

NOTICE OF SPECIAL MEETING

OF THE MEMBERS OF THRIVENT FEDERAL CREDIT UNION

The Board of Directors of Thrivent Federal Credit Union (“TFCU”) has called a special meeting of the members of the credit union to be held at 600 Portland Avenue South, Minneapolis, Minnesota 55415, on February 6, 2025, at 10:00 AM (Central Standard Time). Additionally, members may register to join the meeting through a web-based video conference at this link thriventcu.com/register. The purpose of this meeting is:

1. To consider and act upon a plan and proposal for merging TFCU with and into Thrivent Bank, a to-be-formed Utah-chartered, Federal Deposit Insurance Corporation-insured industrial bank, whereby all assets and liabilities of TFCU will be merged with and into Thrivent Bank.
2. To ratify, confirm, and approve the action of the TFCU Board of Directors in authorizing the officers of TFCU, subject to the approval of members, to do all things and to execute all agreements, documents, and other papers necessary to carry out the proposed Merger.

The TFCU Board of Directors encourages you to attend the meeting and vote on the proposed merger. A written ballot, voting, and meeting registrations instructions are enclosed herein.

Reasons for Merger. The TFCU Board of Directors has carefully analyzed all aspects of the proposed merger and has concluded that it is desirable and in the best interest of TFCU members. As an indirect wholly owned subsidiary of Thrivent, Thrivent Bank will have broader access to capital and, therefore, will be able to invest in additional digital tools and experiences, online- and phone-based support, interactive guidance, and banking products to serve its clients. In that spirit, Thrivent Bank’s proposed value proposition will offer products and services that will provide insights into a customer’s current financial behavior and support more informed financial decision making. Thrivent Bank will offer new features that will be delivered digitally and promote better cash management that are not currently available at TFCU. As an example, Thrivent Bank will offer proactive notifications relating to cash flow, such as timely notifications when a transaction may result in a potential overdraft; these notifications will be accompanied with financially responsible and proactive options to solve common cash flow needs (such as borrowing intentionally to cover short term balance shortfalls rather than relying on high-cost overdraft or related products). To further support these digitally delivered features, Thrivent Bank also will offer expanded access to digital and human-based customer support when additional assistance is needed.

Thrivent Bank’s access to capital, not currently available to TFCU, will facilitate the development and delivery of competitive, streamlined products and enhanced services to TFCU members post-merger.

If the merger is approved by TFCU’s membership and the NCUA, and Thrivent receives approval to charter Thrivent Bank, Thrivent Bank will build on the foundation of TFCU and serve both current TFCU members and new clients with exceptional service. Thrivent Bank will offer a competitive and transparent full-service product suite, delivered through easy-to-use digital experiences with direct access to human support, with competitive rates and fees. Ultimately, Thrivent Bank plans to help people achieve financial clarity, enabling lives full of meaning and gratitude.

Alternatives to the Merger. In conforming with the TFCU Board of Directors’ fiduciary duty of diligence on behalf of its members, the TFCU Board of Directors also evaluated a range of

alternatives to the proposed Merger. Because the TFCU Board of Directors strives to be transparent with its members, these alternatives are outlined below. None of these other alternatives would provide the access to capital and investment TFCU needs to grow and continue to provide high quality services to its members. Moreover, each of the alternatives had the additional shortcomings relative to the proposed Merger set forth next to the relevant alternative below. For these reasons, the TFCU Board of Directors determined that the proposed Merger was the best option for members.

1. Merger with another credit union. The TFCU Board of Directors has been unable to identify a viable credit union merger partner for some time, particularly one that is as aligned with TFCU's mission as Thrivent Bank.
2. Spin-off. The TFCU Board of Directors determined that the spin-off of TFCU from Thrivent, with the credit union then existing as a standalone entity with no Thrivent branding or support, would not be in the best interests of TFCU or its members. The anticipated cost of the spin-off is estimated at approximately \$10,800,000 to \$15,000,000, which would have a negative impact on the members' capital. Moreover, an unsuccessful spin-off ultimately could result in merger with another credit union, if possible, or liquidation.
3. Liquidation. The TFCU Board of Directors determined that the liquidation of TFCU would not be in the best interests of TFCU or its members. The anticipated cost of liquidation is estimated at approximately \$20,000,000, which would include but not be limited to: (i) termination of vendor contracts (core system, leases, other IT, etc.); (ii) employee severance/termination costs; (iii) retention payments for key employees; (iv) discount on sale of loan portfolios; (v) discount on sale of other fixed assets; (vi) decline in revenue during liquidation period; (vii) decline in support from Thrivent during liquidation period; (viii) legal/accounting fees; (ix) expenses for communications to members and other stakeholders; (x) Federal Home Loan Bank borrowing early termination penalties; and (xi) miscellaneous fees, costs and other expenses. This cost would reduce the capital available for distribution to members upon completion of the liquidation process.

Changes to Services and Member Benefits. The rates and substantive terms of members' existing loans and savings products will not change as a result of the Merger. All existing TFCU consumer checking accounts will be converted to Negotiable Order of Withdrawal (NOW) accounts, and their features and pricing will remain unchanged (NOW accounts are interest-earning bank accounts whereby the owner may write drafts against the money held on deposit; they are functionally equivalent to a checking account.) Additionally, TFCU business checking accounts will be moved to a NOW account or an alternate account type that is functionally equivalent to a checking account.

Thrivent Bank intends to simplify its available products in order to provide enhancements that serve the broader client base. As a result, for example, while TFCU offers a variety of consumer savings accounts, the Bank initially plans to offer a single consumer savings account product for sale at launch. Similarly, TFCU currently offers two traditional credit cards which focus on a specified benefit, such as a cash rewards card or low-rate card. Thrivent Bank plans to offer a different credit card product with features and pricing that are consistent with its mission to advance financial clarity and wellness.

The following table describes changes to TFCU members' existing products and the availability of products for sale at Thrivent Bank, as Thrivent Bank streamlines and simplifies the products it plans to offer in order to improve the customer experience.

Consumer Product Categories	What is changing (other than non-substantive terms and conditions)?	Can existing TFCU account holders keep their current products?	Can Thrivent Bank customers purchase these types of products?
<i>Checking accounts (NOW accounts)</i>	Consumer checking accounts will become NOW accounts with no changes in functionality.	Yes	Yes
<i>Savings and/or money market deposit accounts</i>	-	Yes	Yes
<i>Certificates of deposit</i>	-	Yes	Yes
<i>Mortgage loans</i>	-	Yes	Yes
<i>Home equity lines of credit (HELOCs) and/or loans</i>	-	Yes	Yes
<i>Auto loans</i>	-	Yes	Yes
<i>Recreational vehicle loans</i>	-	Yes	No – TFCU no longer offers recreational vehicle loans
<i>Education lending products</i>	-	Yes	No – TFCU no longer offers education lending products
<i>Personal loans and/or lines of credit</i>	-	Yes	Yes
<i>Secured loans and/or lines of credit</i>	-	Yes	Yes
<i>Unsecured credit cards</i>	-	Yes	Yes

Business Product Categories	What is changing (other than non-substantive terms and conditions)?	Can existing TFCU account holders keep their current products?	Can Thrivent Bank customers purchase these types of products?
<i>Checking accounts (NOW accounts or alternate account type)</i>	Business checking accounts will become NOW accounts or other comparable accounts with the same functionality.	Yes	Yes
<i>Savings and/or money market deposit accounts</i>	-	Yes	Yes
<i>Certificates of deposit</i>	-	Yes	Yes

Business Product Categories	What is changing (other than non-substantive terms and conditions)?	Can existing TFCU account holders keep their current products?	Can Thrivent Bank customers purchase these types of products?
<i>Business mortgage loans</i>	-	Yes	Yes
<i>Business lines of credit</i>	-	Yes	Yes
<i>Commercial loans</i>	-	Yes	Yes
<i>Paycheck Protection Program loans</i>	-	Yes	No (Federal program no longer offered)

In addition, Thrivent Bank may make non-substantive changes that are not referenced in the above table to products that are currently offered and serviced by TFCU in order to enable the conversion of such products so that they may be offered and serviced by Thrivent Bank. For example, references to TFCU in the terms and conditions will be changed to Thrivent Bank. Many account holders will benefit from improved functionality and enhanced digital access to bank products and services to allow customers to achieve greater benefit from these products.

If the Merger is approved, members may continue to access cash through ATMs with the same terms currently enjoyed.

Thrivent Bank will not be eligible to participate in the Co-Op Shared Branch Network. To that end, in a recent analysis, it was determined that less than three percent of TFCU membership use services provided by the Shared Branch Network. Instead, Thrivent Bank will provide digital capabilities to enable deposits, transfers, and payments from a website and mobile application without the need to travel to a physical location. Additionally, clients will have improved access to live support through digital channels and phone.

If the Merger is approved, TFCU members' ownership interests will be liquidated, resulting in a distribution payment based on a percentage of eligible member deposits. TFCU members will lose all of their ownership interests in TFCU, including the right to vote, the right to share in the value of the institution should it be liquidated, the right to share in any extraordinary dividends, and the right to have the net worth of the institution managed in their best interests. Thrivent Bank will be an indirect wholly owned subsidiary of Thrivent, a not-for-profit membership organization and holistic financial services company, and all ownership interests to Thrivent Bank would indirectly belong to Thrivent.

Valuation and Payment Distribution. A valuation performed by RP Financial, LC in 2021 established the merger value of TFCU to be \$76,000,000. The TFCU Board of Directors has determined that in conjunction with the Merger, the members will receive a total distribution in the amount equal to the full valuation of \$76,000,000. Each person who was a member of TFCU as of June 28, 2024, will receive a portion of this \$76,000,000 distribution based on the ratio of such member's share account deposits to the total of all member share account deposits as of the close of business on June 28, 2024. Deposits in all share accounts (i.e., membership share, savings, special purpose savings, checking, money market, health savings, and IRA accounts and share certificates) are included for this purpose. Any member whose (i) membership was terminated, or (ii) account(s) closed since June 28, 2024, will not be eligible for a merger dividend payment.

The amount of the distribution will be calculated using a rate of \$0.122 for each whole dollar which a member had in their share account(s) at the close of business on June 28, 2024 (effectively a 12.2% return). For example, if an eligible member had an aggregate balance of \$20,000 in all of his or her share accounts on June 28, 2024, the distribution amount would be \$2,440, regardless of the number of owners on the account. Distribution payments will be made to eligible members after the Merger is completed.

Merger-Related Financial Arrangements. NCUA regulations require the merging credit union to disclose any post-merger employment or consulting relationships offered by Thrivent Bank to any of TFCU's directors and senior management officials and the amount of the associated compensation.

Senior executive officers of TFCU will not receive additional merger distribution amounts based on their deposits at TFCU. To the extent that management or TFCU directors hold deposits at TFCU, then, just like any other member, they will receive distribution amounts according to the formula specified above and will not receive any additional consideration. No senior executive officers of TFCU will receive an increase in salary as a result of the Merger.

On October 1, 2021, the TFCU Board of Directors voted to retain current board member Ronald S. Orrick, Sr. as the interim President and Chief Executive Officer of TFCU. A portion of Mr. Orrick's compensation for his services as interim President and Chief Executive Officer, in the amount of \$50,000, is conditional on TFCU successfully merging with and into Thrivent Bank.

Effective Date. Subject to approval by the NCUA and the members of TFCU as well as other regulatory approvals, the planned effective date for the Merger is May 31, 2025.

Merger Approval and Ballot. To accomplish the Merger, at least 20 percent of TFCU's members eligible to vote, or 9,574 members, must participate in the vote and of those participating, a majority must vote in favor of the Merger proposal. In accordance with its Bylaws, TFCU is conducting the member vote on the Merger proposal through a mail ballot to TFCU members, as well as an in-person special meeting. Members also have the option of submitting their vote through an online ballot. The ballot distribution, collection, custody, and tabulation will be conducted entirely by an independent third-party company, CUBallot.

Members may return their written ballot, in the enclosed business reply envelope. The mailed ballot must be received by February 5, 2025. Members may use the secure, online voting option beginning now, until February 5, 2025, at 11:59 PM Central Time. Online voting can be accessed at <https://thriventcu.cuballot.com>, and members will be asked to enter two personal, unique identifiers to authenticate their vote. Only the first ballot cast will be counted towards the vote.

BY THE ORDER OF THE BOARD OF DIRECTORS:



By: Beth A. Lewis

Chairman of the Board of Directors