

THRIVENT FINANCIAL FOR LUTHERANS CORPORATE GOVERNANCE GUIDELINES & PRINCIPLES

Thrivent Financial for Lutherans (“Society”) is a fraternal benefit society existing solely to benefit its members and their beneficiaries, to assist Lutheran congregations and institutions, and to undertake such other endeavors as the board of directors (“Board”) shall determine. The Society has a representative form of government in which each fraternal member’s vote has equal weight. The Board is the Society’s supreme governing body.

The Mission of the Thrivent Financial for Lutherans Board of Directors.

The Board represents all members of the Society in fulfilling its mission – to strengthen Christian communities by: Helping members be wise with money and inspiring them to live generously. The Society provides insurance and other welfare benefits to the Lutheran marketplace; participates in fraternal and benevolent activities through its branch system; provides assistance to Lutheran congregations and institutions; and provides assistance to such other lawful social, intellectual, educational, charitable, benevolent, moral, fraternal, patriotic or religious endeavors as the Board may determine.

The Corporate Governance Guidelines & Principles. The Board has adopted the following guidelines & principles based on the requirements set forth in the articles of incorporation, the bylaws, and other general guidelines adopted by the Board.

THE BOARD OF DIRECTORS – Composition and Selection

1. Board Membership Criteria

The Board of Directors desires to have a membership with appropriate diversity in business experience and skills, gender, geographic location, ethnicity, and representation from the Lutheran church bodies/synods.

Members of the Board (“Directors”) must meet the following minimum qualifications:

- Must be a benefit member.
- Must be eligible to serve one full initial term; therefore the nominee shall not have passed his/her 69th birthday as of January 1 of the year of election.
- Employees of the Society, employees of the subsidiaries or affiliates of the Society, employees or officers of a direct competitor of the Society, and persons who sell or manage the sale of the Society’s insurance or insurance of another insurer that is a direct competitor of the Society, are not eligible for election to the board until the expiration of two years from the date of termination of their employment or agency. No person will be eligible to serve on the board of directors if that person is simultaneously a director for another insurer that is a direct competitor of the Society.
- Cannot have a conflict of interest that might impair the independence of judgment or adversely influence the decisions or actions of the nominee if he/she is elected as a director.

The Board has developed guidelines on suggested qualifications for members based on the needs of the Society and the Board. The qualifications are shared with local branches as they consider nominating candidates for election to the Board. The factors to be considered in selecting/electing board of directors candidates are as follows:

Overall a nominee for our Board should be a skillful decision-maker; have the ability to analyze, evaluate, communicate, exercise sound judgment, and provide direction regarding our organization's business and fraternal opportunities and performance. This would include persons with some or all of the following qualifications:

- 15+ years of broad business or organizational leadership experience;
- High integrity and credibility, with a values and mission-centric focus;
- Demonstrated ability to understand, guide, and provide oversight to a sophisticated organization, such as a background in senior management and/or membership on other boards of directors;
- Experience in leading a large-scale organizational change;
- Successfully building and growing a large-scale business enterprise or entrepreneurial enterprise;
- A proven track record of successfully leading and/or working in large group committees;
- Experience in investment management and oversight and/or financial operations;
- History of active membership and leadership in Lutheran institutions; ability to effectively represent the Society to its Members, branches, the Church and its communities;
- History of membership and leadership in non-profit organizations;
- Commitment to expend the necessary time and effort to serve on this Board. This includes a minimum of 40 hours of preparation and attendance at Board and committee meetings, approximately 6 times per year. This level of participation could increase depending on committee assignments;
- Commitment to continually increase his/her knowledge and learnings on key issues affecting the Society, through structured and unstructured educational opportunities. This would include gaining knowledge of the organization's regulatory and rating agencies and their effect on the Society.

2. Mix of Directors

Generally, the Board will consist of not less than $\frac{2}{3}$ rd Directors who are elected directly by the benefit members of the Society. The appointive and principal officer directors shall make up not more than $\frac{1}{3}$ rd of all seated Directors. The percentage of elective and appointive directors, as well as the total number of directors continues to change as Directors transition due to term limitations and normal events in their lives.

3. Size

The Articles of Incorporation provide that the Board of Directors shall consist of 10 to 12 elective Directors, such appointive Directors as the board may appoint (See 5. below) from time to time, and not more than two principal officers of the Society.

4. Election of Directors

The benefit members of the Society elect the elective Directors, with no less than three or more than four directors being elected in a year when an election is held. Elections are conducted via mail or other legal means approved by the Board.

5. Selection of Appointive Directors

The Board may appoint up to four benefit members of the Society to serve as appointive Directors for a term of office of up to one year. Selection is based on the needs of the Board.

6. Filling of Open Seats

The Board is responsible for filling vacancies in its membership, replacing Directors who are unable to continue to serve due to age, disability, death and/or mandatory retirement, and nominating candidates to stand for election during its annual elections. The Board has delegated to the Governance Committee the process of identifying and screening candidates when a vacancy is to be filled and making preliminary recommendations for nominations.

7. Nominations

Branches, as well as the Board, may nominate benefit members for election to the Board.

8. Term of Office

Elective Directors are elected to serve four-year terms.
Appointive Directors are appointed to serve one-year terms.

9. Term Limits and Retirement

No elective, appointive or principal officer Director shall serve beyond January 31 of the calendar year after the calendar year in which he/she attains age 72. Except as otherwise provided in the bylaws in the case of a merger, no Director, except a principal officer Director serving at the pleasure of the Board, shall serve beyond January 31 of the calendar year after the calendar year in which twelve years of service as a Director is completed. Appointive Directors can be appointed for up to four one-year terms.

THE BOARD OF DIRECTORS – Performance

1. Directors Who Change Their Current Job Responsibilities

If a Director experiences a change in professional responsibilities, employment status or affiliation, occupation, business association, directorships, or other similarly material change in circumstances, the Director must provide written notice of the change to the Chair of the Governance Committee. The Governance Committee shall review the disclosure to determine if there is a conflict of interest with respect to the director's change in circumstance. [For purposes of this section, a promotion within the same organization is not considered a material change unless it constitutes a change in occupation.] The Governance Committee shall review the notice and the surrounding circumstances at its next meeting and recommend to the Board the action, if any, to be taken regarding the Director's continued service on the Board.

In developing its recommendation regarding an elective Director, the Governance Committee shall consider, along with other considerations it deems relevant, the Society's conflict of interest procedures, the degree of change from the qualifications, and other circumstances of the Director that were represented to the benefit members in informational material provided during the election. For an appointive Director, the Governance Committee shall consider, along with other considerations it deems relevant, the degree of change from qualifications or other circumstances that were relevant to the decision to appoint the Director.

2. Independent Chair – Non-Executive Chair

The Thrivent Board will be led by an independent chair. The independent chair (the Non-Executive Chair or "Chair") is the presiding director of the Board. The Chair is not an employee of Thrivent and will be independent of management. He or she will foster and promote the integrity of the Board and provide leadership to enhance the effectiveness and independence of the Board, to assist the directors in fulfilling their responsibilities, and to strengthen the cohesion of the Board. The Non-executive Chair of the board will be elected by secret ballot for a one-year term and may serve four consecutive terms. In the absence of the Non-executive Chair, the chair of the Governance Committee will fulfill the duties of the Non-executive Chair.

3. Board Evaluations

The Board has established a three-part evaluation process, consisting of Director self-assessments, peer evaluations and a Board evaluation. The Board evaluation is conducted every other year. The Board evaluation will include a review of the Board's overall effectiveness. The purposes of the Board evaluation are to increase the effectiveness of the Board, and to identify targets of opportunity and areas of focus. The self-assessment and peer evaluations are conducted as Directors approach re-election or re-appointment and are used in evaluating Board members for future appointment or re-election to the Board.

4. Board Compensation

The Board establishes the form and amount of compensation of outside directors. Outside Directors are called on to devote significant time and energy to the performance of their duties. Directors who are principal officers of the Society receive no additional compensation.

The Governance Committee is responsible for ensuring that the Board is compensated effectively, consistent with competitive levels in the marketplace and the compensation philosophy of the organization.

5. Termination

A majority of the full board may remove a Director from office for cause at a meeting of the Board called for that purpose or at a regular meeting of the Board after notice to the Directors that an agenda item will be removal of a Director.

BOARD MEETINGS

1. Scheduling and Selection of Agenda Items for Board Meetings

The Board will hold six regular Board meetings each year, which are scheduled well in advance. Two meetings will be held via teleconference and the remaining meetings will be held at the Society's Corporate Center or Operations Center or another location as designated by the CEO and Chair.

The Chair, CEO and Secretary prepare the agenda for each board meeting, in consultation with the Governance Committee, and distribute it to the Directors in advance of the meeting.

2. Board Materials Distributed in Advance

Information important to the Board's understanding and oversight of the Society will be distributed in writing to the Directors. Management and staff will try to provide material that efficiently furnishes the desired information.

3. Board Presentations

The Board welcomes presentations at its meeting provided they can provide additional insight into the topics on the agenda.

4. Board Access to Employees

Directors have access to Thrivent Financial's executive management team and limited access to those other members of staff that meet regularly with Committees of the Board.

5. Regular Attendance of Non-Directors at Board Meetings.

The Board welcomes the presence of the principal officers and other staff at its meetings when they can provide additional insight and information into the topics on the agenda.

6. Executive Sessions

The Board's general policy is to schedule time for the independent Directors to meet separately at each regular Board meeting. The chair is responsible for chairing the executive sessions. The executive sessions may or may not include the CEO, as determined by the chair.

7. Special Meetings

Special meetings of the Board may be called by the CEO, the chair of the board, or upon written request to the secretary by at least five directors.

BOARD COMMITTEES

1. Standing and Special Committees

The board by resolution adopted by a majority of the full board may designate a governance committee and one or more additional committees of directors. Each committee shall consist of three or more directors who serve by appointment of the board. The committee structure will:

- addresses the board's fiduciary and other responsibilities; and
- provides for the effective and efficient oversight of the organization's risks; and
- provides clear delineation of roles and responsibilities.

At present, the Board has five standing committees on (i) Audit, (ii) Finance; (iii) Governance, (iv) Human Resources and (v) Marketing.

The Board has also established an Executive Committee, which is authorized to act on behalf of the Board between meetings, if such action is required. Such committee shall consist of the Non-Executive chair, the chairs of the standing committees, and the President/CEO, to arrive at the quorum of 7 necessary to take interim action.

2. Assignment and Term of Service of Committee Members

The Governance Committee will advise the Chair, in the assignment of members and designation of chair to committees and recommend the assignments to the Board for approval. The Board has determined that Committee appointments are subject to change depending on the needs of the Board, election results, retirements, etc.

3. Frequency and Length of Committee Meetings and Committee Agenda

The chair of each standing Committee, with the assistance of appropriate members of management and staff, determines the frequency and length of meetings of the

Committee and develops the agenda for each meeting. Committees will hold executive sessions as needed or as determined by the Committee Chair. At the direction of the chair, a member of the Committee, management or staff takes minutes of each Committee meeting.

MANAGEMENT REVIEW AND RESPONSIBILITY

1. Formal Evaluation of President/CEO

The Board formally evaluates the President/CEO's performance annually. Each Director submits feedback anonymously. This process is intended to provide an opportunity for the Board to share judgments about performance, give balanced and meaningful feedback and to enable Directors to share their insights and recognize emerging issues. The Independent Chair and Chair of the Human Resources & Executive Compensation Committee will use the evaluations to provide performance feedback and as a basis for dialogue with the President/CEO.

2. Succession Planning and Management Development

Selecting a Chief Executive Officer and planning for succession is a major responsibility of the Board.

CONFLICT OF INTEREST

It is the policy of the Society to identify and manage conflicts of interest on the part of its Directors, officers, employees, managing partners and sales agents that may impair the independent unbiased judgment of such persons in the discharge of their responsibilities to the Society. This includes required disclosure of all conflicts of interest and the prohibition of certain conflicts of interest.

REVIEW AND MODIFICATION OF THESE PRINCIPLES

The Governance Committee shall review this statement of Principles of Corporate Governance at least once each year, and shall report to the Board any recommendations it may have for amendment.