



Impact at Thrivent

Aligning values with impact: Thrivent's journey

June 2024

Our purpose

To empower lives
of service and faith

Our values

EMPATHY

Genuinely caring for the concerns of others.

IMPACT

Driving for tangible results that help other people

AUTHENTICITY

Sincerely Sharing what you believe

GRATITUDE

Appreciating the true value of every moment

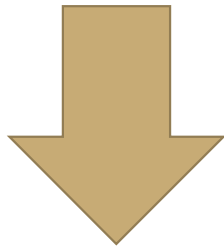
COMMITMENT

Striving for excellence each day

Thrivent's Social Business Model - a little about who we are

Unique financial services company...purpose based...

Fraternal legal structure provides the opportunity and obligation to both meet the financial needs of our membership and advance the common good with and through our membership.



Accountable to a Triple Bottom Line:

- ✓ Drive Impact
- ✓ Deliver Value to Clients and Thrivent
- ✓ Grow Sales
- ✓ Amplify Generosity and Build Financial Wellbeing
- ✓ Engage Membership in Meaningful Experiences
- ✓ Enable Action for Clients and Prospects with Advisors

Our Growth Playbook

U.S. State Law and Internal Revenue Code 501(c)(8), require fraternal benefit societies to:

1. Have a fraternal and benevolent purpose, shown by substantial volunteer activity of membership and lodges;
2. Have a common bond among the membership;
3. Operate under the lodge system; and
4. Provide for the payment of life, sick, accident, or other benefits.

Our Approach to ESG/ Impact

How we got started...

Operate under the mindset of being good stewards of the resources that have been entrusted us.

ESG is not a stand-alone strategy – rather is built into and part of our broader strategies and priorities

Understand and document what we currently do (reporting) and identify linkage to ESG environment

- Regulatory Filing Requirements
 - NAIC Climate Disclosure Survey
 - Corporate Governance Annual Disclosure
 - IRS Form 990
 - State of Wisconsin – Fraternal Expenditures, Activities and Programs
 - Annual Report to Members

Understand the legal and regulatory environment specific to ESG

- U.S. Regulatory environment is not consistent or coordinated, with multiple agencies and states weighing in. We need to wade through to find what is applicable to us (not-for-profit, financial services, life insurer, mutual funds, banking, etc.)
 - National Association of Insurance Commissioners
 - Securities Exchange Commission

Our Journey

How we got started...

Thrivent is in its infancy ... and we are intentionally slow walking as we understand and navigate the regulatory environment, marketplace expectations, client expectations and various requirements. While also maintaining our focus on the enterprise transformation that we have embarked on that touches all major areas of our business.

- Initially formed some internal groups to examine what we do and why and the opportunity space.
 - This group gained insights on what our competitors are doing and how they are reporting to help us understand where we could be differentiated
- Formed a working team specific to our regulatory filing requirement (NAIC) – this group has been up and running for a couple of years and has been responding to the evolving filing requirements. This filing allowed us to learn more about the various components of ESG reporting (though the NAIC is more focused on environmental).
- Our Investment division has been more active (ESG ETF, ESG Index Portfolio, Impact Managed Portfolios).

Our Journey

Progress

Examples of how we're making progress...

- Improving business processes, while making it easier for clients to do business with Thrivent
 - Releasing more digital self-service transactions
 - Improving payments and money movement (reduce inbound check volumes by enabling ease of electronic payments)
- Reducing size of our physical footprints
 - Corporate headquarters in MN significant reduction in size (improved recycling, introduction of composting, greater energy efficiency, etc.)
 - Looking to redevelop our operations center in WI through size reduction, redevelopment, and enhanced green space for community
- Impact in community
 - Partnership with Goodwill Industries – group supported employment program to enable employment with people with disabilities
 - 2023 – 157,303 Thrivent Action Teams (episodic volunteer activities) that engaged 2M people in 14M volunteer hours – 10-year program = 1M+ Thrivent Action Teams and greater than \$1B dollars raised and contributed to impact local communities

ICMIF

The ICMIF SDG Calculator gave us an opportunity to look outside in and measure ourselves against something – to give us a baseline.

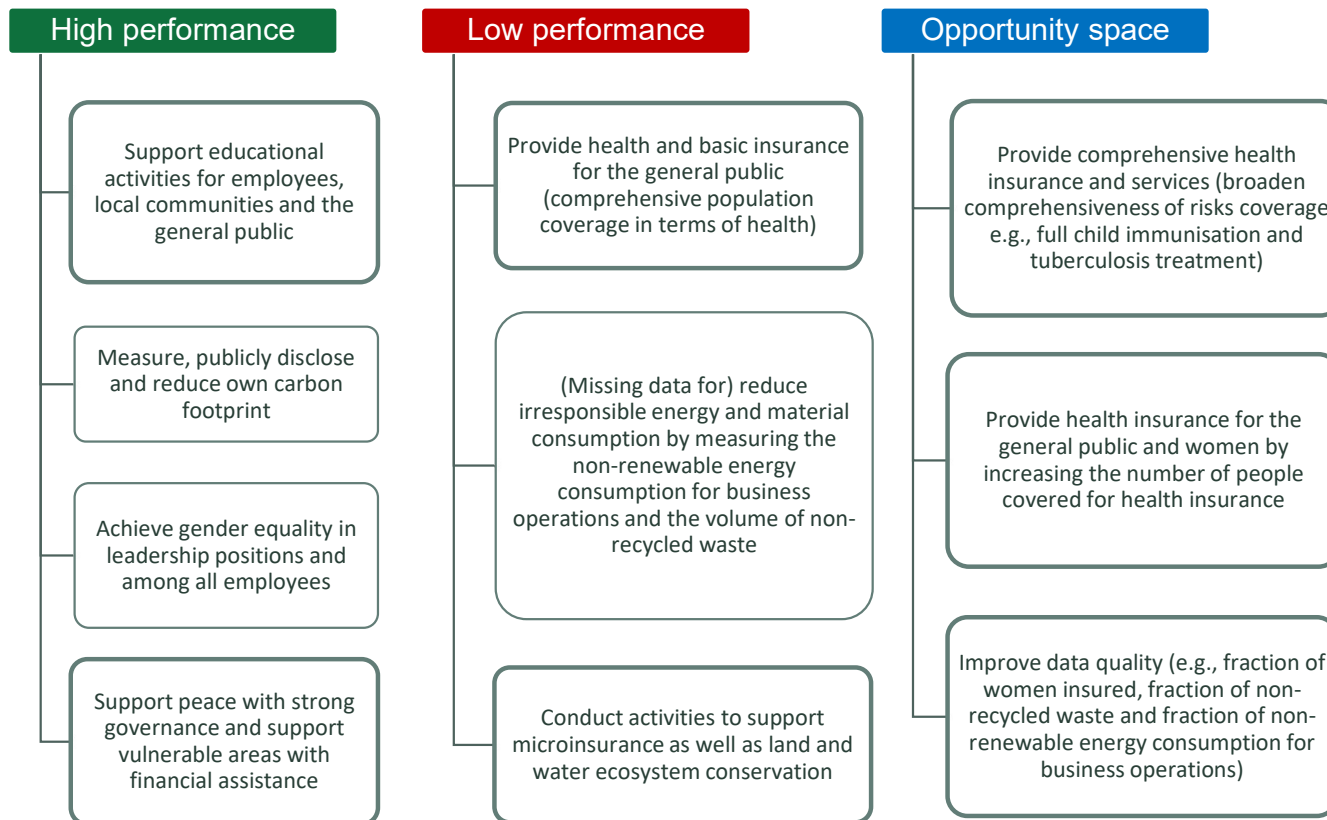
Thrivent's company iSDG score Results (out of a total score of 10)

																	
0.7	10	2.4	10	6.2	2.5	N.A.	7.2	N.A.	7.2	2.5	0	5.8	2.5	2.5	7.5	3.7	4.7

And we learned more about Thrivent in this process – data is difficult and part of our transformation, while not focused on the SDGs, we have done good work to meet some of those goals.

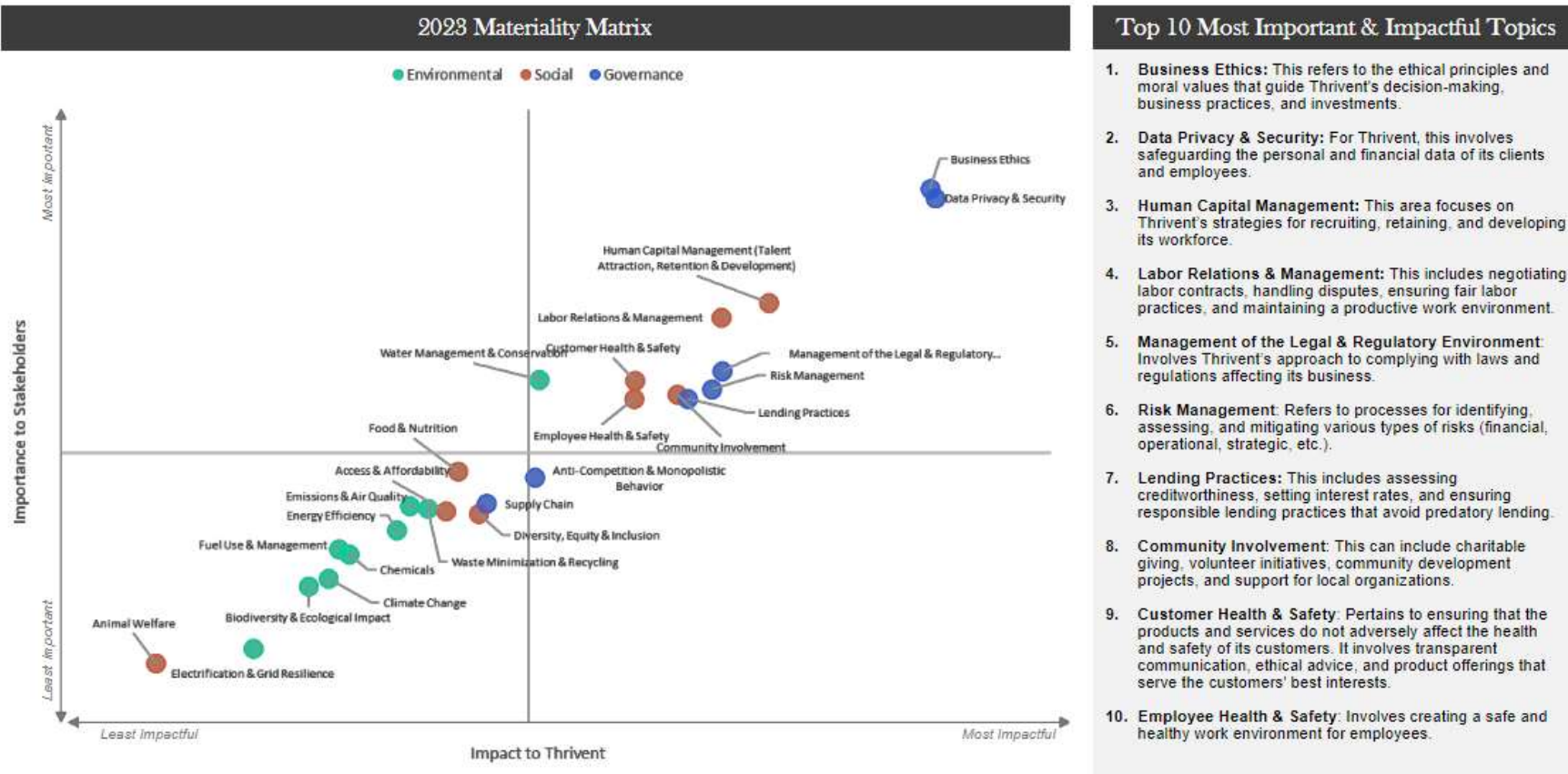
Thrivent's company iSDG score

Highlights and iSDG impact optimisation opportunities



Materiality Assessment

We wanted to hear from our stakeholders on what is important to them in this space



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What's next?

What story do we want to tell ... and how do we tell it?

Social Impact Approaches

Because of our Fraternal structure, Societal Impact/Social Impact is where our strength lies

	Approach	Our Programs & Offerings
Fraternal Model	Through members	<ul style="list-style-type: none"> • Offerings inspire and amplify charitable giving and volunteerism of our membership
	Through our lodge	<ul style="list-style-type: none"> • Local charitable and educational events • Board-led regional causes
	Non-profit service model	<ul style="list-style-type: none"> • Financial wellness offerings
Approaches available to all businesses	Through workforce	<ul style="list-style-type: none"> • Personnel practices & workforce benefits
	Through products & services	<ul style="list-style-type: none"> • Investment practices
	Philanthropic Investments	<ul style="list-style-type: none"> • Invest in charitable organizations focused on economic access and mobility in corporate communities
	Business Practices & Policies	<ul style="list-style-type: none"> • Currently there is limited coordination on how desired environmental or social impact is woven into business practices and/or policies.

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Social Impact Programs

Thrivent's social impact investments can be broadly put into one of three categories.

01 Inspiring Generosity

Thrivent enables, inspires and strengthens the generosity of clients, workforce, and organizations through numerous offerings, campaigns and practices across the organization.

Examples:

- **Workforce**| Employee/FP gift matching, Cause Cards for volunteerism, Thrivent Communities for impact through Advisors, Charitable consulting services
- **Clients**| Thrivent Action Teams, Thrivent Choice, Personalized charitable solutions & services including legacy planning, charitable funds/life insurance/annuities/trusts, mission-based/socially responsible investment options
- **Organizations**| Organizational Endowment Fund Management, Workshops series for pastors and congregations

02 Investing in Financial Wellness

Thrivent addresses economic access and financial education for people of varying ages and backgrounds through corporate talent and capabilities as well as through philanthropic partnerships.

Examples:

- **Corporate Responsibility**| Grantmaking to community organizations in corporate communities addressing economic inequities.
- **For Clients & Community Members**| Financial Workshops and Education, Money Canvas
- **For Organizations**| Workshops on financial topics for pastors, Financial management training courses for non-profit leaders

03 Integrating Uncommon Care

Thrivent approaches the unique needs and challenges of its clients differently from others in our industry. Through practices and programs, Thrivent takes on costs in order to provide unparalleled care for clients and their families.

Examples:

- **Product Practices** | Extension of new product features/benefits to In-Force Business
- **Membership Programs** | Membership Dispute Resolution Program and claims practices that focus on and celebrate paying claims
- **Membership Benefits and Experiences** | Care package for grieving parents, Christian concert series, Inspirational Speakers, Uninsurable child life insurance benefit

*Link to client/audience research

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Social Impact Metrics

Thrivent social impact teams leverage a variety of performance indicators to monitor program effectiveness and results. Results are reported each year through our Annual Report to Membership, a Fraternal Outcomes report to the state of Wisconsin, and Federal 990 Reporting.

Definitions & KPIs

Used Currently?

<p>Operational Track the efficiency of program operations Example: Number of gift matching requests processed, # of calls per project approved</p>	✓
<p>Outputs Data produced through programs or activities Example: Dollars raised through Thrivent Action Teams</p>	✓
<p>Indicators of Social Impact Outcomes Measures used by Thrivent or community organizations to approximate social outcomes changes by participants and/or constituents. Example: Reported increase in personal savings</p>	Limited
<p>Feedback Audience-specific data (qualitative/quantitative) from participants and stakeholders Example: Community stakeholder feedback, Thrivent Action Teams user sentiment analysis</p>	✓
<p>Insights Produced through analysis of any other measures Example: Volunteer participation rate compared to competitive benchmark</p>	✓
<p>Business Outcomes Measures aligned with a particular business strategy Example: Client retention rates, Sales conversion measures, Client satisfaction measures</p>	✓

Environmental Impact Assessment

Business Area	Environmental Impact Assessment	Proposed Actions
Operations	Low Our core business operations have very little environmental impact	<ul style="list-style-type: none"> • Measure and minimize energy usage • Measure and minimize waste • Measure and minimize environmental impact of owned buildings • Consider environmental issues in planning and capital expenditures
Investments	High Our investments and portfolio companies may have significant impact on the environment	<ul style="list-style-type: none"> • Measure and report on environmental risk exposure due to climate change in insurance underwriting • Investment Portfolio > Net zero goal for investment portfolio? • Engagement with portfolio companies on environmental issues • Banking Business > Net zero goal for lending portfolio?
Philanthropy	Medium Our philanthropic investments do not have a significant impact on the environment. However, people and communities are increasingly impacted by climate change	<ul style="list-style-type: none"> • Contribute resources to environmental causes in strategically important locations?

Governance Structure

As a fraternal benefit society, Thrivent is obligated to operate a under regional lodge structure. Lodges operate under the authority of Thrivent's governing board.

- Historically, Thrivent operated with over **1,300** lodges or chapters nationally charged with governance and social good.
- In 2014, Thrivent transitioned to the current lodge structure of **23** lodges or Thrivent Member Networks focused primarily on governance with oversight on new programs designed to make Thrivent's social impact offerings more broadly accessible to all members.
- Thrivent's national governing board members and regional board members must themselves be members of the organization and are elected to their respective boards by Thrivent's membership.
- Elections are held annually, board members are elected to a three-year term and can serve a maximum of terms.