

December 31, 2018

Investment Objective

Thrivent High Income Municipal Bond Fund seeks a high level of current income exempt from federal income taxes.

Who Should Consider Investing?

The Fund may be suitable for investors who:

- Seek income that is generally exempt from federal income taxes. The Fund may invest in municipal securities that are subject to state and local taxes and/or the the alternative minimum tax (AMT). While the dividends earned on a municipal bond fund are usually federally tax-exempt, any capital gains distributions, as well as realized capital gains from selling fund shares, may be taxable.
- Have a medium- to long-term investment time horizon and a moderate risk tolerance.
- Are able to withstand a moderate level of risk and volatility in pursuit of commensurate long-term returns and higher income.

Minimum Investment

Initial (non-retirement): \$2,000
Initial (IRA or tax-deferred): \$1,000
Subsequent: \$50

Expense Ratio

Gross: 3.00%
Net: 0.66%

The Adviser has contractually agreed through at least Feb. 28, 2019 to waive certain expenses associated with the Fund. Refer to the expense table in the prospectus for details.

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.

- **Bloomberg Barclays (BBgBarc) High Yield Municipal Bond Index** is a market value-weighted index composed of non-investment-grade or unrated bonds.

Fund Management & Experience

Janet I. Grangaard, CFA

Fund Start: 2018; Industry Start: 1986

Johan Akesson, CFA

Fund Start: 2018; Industry Start: 1993

Risks: Municipal bonds are subject to risks including, but not limited to, credit risk and interest rate risk. Credit risk is the risk that an issuer of a bond to which the Fund is exposed may no longer be able to pay its debt. Bond prices may decline during periods of rising interest rate and changes by the Federal Reserve to monetary policy could affect interest rates and the value of some securities. Below investment-grade municipal bonds are subject to additional risks including an increased likelihood of default risk. Default risk is the risk that an issuer will not be able to make principal and interest payments in which case the value of the Fund may be negatively affected. Changes in federal income tax laws or rates may affect both the net asset value of the Fund and the taxable equivalent interest generated from securities in the Fund. Some issues may be subject to state and local taxes and/or the federal and state alternative minimum tax (AMT). Any increase in principal value may be taxable. The Fund may incur losses due to investments that do not perform as anticipated by the investment adviser. In periods when dealer inventories of bonds are low in relation to market size, there is the potential for decreased liquidity and increased price volatility in the fixed-income markets. Investing in municipal bonds for the purpose of generating tax-exempt income may not be appropriate for investors in all income tax brackets. Please consult a tax advisor for more detailed information about your specific situation, including state/local tax treatment. These and other risks are described in the Fund's prospectus.

Inception Date **Total Fund Assets** **Ticker**
2/28/2018 \$7.0 million THMBX

Fund Description

Thrivent High Income Municipal Bond Fund invests in a nationally-diversified portfolio of municipal bonds of varying credit quality. A municipal bond is a debt security issued by a city, county or state government to finance its capital expenditures. These bonds often finance public projects such as schools, airports, roads, bridges, sewers, hospitals, and senior living and recreational facilities. Municipal bonds are generally exempt from federal income taxes. The Fund holds at least 50% of its assets in bonds that are unrated or are rated BBB or below, but also has an allocation to higher quality investment-grade bonds. It invests primarily in revenue bonds that are repaid from the revenues generated by the project and may also invest in general obligation bonds that are backed by the taxing authority of the issuer. The Fund will also invest in "tobacco bonds" issued by states to securitize their settlements with tobacco companies. Higher-yielding municipal bonds typically have more credit risk and longer duration than investment-grade bonds.

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 rigorous credit research, the Thrivent Mutual Funds municipal bond analysts seek to identify municipal bonds (both investment-grade and below investment-grade) that are issued by entities with strong fundamentals and sufficient cash flows to meet their principal and interest obligations. The portfolio managers are responsible for portfolio construction and risk management and seek to invest with a prudent level of risk relative to the non-investment grade peer group of funds. The Fund's holdings may be concentrated in certain sectors including health care and education.

Trailing Returns — Average Annual (%)

	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	Since Incept.
Class S share	0.45	N/A	N/A	N/A	N/A	N/A	2.69
BBgBarc High Yield Municipal Bond Index	0.30	4.76	4.76	5.78	6.53	9.12	N/A
Lipper High Yield Municipal Debt Funds Median ¹	0.22	1.49	1.49	3.29	5.73	7.66	N/A

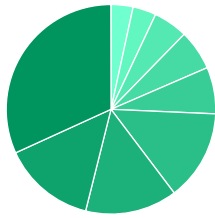
All data represents past performance and assumes the reinvestment of dividends and capital gains. Past performance does not guarantee future results. The investment return and principal value of the investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. Current performance may be lower or higher than the performance data quoted. Visit ThriventFunds.com or call 800-847-4836 for performance results current to the most recent month-end.

¹Source: Lipper. The Lipper median represents the median annualized total return for all reported funds in the classification. Lipper medians do not include sales charges/fees. If included, returns would have been lower.

THRIVENT HIGH INCOME MUNICIPAL BOND FUND — Class S

December 31, 2018

Fund Diversification



Health Care	31.8%
Transportation	14.3%
Education	14.2%
Special Tax Revenue	14.0%
Utilities	7.2%
Miscellaneous	6.2%
Cash	5.3%
Local/State Government	3.6%
Tobacco	3.4%

Bond Quality Rating Distribution (%)

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

Category	Percentage
HIGH QUALITY (HQ)	
Cash	5.3
U.S. Gov't Guaranteed	—
AAA	—
AA	10.8
A	15.0
BBB	43.7
HIGH YIELD (HY)	
BB	6.8
B	—
CCC	—
CC	—
C	—
D	—
OTHER	
Non-Rated (NR)	18.4
ETFs/Closed-End Funds (may be (HQ/HY/NR))	—

Top Ten States (55.64% of Fund, as of 11/30/2018)

Colorado	10.13%
Michigan	7.10%
Illinois	7.08%
Nevada	6.93%
New Jersey	6.75%
Utah	3.61%
North Dakota	3.53%
New York	3.51%
Wisconsin	3.50%
Nebraska	3.50%

Dividend Distributions & Price History (Trailing 12-Months; Dividend Schedule: Paid Monthly)

	Dividends	Month-End NAV ⁶
Feb-18	—	\$10.00
Mar-18	0.0183	\$10.05
Apr-18	0.0294	\$10.02
May-18	0.0311	\$10.18
Jun-18	0.0268	\$10.17
Jul-18	0.0317	\$10.15
Aug-18	0.0314	\$10.13
Sep-18	0.0245	\$10.03
Oct-18	0.0282	\$9.86
Nov-18	0.0271	\$9.91
Dec-18	0.0289	\$9.99
	\$0.2774 (Total)	\$10.04 (Avg.) ⁷

FUND STATISTICS

Statistics shown below are compared to the Bloomberg Barclays U.S. Aggregate Bond Index. The benchmark is intended to provide a comparison to the broad U.S. bond market, and may not be representative of the Fund's investment strategies and holdings.

Holdings Information

Number of Holdings	33
Turnover Ratio (last 12-months) ²	N/A

Yield

Yield: The income return on an investment.

30-Day SEC Yield ³	3.57%
30-Day SEC Yield before any reimbursement of fees	1.27%

Taxable-Equivalent Yield:⁴ The yield an investor would need to earn on a taxable bond in order for its yield to be equivalent to a tax-free investment.

Federal Tax Bracket	Taxable-Equivalent Yield ⁴
12.0%	4.06%
22.0%	4.58%
24.0%	4.70%
32.0%	5.25%
38.8%	5.83%
40.8%	6.03%

Risk/Volatility Measures

Standard Deviation: A statistical measure of volatility. The higher the standard deviation, the riskier an investment is considered to be.

	Fund	BBgBarc U.S. Aggregate ⁵
3 Year	N/A	2.81%
5 Year	N/A	2.77%
10 Year	N/A	3.02%

Fixed-Income Characteristics

Average 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	BBgBarc U.S. Aggregate ⁵
Average Duration (years)	7.0 - 9.0	5.9

Weighted Average Maturity: The market-value weighted average of the time remaining until the maturity date for the underlying bonds held in the Fund.

	Fund
Wtd Average Maturity (years)	18.1

²Turnover Ratio: 12-month rolling as of 11/30/2018. A measure of the Fund's trading activity, calculated by dividing the lesser of long-term purchases or long-term sales by average long-term market value.

³30-Day SEC Yield: Previous 30 calendar days ending 12/31/2018.

⁴The Taxable-Equivalent Yield is based on the 30-Day SEC Yield. The top two tax brackets include the additional 3.8% Net Investment Income Tax (commonly referred to as the "Medicare Contribution Tax").

⁵Source: Barclays Capital Indices, POINT. ©2019 Barclays Capital Inc. Used with permission. POINT is a registered trademark of Barclays Capital Inc. Bloomberg Barclays U.S. Aggregate Bond Index measures the performance of U.S. investment-grade bonds.

⁶NAV = Net Asset Value. Class S-Shares carry no sales charge.

⁷Average of the daily NAV values for the trailing 12 months.

Investing in a mutual fund 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 are available at ThriventFunds.com or by calling 800-847-4836.

The principal underwriter for Thrivent Mutual Funds is Thrivent Distributors, LLC. Thrivent Distributors, LLC is a registered broker/dealer, member of [FINRA](#) and [SIPC](#). Thrivent Asset Management, LLC, an SEC-registered investment adviser, serves as the investment adviser for the Thrivent Mutual Funds. Both entities are subsidiaries of Thrivent Financial for Lutherans.