

Thrivent Mid Cap Growth Fund

Q1 2025 Commentary

TMCGX (Class S) • March 31, 2025

Management



Matthew Finn, CFA

VP, Head of Equity Funds

Industry: 1985
Firm: 2004
Fund: 2025



Mark Militello, CFA

Senior Portfolio Manager

Industry: 1996
Firm: 2022
Fund: 2023

Executive Summary

- The Fund underperformed the Russell Midcap Growth Index over the last quarter primarily due to negative stock selection in the Information Technology, Healthcare, and Consumer Discretionary sectors. This was somewhat offset by positive security selection in the Financials and Industrials sectors.
- New positions were added during the quarter in several sectors, taking advantage of market volatility.
- Fund positioning continues to focus on quality growth across sectors.

Performance factors

Thrivent Mid Cap Growth Fund underperformed the Russell Midcap Growth Index during the quarter due to negative security selection in the Information Technology, Healthcare, and Consumer Discretionary sectors. Within Consumer Discretionary, Decker's Outdoors was the largest performance detractor due to a weaker than expected forward outlook for its HOKA and UGG footwear offerings. Within Information Technology, Marvell Technologies was the largest owned position detractor as their forward outlook was impacted by lower on-premise data center estimates as well as overall elevated A.I. (artificial intelligence) expectations. In addition, not owning Palantir Technologies was the most significant negative impact to the funds Information Technology sector exposure in the quarter. In Healthcare, performance was most impacted by not owning two biotechnology stocks: Intra-Cellular Therapies and Alnylam Pharmaceuticals.

The Fund had positive performance in Financials with Tradeweb Markets outperforming as their results and outlook exceeded expectations. In Industrials, Howmet Aerospace led the positive sector contribution for the quarter.

During the quarter, the Fund took advantage of market volatility to add several new positions across the Consumer Discretionary, Healthcare, and Information Technology sectors. These new positions meet our quality criteria and have excellent long-term growth potential.

Over the last 12 months, the Fund underperformed the Russell Midcap Growth Index with the Information Technology sector the biggest drag. Despite a strong positive contribution from the position in Guidewire Software, not owning two stocks - AppLovin and Palantir- drove the sector under-performance and accounted for more than half of the funds overall underperformance.

Portfolio outlook

The Fund remains focused on identifying quality mid cap growth stocks with differentiated business models and large total addressable markets. Heightened uncertainty fueled by DOGE (Department of Government Efficiency), new and incremental Tariffs as well as NIH (National Institute of Health) funding cuts has created opportunities to add to existing positions as well as initiate new ones during the quarter. The Fund added positions in the Consumer Discretionary, Healthcare, and Information Technology sectors, while exiting several positions in the Consumer Discretionary, Information Technology, Healthcare, Financials, and Consumer Staples sectors as the investment theses for these stocks had either played out or had eroded.

Performance

For the period ending March 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 Mid Cap Growth Fund — S share | -8.72 | -8.72 | -8.16 | -0.27 | 10.39 | N/A | 7.51 |
| - Expense ratio: net 0.90%, gross 1.64%; Incept. date 2/28/2020 | | | | | | | |
| Russell MidCap Growth Index | -7.12 | -7.12 | 3.57 | 6.16 | 14.86 | 10.14 | |
| S&P MidCap 400 Grwth Index | -8.36 | -8.36 | -8.09 | 3.61 | 14.43 | 8.12 | |
| Morningstar Mid-Cap Growth Avg | -8.18 | -8.18 | -2.39 | 1.71 | 12.37 | 8.56 | |

Learn more: thriventfunds.com • Advisors: 800-521-5308 | sales@thriventfunds.com • Investors: 800-847-4836 | contact your advisor

Top 10 Holdings (excluding derivatives and cash) 17.71% of Fund, as of Feb 28 2025: Howmet Aerospace, Inc.: 2.35%, Tradeweb Markets, Inc.: 2.23%, HubSpot, Inc.: 1.90%, ExlService Holdings Inc: 1.70%, DoorDash, Inc.: 1.65%, Waste Connections, Inc.: 1.63%, Dexcom, Inc.: 1.63%, Tyler Tech Inc: 1.58%, Wyndham Hotels & Resorts Inc: 1.54%, Pinterest, Inc.: 1.50%

The Adviser has contractually agreed, for a period of one year from the date of the most recent prospectus, to waive certain fees and/or reimburse certain expenses associated with the Fund. If not waived, returns would have been lower. Refer to the Fees & Expenses table in the prospectus.

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

Russell Midcap[®] Growth Index measures the performance of U.S. medium-capitalization growth-oriented equities.

S&P Midcap 400 Growth Index measures the performance of U.S. medium-capitalization growth-oriented equities.

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. ©2025 Morningstar, Inc. All rights reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

Risks: Medium-sized companies often have greater price volatility, lower trading volume, and less liquidity than larger, more established companies. 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. The Adviser's assessment of investments may prove incorrect, resulting in losses or poor performance. Common stocks of companies that rely extensively on technology, science or communications in their product development or operations may be more volatile than the overall stock market and may or may not move in tandem with the overall stock market. 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.

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.

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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