TIAA-CREF Asset Management

CREF Stock Account

The CREF Stock Account is a broadly diversified investment vehicle that is intended to serve as a core equity holding. This product invests across all major equity market segments, including large-, mid- and small-cap stocks, both domestically and within foreign developed and emerging markets.

Investment objective
The CREF Stock Account strategy seeks a favorable long-term rate of return through capital appreciation and investment income by investing primarily in a broadly diversified portfolio of common stocks.

Investment philosophy
The portfolio management team believes that combining a blend of investment approaches can lower the overall risk of the portfolio throughout various economic climates by smoothing out returns regardless of which investment style is in favor at a given time. The Account is managed using a team approach, with individual portfolio managers responsible for managing sleeves or sub-portfolios that in the aggregate comprise the larger Account.

Key distinctions
- Embedded professional asset allocation helps diversify and remove emotional component of decision-making process
- Provides the opportunity to convert earnings at retirement through a lifetime income option
- Among the lowest fees in the industry

Tracking error is defined as the divergence between the price behavior of a position or a portfolio and the price behavior of a benchmark.

1 CREF Composite Index weightings as of March 31, 2014, 70.00% Russell 3000® Index and 30.00% MSCI ACWI ex-U.S. Investable Market Index.
2 As of May 1, 2014. We estimate expenses for the coming year based on projected expenses, asset levels and other relevant factors.
3 Guaranteed lifetime income is subject to TIAA's claims-paying ability.
4 Source: Morningstar Direct as of March 31, 2014 (downloaded 4/1/2014). CREF Stock ranks in the bottom 10th percentile in terms of expenses among the Morningstar U.S. Open-End Large Blend (category average 116bps/median 113bps).
The CREF Stock Account is a variable annuity account option available through contracts issued by CREF. These contracts are designed for retirement or other long-term goals, and offer a variety of income options, including lifetime income. Payments from the variable annuity accounts [and mutual funds] are not guaranteed and will rise or fall based on investment performance. The CREF Stock Account is subject to market risk, asset allocation risk and other risk factors including foreign investment risk, which is the risk that securities of foreign issuers may lose value because of erratic market conditions, economic and political instability or fluctuations in currency exchange rates, which may be magnified in emerging markets.

You should consider the investment objectives, risks, charges and expenses carefully before investing. Please call 877 518-9161 or go to tiaa-cref.org for a current prospectus that contains this and other information. Please read the prospectus carefully before investing.

5 As of March 31, 2014.

Annuity contracts and certificates are issued by Teachers Insurance and Annuity Association of America (TIAA) and College Retirement Equities Fund (CREF), New York, NY. TIAA-CREF Individual & Institutional Services, LLC, and Teachers Personal Investors Services, Inc., members FINRA, distribute securities products.

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CREF Stock Account

Investment process

The Account invests across all major equity markets with more than $100 billion in assets, which includes all capitalization ranges, a variety of investment styles and all geographies. In terms of managing risk, the team performs daily, weekly and monthly reviews of the strategy’s structure, the Account’s performance and its risk guidelines.

The various sleeves or sub-strategies within the CREF Stock Account are allocated in line with benchmark sector and industry weightings and in relation to long-term allocation guidelines established by TIAA-CREF’s senior equity managers. The composite benchmark for the Account is made up of an allocation of 70% to the Russell 3000® Index and 30% to the MSCI ACWI ex-U.S. Index.

CREF Stock Account: Four Main Portfolio Strategies

Fundamental Actively Managed Portfolios, which focus on individual stock selection and feature stocks that portfolio managers believe have an attractive risk/reward profile based on an analysis of the company’s prospects for growth in earnings, revenues, cash flow and other relevant metrics.

Active Research Analyst-Run Portfolios, which employ an industry sector-neutral approach with the objective of outperforming the relevant sector benchmark.

Quantitatively Managed Active Portfolios, which employ internally developed, multi-factor models as the basis of stock selection. They are structured to resemble and share the risk characteristics of various segments of the benchmark index, while also seeking to outperform that index.

Index Portfolios, which are designed to track various segments of the component indices of the Account’s composite benchmark.

Management team

William Riegel, CFA, Senior Managing Director
- Joined TIAA-CREF in 1999
- 34 years of investment experience

Thomas Franks, CFA, Managing Director
- Joined TIAA-CREF in 2001
- 17 years of industry experience

Saira Malik, CFA, Managing Director
- Joined TIAA-CREF in 2013
- 19 years of industry experience

Hans Erickson, CFA, Managing Director
- Joined TIAA-CREF in 1996
- 26 years of industry experience

About TIAA-CREF Asset Management

Since 1918, we’ve focused intently on providing consistent results for our clients. Through a disciplined technique of balancing proven strategies with innovative ones, we’ve successfully provided millions of clients with the outcomes they desire. Our forward-thinking approach is a fundamental part of how we deliver the long-term success our clients have come to expect.

Call 800 842-2252 or visit tiaa-cref.org to learn more about us today.