

Thrivent Large Cap Value Fund

Class S TLVIX

December 31, 2025

Management



Kurt Lauber, CFA

Senior Portfolio Manager

Industry: 1990

Fund: 2013



Thomas Lieu, CFA

Senior Portfolio Manager

Industry: 1997

Fund: 2022

Executive Summary

- Thrivent Large Cap Value Fund outperformed the Russell 1000 Value Index for the quarter and every quarter throughout the year, delivering consistent outperformance for the trailing 12 months.
- For the quarter, stock selection was positive in Industrials, Financials, Information Technology, Materials and Energy. Stock selection in Healthcare, Consumer Discretionary and Utilities detracted from performance.
- For the year, stock selection in Information Technology, Communications Services, Financials, and Utilities were positive. Healthcare and Consumer Staples stock selection detracted from performance.
- The Fund remains overweight in attractively valued companies and focuses on companies where future return on invested capital is not correctly priced into a company's valuation.

Performance factors

Thrivent Large Cap Value Fund delivered positive stock selection this quarter in Industrials, Financials, Information Technology, Materials, and Energy. Within Industrials, JB Hunt Transport Services rebounded after a prolonged transportation downturn, supported by improving supply-demand dynamics and company-specific cost-saving initiatives. Delta Airlines benefited from stronger-than-expected travel demand and improved pricing driven by balanced industry capacity. Flowserve saw solid order growth, particularly in nuclear energy, and continued progress on its 80/20 product rationalization strategy. In Financials, Capital One Financial outperformed on better consumer credit trends and optimism around the combined Discovery entity, while First Citizens Bank and Bank of America gained from improved credit conditions and higher net interest income amid a steepening yield curve. Conversely, stock selection in Healthcare, Consumer Discretionary, and Utilities detracted from performance. In Healthcare, Labcorp Holdings lagged on concerns over potential unfavorable Medicare lab test payment changes (PAMA). In Consumer Discretionary, Aptiv PLC underperformed compared to the strength in unowned Ford and General Motors, while Sony Group declined on profit-taking and D.R. Horton fell due to continued housing affordability concerns.

Thrivent Large Cap Value Fund outperformed the Russell 1000 Value Index over the past year, driven by strong stock selection in Information Technology, Communications Services, Financials, and Utilities. In Technology, Micron Technology

and Samsung Electronics benefited from rising memory prices fueled by growing demand for AI-enabled data center servers and increased memory use in autos, AI handsets, and PCs. TD SYNEX gained from AI server demand through its Hyve initiative and the Windows 10 end-of-life PC upgrade cycle, while IBM's transition toward software-driven growth and advancements in quantum computing supported returns. In Communication Services, Warner Bros. Discovery advanced amid competitive bidding for its media assets involving Netflix and Paramount Skydance. The sale of Verizon and underweighting Telecommunications due to rising competition was also beneficial. In Financials, banks and Capital One rebounded as recession fears tied to tariffs eased, while Bank of New York Mellon stood out in asset management with its growing digital asset capabilities. Conversely, concerns about private credit weighed on unowned alternative asset managers. Utilities such as Entergy Corp, Constellation, Vistra Corp, and Duke Energy Corp rose on expectations of higher power demand to support AI data centers, onshoring manufacturing, and electric vehicles.

Stock selection in Health Care and Consumer Staples detracted from performance. In Health Care, not owning CVS Health—which recovered from prior Medicare issues—and owning UnitedHealth during a period of its Medicare payment issues and operational challenges at Optum Health hurt returns. Zimmer Biomet improved market share with better products but fell short of CEO's elevated expectations. In Consumer Staples, Coty Inc underperformed due to weaker beauty product demand and inventory destocking following post-COVID stock builds.

Portfolio outlook

Investor expectations have moved from recession fears on the back of increasing inflation due to tariff increases in the first half of the year to now a view of economic improvement based on stimulus from lower taxes after the passing of the July 2025 tax bill and expectation of the Federal Reserve lowering rates and expectations for few more times in 2026. The Fund investment process is to take advantage of these dislocations and confusion by adding value through a stock selection process that focuses on ranking companies on valuation, operating performance, and catalysts. In an environment in which all Indexes' valuations are above their long-term average and government policy adds to market volatility, sell discipline is also important. The Fund's discipline is to sell a company when the team is uncomfortable with valuation or operating performance and sell the entire company holding when uncomfortable with both. The portfolio sold some Consumer Staples companies and Communication Service companies and added to some Technology and Cyclical companies in first half of the year on recession fears due to tariff risk and DeepSeek fears impacting some technology names. Specifically, the addition of Microsoft, TD SYNEX and Micron Technologies and adding to Delta Airlines in first half, benefited from these worries residing. The Fund sold Walmart and Phillip Morris after many years of strong performance due to being uncomfortable with valuation, and Verizon due to worries of increased competition.

The risk reward is now more balanced going into 2026, and stock selection becomes even more important to deliver value at this point in the cycle and at elevated market valuations. For instance, the portfolio has sold an agriculture holding in Materials for a packaging company and specialty chemical company, and swapped out a Utility position as the regulatory environment was worsening in New Jersey into one where it is expected to improve. Sometimes companies will not perform in accordance with the investment thesis and need to be sold like a life science company and a global beauty company did this year. In summary, the Fund remains overweighted in attractively valued stocks and focused on companies that can improve returns above those already priced into their stock.

Performance

For the period ending December 31, 2025 | Periods less than one year are not annualized.

Average annualized returns (%)	3 months	YTD	1 year	3 years	5 years	10 years	Since Inception
Thrivent Large Cap Value Fund – S share – Expense ratio: net 0.56%, gross 0.56%; Incept. date 10/29/1999	4.91	19.63	19.63	15.15	14.00	12.22	7.54
Russell 1000 Value Index	3.81	15.91	15.91	13.90	11.33	10.53	
S&P 500® Value Index	3.20	13.19	13.19	15.82	12.96	11.73	
Morningstar Large Value Avg	3.15	14.97	14.97	13.88	11.66	10.74	

Top 10 Holdings (excluding derivatives and cash): 25.32% of Fund as of Nov 28 2025: Wells Fargo & Co: 3.32%, Microsoft Corp: 2.90%, Bank of America Corp: 2.73%, Alphabet, Inc., Class C: 2.58%, Johnson & Johnson: 2.56%, Exxon Mobil Corp: 2.44%, Merck & Co, Inc.: 2.34%, Capital One Fin Corp: 2.19%, JPMorgan Chase & Co: 2.17%, Cisco Syst, Inc.: 2.09%

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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 for performance results current to the most recent month-end.

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Russell 1000® Value Index measures the performance of U.S. large capitalization value-oriented equities.

S&P 500® Value Index measures the performance of the value stocks in the S&P 500 Index.

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Risks: Large companies may be unable to respond quickly to new competitive challenges and may not be able to attain a high growth rate. The Fund's value is influenced by a number of factors, including the performance of the broader market and risks specific to the Fund's asset classes, investment styles, and issuers. 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. These and other risks are described in the prospectus.

This commentary may refer to specific securities which Thrivent Mutual Funds may own. A complete listing of the holdings for each of the Thrivent Mutual Funds is available on thriventfunds.com.

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 or by calling 800-847-4836.

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