



**March 31, 2018**

**Portfolio Inception Date** 10/31/2002    **Separate Account Date** 10/31/2002    **Total Portfolio Assets** \$505.4 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 a medium-sized company. 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.

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

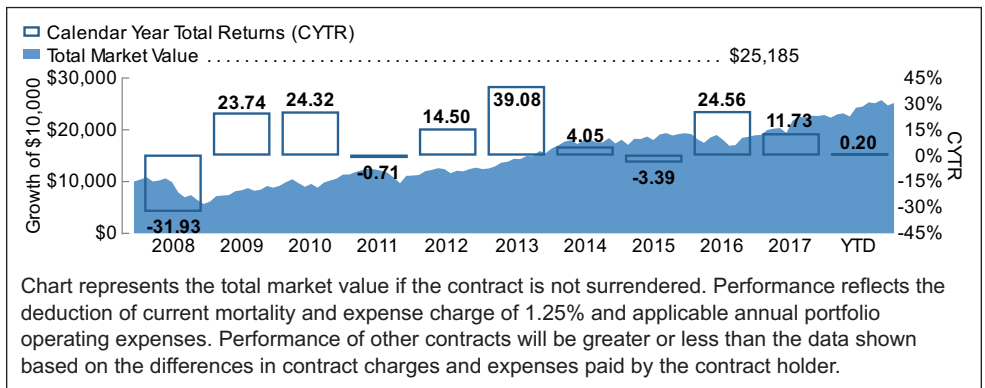


Chart represents the total market value if the contract is not surrendered. Performance reflects the deduction of current mortality and expense charge of 1.25% and applicable annual portfolio operating expenses. Performance of other contracts will be greater or less than the data shown based on the differences 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	0.20	0.20	11.11	9.15	11.84	9.68	10.35
If Contract Is Surrendered	-6.11	-6.11	4.11	7.48	11.23	9.68	10.35
S&P SmallCap 600 Index	0.57	0.57	12.68	10.76	13.56	11.35	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. Visit Thrivent.com or call 800-847-4836 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.*

**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.

**Portfolio Operating Expense Ratio**

Gross: 0.28%  
Net: 0.28%

**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**

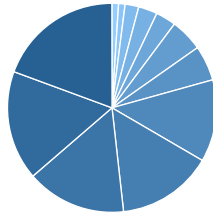
Portfolio Start: 2018  
Industry Start: 2001

*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

March 31, 2018

## Portfolio Diversification



Industrials	19.3%
Financials	16.9%
Information Technology	15.4%
Consumer Discretionary	14.8%
Health Care	12.7%
Real Estate	5.5%
Materials	5.1%
Energy	3.2%
Consumer Staples	3.0%
Utilities	2.2%
Telecommunication Services	1.0%
Miscellaneous	0.9%

## Top 10 Holdings (6.02% of Portfolio, as of 02/28/2018)

Nektar Therapeutics	1.72%
Chemed Corp	0.53%
Cantel Medical Corp	0.52%
On Assignment, Inc.	0.48%
Haemonetics Corp	0.47%
Lumentum Holdings, Inc.	0.47%
Five Below, Inc.	0.47%
CACI Int'l, Inc.	0.46%
Evercore, Inc.	0.46%
FirstCash, Inc.	0.44%

<sup>1</sup>Turnover Ratio: 12-month rolling as of 2/28/2018. 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.

<sup>2,3,4</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: (2) Morningstar; (3) FactSet; (4) 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	607
Turnover Ratio (last 12-months) <sup>1</sup>	16%

### 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>2</sup>
3 Year	13.53%	10.26%
5 Year	13.42%	9.87%
10 Year	19.28%	15.05%

### 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>3</sup>
Avg Mkt Cap	\$1.3 B	\$48.9 B
Wtd Median Mkt Cap	\$1.7 B	\$100.5 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>4</sup>
P/E Ratio	21.5	21.5

**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>4</sup>
ROE	10.1%	19.7%

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