

Thrivent Multisector Bond Fund

Prior to Feb. 28, 2025, the fund was named Thrivent Opportunity Income Plus Fund.

Class S IIINX

December 31, 2025

Management



Jon-Paul (JP) Gagne
Senior Portfolio Manager
Industry: 2004
Fund: 2025



Stephen Lowe, CFA
Chief Investment Strategist
Industry: 1996
Fund: 2018



Grant Whitehorn, CFA
Senior Portfolio Manager
Industry: 2002
Fund: 2021

Executive Summary

- Thrivent Multisector Bond Fund had a net return of 1.43% in the fourth quarter, which outperformed Morningstar's Multisector Bond category.
- The Fund outperformed Morningstar's Multisector Bond category average over the past year with a net return of 8.07% as compared to 7.75% for the category. The Bloomberg U.S. Aggregate Bond index returned 7.30% over this same period.
- We remain neutral in our duration positioning and favor investment grade bonds to high yield bonds given the overall tightness of credit spreads. There are signs that economic tailwinds could continue and we do see opportunities to pick up incremental yield within sub-sectors of the securitized market and alternatives.

Performance factors

In the fourth quarter of 2025, the Fund outperformed Morningstar's Multisector Bond category average with a net return of 1.43% compared to an average of 1.29% for the category. The Bloomberg U.S. Aggregate Bond index, a broad investment-grade index, returned 1.10% over the quarter. Fund absolute returns were positive primarily due to coupon carry.

The Fund maintains a lower duration exposure as compared to broad fixed income indices, such as the Bloomberg U.S. Aggregate Bond index, but was roughly neutral duration as compared to estimates for the Multisector Bond category average. Positive contributors to relative performance included allocations to emerging market debt and convertible bonds. Security selection within the securitized, emerging market debt, and high yield bond allocations were also positive contributors to performance.

For the trailing twelve months, the Fund outperformed Morningstar's Multisector Bond category average with a net return of 8.07% as compared to 7.75% for the category. The Bloomberg U.S. Aggregate Bond index returned 7.30% over this same period. Positive contributors to relative performance over this period include the Fund's allocation to emerging market debt, high yield bonds, and alternatives.

Over the trailing twelve months the Fund decreased exposure to high yield corporate bonds, while adding to securitized bonds.

Portfolio outlook

Inflation measures have moderated but remain above the Federal Reserve's (Fed) stated target. Some recent employment data has softened and this has led the Fed to cut its overnight lending rate in October and again in December. This less restrictive stance has led to a further steepening of the yield curve and provided a tailwind for markets. Futures markets are currently pricing in further cuts in 2026 but there are competing views as to which side of the Fed's dual mandate will determine its next step. It is possible the Fed will need to pause again for some time if inflation stays at current elevated levels and employment data stabilizes or improves. We plan to maintain a neutral duration positioning in the fund.

With risk spreads near multi-decade tightness, we see less value in taking incremental corporate credit risk now and we continue to favor investment grade rated bonds to high yield bonds. There are pockets of opportunity in other areas of fixed income and all-in yields still look attractive when compared to historical levels. While we are cautious given the tightness of overall spreads at this time, there are signs that economic tailwinds will continue and we remain overweight securitized bonds, alternatives, and emerging market debt as they continue to offer incremental yield for taking exposure to a variety of risk factors.

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 Multisector Bond Fund — S share	1.43	8.07	8.07	7.33	2.43	3.58	4.32
<i>- Expense ratio: net 0.67%, gross 0.67%; Incept. date 12/29/1997</i>							
Bloomberg MBS Index	1.71	8.58	8.58	4.90	0.15	1.59	
Bloomberg U.S. Hi Yld Ba/B 2% Issuer Capped Index	1.53	8.78	8.78	9.34	4.11	6.15	
Morningstar Multisector Bond Avg	1.29	7.75	7.75	7.40	2.89	4.07	

Top 10 Holdings (excluding derivatives and cash): 17.94% of Fund as of Nov 28 2025: Thrivent Core EMD Fd: 9.41%, U.S. Treasury Notes: 2.63%, FHLMC 30-Yr. Pass-Thru: 1.41%, FNMA 30-Yr Pass-Thru: 0.82%, U.S. Treasury Notes: 0.82%, FNMA 15 -Yr Pass-Thru: 0.72%, U.S. Treasury Notes: 0.61%, U.S. Treasury Notes: 0.59%, U.S. Treasury Notes: 0.49%, iShares Broad USD High Yld Corp Bd ETF: 0.44%

Advisors: fp.thriventfunds.com • 800-521-5308 • sales@thriventfunds.com **Investors:** contact your advisor

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.

Any indexes shown are unmanaged and do not reflect the typical costs of investing. Investors cannot invest directly in an index. For more information on the index providers and their disclaimers, visit thriventfunds.com/privacy-and-security/index-provider-notices.

Bloomberg Mortgage-Backed Securities Index represents the performance of securities backed by pools of mortgages.

Bloomberg US High Yield Ba/B 2% Issuer Capped Index represents the performance of Ba or B-rated corporate bond market. Issuers are constrained to a maximum 2% weighting.

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. ©2026 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: 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. Sovereign debt and mortgage-related and other asset-backed securities are subject to additional risks. The Fund's value is influenced by a number of factors, including the performance of the broader market, the effectiveness of the Adviser's allocation strategy, and risks specific to the Fund's issuers. The Adviser is also subject to actual or potential conflicts of interest. The use of derivatives (such as futures) involves additional risks. Foreign investments involve additional risks, such as currency fluctuations and political, economic and market instability, which may be magnified for investments in emerging markets. High yield securities are subject to increased credit risk as well as liquidity risk. The Adviser's assessment of investments may prove incorrect, resulting in losses or poor performance. When bond inventories are low in relation to the market size, there is the potential for decreased liquidity and increased price volatility. The Fund invests in other funds; therefore, the Fund is dependent upon the performance of the other funds and is subject to the risks, additional fees and expenses of the other funds. The Fund may engage in active and frequent trading of portfolio securities, which may result in higher transaction costs and higher taxes. When interest rates fall, certain obligations are paid off more quickly and proceeds may have to be invested in lower-yielding securities with lower yields. 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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