to the expense table in the Series Fund’s prospectus.

**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 Composite 1500® Healthcare Index** measures the performance of the healthcare sector of the U.S. equity market.
- **Morgan Stanley Capital International (MSCI) World Healthcare Index - USD Net Returns** is an unmanaged, capitalization weighted index that measures the performance of health care-related stocks from around the world. It was a benchmark for this Portfolio until 9/11/2017.

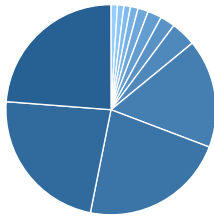
**Portfolio Management & Experience**

**BlackRock Investment Management, LLC**  
Portfolio Start: 2017

*Risks: The Portfolio primarily invests in healthcare companies, which are subject to numerous risks including legislative or regulatory changes and adverse market conditions. 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 incorrect assessments of investments by its investment advisers. Small and medium-sized companies often have greater price volatility and less liquidity than larger companies. 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. The Portfolio is non-diversified, which means that it may invest a greater percentage of its assets in the securities of any single issuer compared with diversified portfolios.*

December 31, 2017

## Portfolio Diversification



Pharmaceuticals	24.0%
Biotechnology	23.3%
Health Care Equipment	22.6%
Managed Health Care	16.9%
Health Care Services	4.0%
Life Sciences Tools & Services	2.4%
Cash	2.3%
Health Care Distributors	1.7%
Health Care Facilities	1.3%
Health Care Supplies	0.6%
Consumer Discretionary	0.5%
Health Care Technology	0.4%

## Top 10 Holdings (36.41% of Portfolio, as of 11/30/2017)

UnitedHealth Group, Inc.	8.51%
Medtronic plc	4.06%
Pfizer, Inc.	3.83%
Stryker Corporation	3.42%
Abbott Laboratories	3.25%
Amgen, Inc.	3.15%
CIGNA Corporation	2.97%
Johnson & Johnson	2.67%
Baxter Int'l, Inc.	2.37%
Humana, Inc.	2.18%

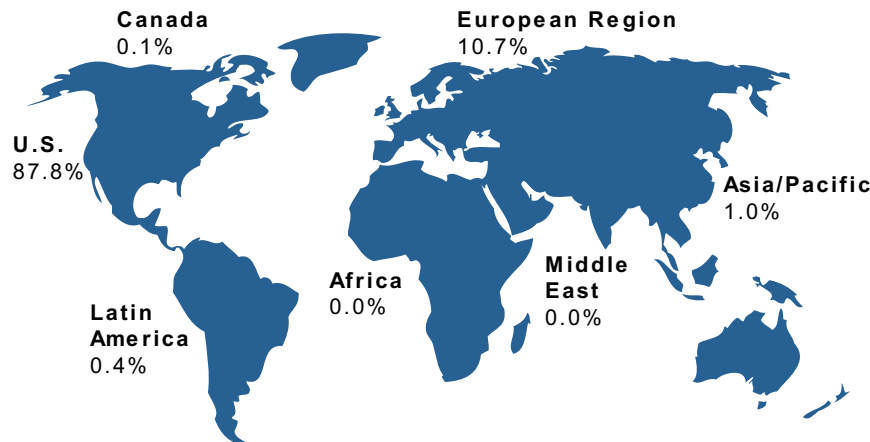
## World Region Breakdown

Developed International	11.8%
Other	0.4%
United States	87.8%

## Top 5 Countries (95.6% of Portfolio)

United States	87.8%
Ireland	2.3%
United Kingdom	2.0%
Switzerland	1.9%
Denmark	1.6%

Data is based on country of incorporation. Some companies may be domiciled in offshore locations that may not reflect the primary place of business.



<sup>2</sup>Turnover Ratio: 12-month rolling as of 11/30/2017. 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>3,4,5</sup>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: (3) Morningstar; (4) FactSet; (5) Thrivent Financial.

**Investing in variable annuities involves risk, including the possible loss of principal. More complete information on the investment objectives, risks, charges and expenses of the variable annuity contract and underlying investment options is included in the prospectuses, which investors should read and consider carefully before investing. Prospectuses are available from a Thrivent Financial representative or at Thrivent.com. Since every investor's situation is unique, please work with a financial representative 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	103
Turnover Ratio (last 12-months) <sup>2</sup>	219%

### 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 <sup>3</sup>
3 Year	15.27%	10.07%
5 Year	13.75%	9.49%
10 Year	N/A	15.08%

### Equity Characteristics

**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 <sup>4</sup>
Avg Mkt Cap	\$41.7 B	\$49.7 B
Wtd Median Mkt Cap	\$58.7 B	\$96.6 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 <sup>5</sup>
P/E Ratio	24.4	23.2

**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 <sup>5</sup>
ROE	13.9%	19.3%