

# Thrivent High Yield Fund

**Inception Date** Apr. 03, 1987    **Ticker** LBHYX    **Total Fund Assets** \$681.78 million    **Expense Ratio** Gross: 0.81%

## Fund Description

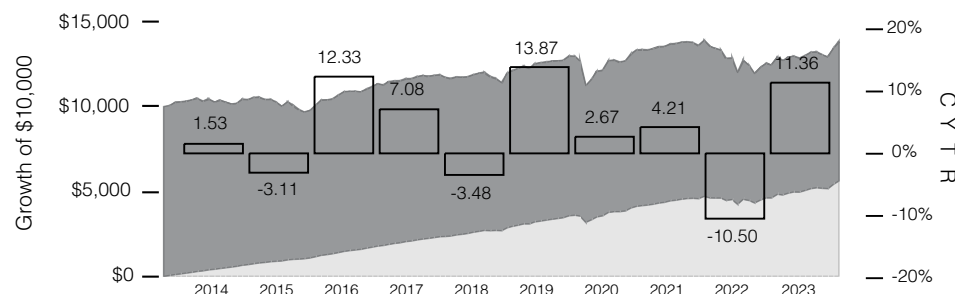
This fund invests primarily in corporate bonds that are either unrated or rated as "below investment-grade," commonly known as "junk bonds." Credit rating agencies evaluate bond issuers and assign ratings based on their ability to pay interest and repay principal as scheduled. Bond issuers that are considered to have a greater risk of defaulting on payments pay higher interest rates to compensate investors for the additional risk. The Fund is managed as a high yield portfolio that primarily invests in bonds in the top three ratings of the high yield credit quality spectrum. The high yield sector may provide portfolio diversification benefits because it has a low correlation to other sectors of the fixed income market and less sensitivity to interest rate risk, but is more risky than investment-grade debt. The Fund may also utilize derivatives to manage duration, or interest rate risk.

## 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. Through careful credit research, the team strives to identify U.S. companies that will have adequate cash flows to meet their principal and interest obligations. The team also considers the macro-economic environment and performs an ongoing assessment of relative value and risk. Based on this market outlook, the Fund may take overweight and underweight positions in various industries and may reallocate across the higher and lower-quality segments of the high yield market.

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

□ Calendar Year Total Returns (CYTR) - without charges, fees, or expenses  
■ Total Market Value (reflects reinvestment of all dividends and capital gains) - \$13,869  
□ Current Value of Reinvested Dividends and Capital Gains - \$5,637



## Average Annualized Returns (%) Periods less than one year are not annualized

|                                       | 3 Mo | YTD   | 1 Year | 3 Year | 5 Year | 10 Year | Since Incep |
|---------------------------------------|------|-------|--------|--------|--------|---------|-------------|
| Class A (without sales charge)        | 6.04 | 11.36 | 11.36  | 1.27   | 3.96   | 3.32    | 5.94        |
| Class A (with 4.50% max sales charge) | 1.24 | 6.29  | 6.29   | -0.26  | 3.00   | 2.85    | 5.81        |
| Bloomberg U.S. Corp Hi Yld Bd Index   | 7.16 | 13.45 | 13.45  | 1.98   | 5.37   | 4.60    | N/A         |
| Morningstar High Yield Bond Avg**     | 6.21 | 12.08 | 12.08  | 1.88   | 4.70   | 3.68    | N/A         |

All data represents past performance. Past performance does not guarantee future results. The investment return and principal value of the investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. Current performance may be lower or higher than the performance data quoted. Call 800-847-4836 or visit [thriventfunds.com](http://thriventfunds.com) for performance results current to the most recent month-end.

Performance shown assumes the reinvestment of all dividends and capital gains. Other share class performance may vary due to differences in expenses.

\*\*The Morningstar average represents the average total return annualized when greater than one year for all reported funds in the category. Morningstar averages do not include sales charges/fees. If included, returns would have been lower.

## Investment Objective

Thrivent High Yield Fund seeks high current income, and secondarily growth of capital.

## Minimum Investment

Non-retirement: \$2,000; IRA or tax-deferred: \$1,000; Subsequent: \$50

## Benchmark(s)

Any indexes shown are unmanaged and do not reflect the typical costs of investing. Investors cannot invest directly in an index.

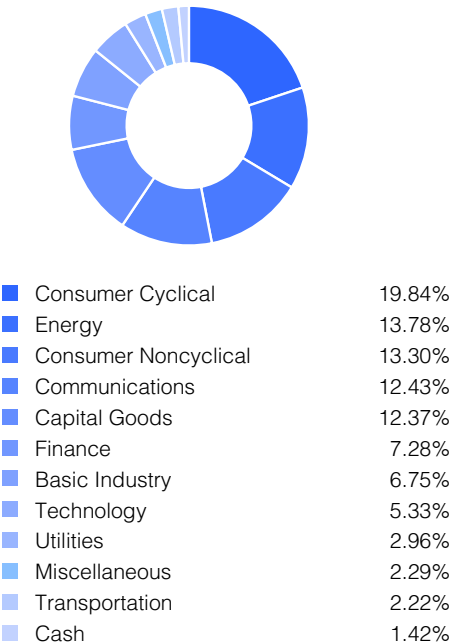
**Bloomberg US Corporate High Yield Bond Index** measures the performance of fixed-rate non-investment grade bonds.

## Fund Management & Experience

Paul Ocenasek, CFA—Industry: 1987, Fund: 1997;  
Paul Tommerdahl, CFA—Industry: 2008, Fund: 2023

**Risks:** High yield securities are subject to increased credit risk as well as liquidity risk. Debt securities are subject to risks such as declining prices during periods of rising interest rates and credit risk, or the risk that an issuer may not pay its debt. Convertible securities are subject to additional risks and may also be forced to convert at an inopportune time which may decrease returns. The use of derivatives such as futures involves additional risks and transaction costs. Foreign investments involve additional risks, such as currency fluctuations and political, economic and market instability. The Adviser's assessment of investments may prove incorrect, resulting in losses or poor performance. Leveraged loans also known as bank loans are subject to numerous risks. The London Interbank Offered Rate (LIBOR) is being phased out, which brings uncertainty to instruments tied to it. When bond inventories are low in relation to the market size, there is the potential for decreased liquidity and increased price volatility. Securities markets generally tend to move in cycles with periods when security prices rise and periods when security prices decline. When interest rates fall, certain obligations will be paid off more quickly and proceeds may have to be invested in securities with lower yields. In unusual circumstances, the Fund could experience a loss when selling portfolio securities to meet redemption requests for a variety of reasons. These and other risks are described in the prospectus.

Diversification



Top 10 Holdings—excluding derivatives and cash (7.37% of Fund, as of Nov 30 2023)

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 |
|---------------------------------------|----------------|-------------|---------------|
| SPDR Bloomberg Sh-Tm HY Bd ETF        | 2.19%          | N/A         | N/A           |
| Herc Holdings, Inc.                   | 0.68%          | 5.50        | 07/27         |
| Albertson's Cos, Inc.                 | 0.62%          | 5.88        | 02/28         |
| H&E Equipment Svcs, Inc.              | 0.59%          | 3.88        | 12/28         |
| SS&C Tech, Inc.                       | 0.58%          | 5.50        | 09/27         |
| Tenet Healthcare Corp                 | 0.57%          | 5.13        | 11/27         |
| 1011778 B.C., ULC/New Red Finance Inc | 0.56%          | 4.38        | 01/28         |
| Teva Pharma Fin Netherlands III BV    | 0.53%          | 3.15        | 10/26         |
| Gray Escrow II, Inc.                  | 0.53%          | 5.38        | 11/31         |
| GFL Environmental, Inc.               | 0.52%          | 4.00        | 08/28         |

Credit Quality Rating Distribution

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

| Category                                | Percentage |
|---|------------|
| High Quality (HQ)                       | 4.32%      |
| Cash                                    | 1.42%      |
| U.S. Gov't Guaranteed                   | --         |
| AAA                                     | --         |
| AA                                      | --         |
| A                                       | 0.13%      |
| BBB                                     | 2.77%      |
| High Yield (HY)                         | 93.24%     |
| BB                                      | 34.74%     |
| B                                       | 49.19%     |
| CCC                                     | 9.19%      |
| CC                                      | --         |
| C                                       | --         |
| D                                       | 0.12%      |
| Other                                   | 2.43%      |
| Non-Rated (NR)                          | 0.14%      |
| ETFs/Closed-End Funds (may be HQ/HY/NR) | 2.29%      |

Fund Statistics

Statistics shown below are compared to Bloomberg U.S. Aggregate Bond Index (measures performance of U.S. investment-grade bonds). It is intended to provide a broad comparison to U.S. bond market, and may not be representative of the Fund's investment strategies and holdings.

Holdings Information

|  |     |
|--|-----|
| Number of Holdings                           | 492 |
| Turnover Ratio (last 12-months) <sup>†</sup> | 29% |

Yield

|  |       |
|--|-------|
| Yield: The income return on an investment as of the date of this report. |       |
| 30-Day SEC Yield   | 6.68% |

Risk/Volatility Measures

Standard Deviation: Measures risk by showing how much a fund fluctuates relative to its average return over a period of time.

|         | Fund | BBg U.S. Agg Bd <sup>††</sup> |
|---------|------|-------------------------------|
| 3 Year  | 8.26 | 7.04                          |
| 5 Year  | 9.41 | 6.10                          |
| 10 Year | 7.39 | 4.73                          |

Fixed-Income Characteristics

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

|   | Fund | BBg U.S. Agg Bd <sup>††</sup> |
|---|------|-------------------------------|
| Effective Duration (years)  | 3.01 | 6.24                          |
| Weighted Average Life: The market-value weighted average of the time remaining until the bonds in the portfolio will repay principal. |      |                               |

|                      | Fund | BBg U.S. Agg Bd <sup>††</sup> |
|----------------------|------|-------------------------------|
| Wtd Avg Life (years) | 4.07 | 8.81                          |

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Dividend Distributions & Price History

(Trailing 12-Months; Dividend Schedule: Paid Monthly)

|        | Dividends        | Month-End NAV <sup>††</sup> | Month-End POP <sup>†</sup> |
|--------|------------------|-----------------------------|----------------------------|
| Jan-23 | 0.0188           | \$4.11                      | \$4.30                     |
| Feb-23 | 0.0174           | \$4.03                      | \$4.22                     |
| Mar-23 | 0.0194           | \$4.07                      | \$4.26                     |
| Apr-23 | 0.0175           | \$4.08                      | \$4.27                     |
| May-23 | 0.0204           | \$4.02                      | \$4.21                     |
| Jun-23 | 0.0187           | \$4.05                      | \$4.24                     |
| Jul-23 | 0.0192           | \$4.09                      | \$4.28                     |
| Aug-23 | 0.0189           | \$4.08                      | \$4.27                     |
| Sep-23 | 0.0184           | \$4.01                      | \$4.20                     |
| Oct-23 | 0.0204           | \$3.94                      | \$4.13                     |
| Nov-23 | 0.0203           | \$4.08                      | \$4.27                     |
| Dec-23 | 0.0194           | \$4.19                      | \$4.39                     |
|        | \$0.2288 (Total) | \$4.05 (Avg.) <sup>§</sup>  | \$4.24 (Avg.) <sup>§</sup> |

<sup>†</sup>Turnover Ratio: 12-month rolling as of Nov 30 2023. A measure of a Fund's trading activity calculated by dividing the lesser of long-term purchases/sales by average long-term market value.

<sup>††</sup>Bloomberg Index Services Limited. BLOOMBERG® is a trademark and service mark of Bloomberg Finance L.P. and its affiliates (collectively "Bloomberg").

<sup>††</sup>NAV = Net Asset Value (without sales charge, not available to all investors).

<sup>†</sup>POP = Public Offering Price (with max sales charge - see prospectus for details).

<sup>§</sup>Average of the daily NAV/POP values for the trailing 12-months.

Due to rounding, some numbers may not equal stated totals.

*Investing involves risks, including the possible loss of principal. The prospectus and summary prospectus contain more complete information on the investment objectives, risks, charges and expenses of the fund, and other information, which investors should read and consider carefully before investing. Prospectuses and summary prospectuses are available at [thriventfunds.com](http://thriventfunds.com) or by calling 800-847-4836.*

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