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1 Corporate Social Responsibility
Our 100-Year Commitment to Operating Responsibly

As we celebrate TIAA’s centennial, we are proud of our long history of making a difference.

TIAA was created in 1918 as the vision of Andrew Carnegie, who saw a problem in society—the inability of professors to retire with financial security—and committed to solving it. Since then, we’ve helped generations of people in higher education and across the not-for-profit sector retire with dignity. Today, we are a Fortune 100 company and a leading global asset manager, helping people achieve financial well-being at all stages of life. Our asset management organization, Nuveen, whose storied history includes helping to finance the infrastructure that has fueled America’s growth, delivers investment excellence that helps customers meet their financial goals.

In line with our values and our commitment to customers, TIAA has always been a responsible corporate citizen. This report looks at how we put our values into action in recent years through corporate social responsibility and responsible investing. It focuses on our impact in four key areas: governance, diversity and inclusion, community, and sustainability. We indicate, where possible, how our actions are supporting the United Nations Sustainable Development Goals, which are aimed at promoting prosperity while protecting the planet.

Throughout our first 100 years, TIAA has made a positive impact in many ways. Now, as we enter our second century of operation, we remain guided by the values that have brought us this far. We will continue to be as committed as ever to making a difference in the lives of our customers—and in the world.

Photo this page: Brian Lightbody
Our Commitment to the United Nations Sustainable Development Goals

The 17 United Nations Sustainable Development Goals (UN SDGs) are a blueprint to addressing global challenges such as poverty, inequality, climate, and peace. Through our work, TIAA has developed a strong understanding of these needs associated with the UN SDGs. Each icon below represents one of the 17 UN SDGs and includes a few examples of our alignment.

Corporate Social Responsibility

TIAA employees address hunger, support students, and promote a healthy environment by supporting community organizations in our impact areas: hunger, education, environment, and community building.

TIAA values and promotes a diverse and inclusive workforce, which is demonstrated through our Journey to Inclusion and Supplier Diversity programs.

TIAA Bank serves the credit needs of low- and moderate-income individuals and geographies, in addition to small business and community development organizations, through prudent banking and lending practices and Community Reinvestment Act programs.

Responsible Investing

The TIAA-CREF Social Choice Bond Fund seeks favorable returns while also investing in public impact securities.

As the world’s largest farmland investor, Nuveen¹, a TIAA company, makes it a priority to support sustainable farming practices.

TIAA supports shareholder resolutions that encourage greater transparency of a company’s sustainability strategy, including the impact of climate change on its business and strategies to reduce its carbon footprint.

¹As of 6/30/2018
Corporate Social Responsibility at TIAA

TIAA has been making a difference for a century, and we continue to keep that legacy alive in everything we do. We demonstrate our commitment to our clients through our products and services, and we strive to make a positive difference every day by contributing to our communities locally and around the world. From volunteering in schools to pursuing responsible investing around the globe, TIAA strives to make positive impact in all it does. At TIAA, corporate social responsibility (CSR) is about doing what’s right for our colleagues, our clients, and our communities.

What We Believe

TIAA focuses on governance, diversity and inclusion, community, and sustainability. In our second century, we will continue to focus our efforts in areas that improve the lives of our customers and stakeholders through our responsible business practices. We believe in the power of:

- Good governance to enhance and protect value.
- Our diverse team to meet the needs of a wide range of people.
- Our philanthropic engagement and community-facing activities to make a difference in people’s lives.
- Our efforts to positively impact our environment.
Board Governance

Holding Ourselves Accountable

TIAA applies sound principles of board governance in managing our organization to ensure our accountability to the individuals and institutions we serve. Good governance is how we gain and maintain the trust of investors and other stakeholders, and it’s a key indicator of our performance and future strength.

While we do not have public shareholders, we believe the participants whom we serve should have a voice in important board governance issues. To do this, our participants are permitted the opportunity to provide an advisory vote on the election of Trustees of TIAA. We were also one of the first U.S. companies to voluntarily adopt and implement an advisory vote on executive compensation in 2007, before the U.S. Securities and Exchange Commission (SEC) made it mandatory for public companies in 2011. Our trustees are independent, with the exception of our CEO. All our board members have consistently achieved a high level of success in their chosen fields and seek to govern with uncompromised integrity.

Leading by Example

- TIAA is managed for the benefit of participants without profit to the corporation or its stockholders.
- TIAA participants are given the opportunity to nominate candidates to the TIAA Board.
- In 2004, we became an early adopter of the principle of separating the role of the CEO from the independent chairman position.
- TIAA is voluntarily compliant with the SEC rules that govern executive compensation disclosure.
- We adopted a policy statement on corporate governance for publicly traded companies, which we follow as a guide to shape TIAA’s internal governance practices. The purpose of our policy is to inform our clients, participants and shareholders, portfolio companies, stakeholders, and other institutional investors about the corporate governance and social responsibility practices we expect of our portfolio companies.
- TIAA is committed to diverse leadership:
  - We appointed the first woman to our board in 1940 and the first African-American in 1957. Today, 40 percent of our board members are women—a more than twice the national average.1
  - In 1987, we were the first Fortune 500 company to appoint an African-American CEO.
Governance Guidelines for the TIAA Board of Trustees

The TIAA Board of Trustees delegates the day-to-day management of TIAA to the officers of the organization while retaining oversight. The TIAA Board of Trustees currently consists of 16 Trustees, all of whom are independent, with the exception of the CEO.

The board reviews and discusses TIAA’s performance, our lines of business and their plans and prospects. It safeguards TIAA’s financial condition by providing strategic guidance, approving risk appetite, determining investment policies, approving certain investment decisions, monitoring performance, and providing oversight regarding the design and implementation of the enterprise risk management, compliance, and internal control frameworks. This includes:

- Reviewing, monitoring, and approving business strategies and major corporate actions, including acquisitions and the launch of major lines of business and products, within the context of TIAA’s risk appetite.
- Selecting, evaluating, and compensating the CEO.
- Reviewing management’s assessment of major risks facing the company and associated mitigation plans.
- Providing counsel on the selection, evaluation, development, and approval of members of executive management and principal officers.
- Preserving the reputation of the company by overseeing the integrity of our employees and the assets entrusted to the company.

The independent chairman, who is not an employee of the company, is given authority by the board. As members aim to preserve the distinction between board functions and management functions, the board works to limit the independent chairman’s role to leading the work of the board, while the CEO leads the company’s management. Significant business, regulatory, risk, financial, and compliance matters are brought initially to the attention of the CEO, who communicates appropriate matters to the chairman and the trustees.
TIAA is committed to creating an inclusive work environment that promotes the diversity of our people and values the inclusion of diverse perspectives to meet the needs of an increasingly diverse global client base. TIAA’s enterprise diversity and inclusion (D&I) strategy focuses on three pillars, which relate to the SDGs of Gender Equality (SDG 5) and Reduced Inequalities (SDG 10):

- **Workforce:** We attract, develop, and retain a diverse workforce that represents and understands our client base. By embedding D&I into our programs and processes—including succession planning, talent acquisition, and talent development—we better reflect the broad spectrum of our client base so we can more effectively respond to their interests and needs.

- **Workplace:** We foster a culture that actively champions diversity and inclusion. We strive to help employees feel the impact of D&I by creating moments that matter to them, building an environment in which they can be authentically themselves. Our inclusive culture values the diverse backgrounds of employees, and our Employee Resource Groups (ERGs) have been revitalized with a focus on employee engagement and a deeper connection to the business.

- **Marketplace:** We prioritize D&I as a key driver of business outcomes. We enhance our external brand by continuously benchmarking via external relationships, participating in award programs, and engaging with diverse suppliers.
“TIAA has a rich tradition and unyielding commitment to D&I that serves as the foundation for our company’s culture and values. Our continuing investment and commitment to D&I provides the opportunity for employees to thrive in an environment to be their best selves in service of our TIAA participants and clients.”

SEAN WOODROFFE, SENIOR EXECUTIVE VICE PRESIDENT AND CHIEF HUMAN RESOURCES OFFICER

Our Journey to Inclusion

At TIAA, we remain on a journey, believing that a diverse and inclusive workforce is one of our greatest strengths and a key driver in achieving our mission.

We’ve engaged our entire organization on the topic of inclusion, promoting key inclusive behaviors and embedding these into the way we work. In 2015 we launched our Journey to Inclusion program, a culture change initiative designed to increase awareness of common biases, providing concrete tools for managers in everyday decision-making like hiring, coaching, providing feedback, and developing diverse teams. Leaders, managers and individuals receive ongoing support as we continue to prioritize inclusion at the very heart of the company.

Diversity Statistics

Women Represent

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<td>40%</td>
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<td></td>
<td>TIAA and CREF Boards of Trustees</td>
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<tr>
<td>22%</td>
<td>of executive committee</td>
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<td>39%</td>
<td>of enterprise leadership group</td>
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<tr>
<td>41%</td>
<td>of employees</td>
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Minorities Represent

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<tr>
<td></td>
<td>TIAA and CREF Boards of Trustees</td>
</tr>
<tr>
<td>44%</td>
<td>of executive committee</td>
</tr>
<tr>
<td>26%</td>
<td>of enterprise leadership group</td>
</tr>
<tr>
<td>35%</td>
<td>of employees</td>
</tr>
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As of 9/30/2018
Employee participation in inclusion training

More than 6,500 employees have completed some or all of the Journey to Inclusion training. Those who completed training have higher culture survey scores. For example, 86% of trained employees agreed that they openly discuss differing opinions in reaching decisions on work teams, as compared to 76% of non-trained employees.

The Business Case for D&I

Research shows that employee development, workforce composition, and supporting HR policies are proven drivers of firm performance and have been linked to:

- Increased productivity
- Reduced turnover
- Improved customer satisfaction

D&I continues to be a business priority for TIAA. To deliver on our mission for generations to come, we need diversity at all levels of our organization and an inclusive environment where every employee can grow and contribute their best. This is not a nice to have—it’s a must. Research shows that teams that are diverse and inclusive make better decisions and outperform teams that are not. Diversity helps us better understand and serve the needs of our customers.

We define D&I in a way that encompasses the experience, knowledge, perspectives, and backgrounds of our clients and workforce. As a result, we can better understand the needs of our clients and build deeper and more meaningful relationships with them.

The Journey to Inclusion: 2015 – 2017

Inclusive Behaviors

- **Initiate**
  - to overcome SIMILARITY BIAS by being curious and monitoring my reactions towards other people.
- **Invest**
  - to overcome IN-GROUP BIAS by seeking out common ground with those who aren’t like me.
- **Inspire**
  - to overcome Bystander BIAS by taking action against micro-messages unintentionally used by myself and others.
- **Influence**
  - to overcome STEREOTYPE BIAS by gently challenging stereotypes when I see them.

Participation

- **100%** Enterprise Leadership Group
- **100%** Executive Committee Members
- **63%** Individual Contributor Participation

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4 As of 12/31/2017
Our eight Employee Resource Groups (ERGs) provide an opportunity for employees to express their thoughts in a meaningful and productive way, while giving back to one another and the community. They host events throughout the year to increase cultural awareness, collaboration, inclusion, and innovation. ERGs also identify ways to enhance the careers and personal lives of underrepresented employees. The following are three examples of how our ERGs are driving inclusivity at TIAA.

**Inspiring gender-neutral parental leave**

In 2017, employees from the Alliance (LGBTQ+) ERG noticed that our parental leave policy offered greater benefits to mothers than fathers, and they raised the issue to management. After assessing the issue, we changed the policy so that all new parents now receive 16 consecutive weeks of fully paid parental leave following the birth, adoption, or foster care placement of a child.

"Seeing TIAA add employee benefits that include diverse family types makes me confident that the company is ‘walking the walk’ of an inclusive culture, and that is important to me,” said Michael Rochon, national chair of Alliance.

**Enhancing benefit for in vitro fertilization (IVF)**

TIAA’s IVF services used to require employees to undergo a pre-certification process to verify infertility. But the Alliance ERG identified that this process hindered same-sex female partners from being involved in their child’s conception. We assessed, researched, and implemented enhancements to TIAA’s IVF benefit, and now employees can access IVF services without verifying that they attempted natural or artificial insemination.

Bob Weinman, vice president of Benefits and HR Operations said, “By acknowledging that primary and secondary caregivers are important in the equation and IVF benefits should be equitable for all, we’re setting a new standard for ourselves and the industry.”

**Supporting financial planning for parents of children with disabilities**

Parents of children with disabilities may require additional financial planning around medical care, long-term care, etc. To support TIAA employees who have children with disabilities, the Diverse Abilities ERG developed and hosted financial planning seminars tailored to this group. The ERG worked side by side with TIAA’s HR Health and Wellness team to create content from their own experiences that would support estate planning needs and help parents feel more confident about their families’ futures.
Supplier Diversity at TIAA

TIAA’s supplier diversity program was established in 1992 to build supplier relationships with minority and women-owned businesses to provide the best quality and highest service for our daily business operations, while encouraging competition among diverse and diversity-conscious suppliers.

We seek to include one or more diverse-owned suppliers in all bids or requests for proposals (RFPs). In addition to businesses owned by women or minorities, these include businesses owned by veterans, disabled veterans, disabled individuals, and LGBTQ+ individuals.

Through the program, our organization offers equal access and opportunity to diverse-owned businesses and to majority vendors who support our Tier II Supplier Diversity objectives. This allows us to:

- Identify diverse-owned businesses who are competitive candidates to participate in RFP events.
- Increase opportunities for diverse-owned businesses to build mutually advantageous business relationships with our organization.
- Promote business opportunities between majority suppliers and diverse-owned businesses.

The program is administered in accordance with our Equal Employment Opportunity and Affirmative Action policies.

Our Tier II Supplier Diversity Program encourages business relationships with non-diverse enterprises that extend opportunities to diverse suppliers within their own supplier base. We track and report on the diverse spends of top non-diverse enterprises enrolled in the program and partner with suppliers who demonstrate support of our supplier diversity goals.
Diverse Business Organization Memberships

We actively seek ways to promote our corporate presence and visibility within diverse organizations. Our leaders serve on procurement councils, boards of directors, scholarship committees, and certification councils. We actively participate in the following organizations:

- Disability:IN
- Financial Services Roundtable for Supplier Diversity
- National LGBT Chamber of Commerce
- National Minority Supplier Development Council
- US Hispanic Chamber of Commerce
- US Pacific Asian American Chamber of Commerce
- Women’s Business Enterprise National Council

Diverse Supplier Development Efforts

We are dedicated to developing a broad range of capabilities within our supplier base, including:

- **Diversity training**, which has focused on topics such as developing pitch and capability statements, how diverse suppliers can do better business with large corporations, best practices on RFP responses, and how non-diverse suppliers can get engaged in diversity efforts through our Tier II Supplier Diversity Program.

- **Supplier diversity mentorship program.** In 2018, TIAA launched its first ever Diverse Supplier Mentorship Program which connects diverse-owned businesses with experienced and committed mentors to expand the reach and support the growth of their companies. By matching companies with leaders at TIAA, mentees receive expert guidance and industry insights focused directly on their individual business goals.

- **Supplier Summits.** Our two-day Supplier Summits include keynote speakers on supplier diversity and D&I. Summits also include internal and external experts speaking on a variety of diversity topics, from industry best practices to doing business with TIAA as a diverse supplier.

- **Supplier Diversity Expo.** Our Supplier Diversity Expo, held in our Charlotte, NC, office, connects our top diverse suppliers with internal managers, strategic sourcing, and senior leaders. Our suppliers meet with new and existing contacts and participate in curated conversations with business partners.
Community

Throughout our 100-year history, TIAA has been rooted in a mindset and culture of service. Driven by our nonprofit heritage, we are committed to not only give back, but to have a positive impact on society and those who make a difference in the lives of others. We also believe that we each have a part to play, as individuals and corporate citizens, in building strong communities. That’s why, in 2015, we launched TIAA Serves, a comprehensive philanthropic platform that supports and creates meaningful opportunities for employees to make a difference where they work and live. Through leveraging TIAA resources, developing strong philanthropic relationships, and making a positive impact through the Community Reinvestment Act (CRA), we are helping to build the capacities of organizations tackling some of the most pressing issues in our communities.

How TIAA Employees Serve Our Communities

We make it a priority to provide employees with a range of opportunities to give back in a way that is most meaningful to them. Led by the CSR team, TIAA Serves uses best practices to create measurable impact through community relationships and employee engagement, including:

- **Give Anytime Program.** Employees are able to donate to any public US-based 501(c)3 nonprofit through payroll deduction at any point during the year.

- **Year-round matching gifts for education.** Employee contributions to public and accredited private K-12 and higher education institutions are matched up to $1,000 per employee per year.

- **Paid time off for volunteering.** All TIAA employees receive eight hours of paid time off per year to participate in company-approved community service projects.

- **Dollars for Doers.** Employees can earn a grant of $100 for every 10 hours of personal time volunteered with any approved nonprofit. There is no limit to the number of Dollars for Doers grants an employee may earn.

- **Money for Movers.** Employees can earn a grant of $100 upon completion of an organized community wellness event (walk, run, or bike). There is no limit to the number of Money for Movers grants an employee may earn for the nonprofit of their choice.
• **Rewards and recognition donations.** Points awarded for excellent performance may be converted into a donation to an approved nonprofit.

• **Volunteer councils.** More than 200 employees from different business lines, departments and offices work with the CSR team to plan and execute local community service projects.

• **Leadership councils.** Led by the CSR team, senior leaders in our Denver and Charlotte offices meet regularly to shape and provide direction in how we engage with our surrounding communities.

• **Enhanced volunteer opportunities.** The CSR team, leadership councils, volunteer councils, Employee Resource Groups, and business areas arrange projects throughout the year to provide a variety of ways for employees to serve their communities.

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### 2016 – 2017 Employee Volunteerism and Contributions

#### Employee Volunteerism

- **640** projects
- **13,200** volunteers
- **26,000** volunteer hours
- **1.4M** lives impacted
- **$645,000** operating expenses offset for nonprofit partners

#### Employee Contributions

- **3,200** employees made pledges
- **$1,923,000** pledged
- **$507,000** pledges received by TIAA Charitable
- **$800,000** of matching gifts for education, Money for Movers, Dollars for Doers, and rewards and recognition given to charity

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Our Impact on Our Communities

On almost any given day, TIAA employees can be found across the country serving in our communities. Below are just a few ways TIAA tackles important issues in our impact areas.

Hunger

Partnering With Rise Against Hunger

Recognizing the impact food insecurity has on living a quality life, TIAA is committed to addressing issues of hunger in our communities. This commitment is embedded in our culture, as an increasing number of our leaders and employees host service projects to celebrate milestones while giving back. To celebrate the launch of our centennial, TIAA employees packed 128,000 meals across nine locations in a week for Rise Against Hunger, an international relief organization that distributes food to the world’s most vulnerable. The event showcased TIAA’s unique service heritage, while also providing an opportunity for employees to have fun and get to know one another outside the office walls. Since 2014, TIAA employees, in partnership with Rise Against Hunger, have packed more than 800,000 meals.

Education

Partnering with EVERFI and TutorMate™

As a financial services company, we strongly support efforts to equip students of all ages with tools to make smart financial choices throughout their life. Through TIAA’s partnership with EVERFI, a leading developer of engaging, effective K-12 curricula, TIAA brought the VAULT Financial Literacy curriculum to students in Charlotte, NC. VAULT, an interactive learning course, uses the latest in new media technologies to bring complex financial concepts to life for today’s digital generation. Evidence-based learning theories are incorporated to increase students’ knowledge, build the foundation for making good financial decisions at a young age, and promote career development skills. In 2016 and 2017, over 200 TIAA volunteers worked with Charlotte students and provided real-world experience on financial topics.

TIAA expanded this partnership by working with EVERFI to bring a financial education pilot program to college students in South Florida. The program includes an integrated bilingual promotional campaign, in-person bilingual classes, “train the trainer” sessions for faculty, and access to 23 digital modules, such as Building Emergency Savings, Retirement 101, and Financing Higher Education. The program is currently being piloted at Miami Dade College with plans to reach additional campuses in the future.
TIAA has a partnership with TutorMate™, an online volunteer tutoring program, to pair our employees with students in their communities. Starting with 20 volunteer tutors in two Denver classrooms in 2016, the program has grown to engage almost 200 volunteers in 2018 working in classrooms across cities including Denver, Dallas, Boston, Charlotte, and Iselin, New Jersey. The TutorMate™ system allows volunteers to interact with a local first-grade student once a week for 30 minutes using a telephone and a shared-screen online tutoring program. Students and tutors read stories and do activities that encourage fluency, comprehension, phonics, and spelling skills. Each tutor works with the same student throughout the school year, building a deep and meaningful mentoring relationship.

**Environment**

**Partnering with Denver Urban Gardens**

TIAA believes in preserving the environment and developing permanent green spaces in the communities where we work and live. TIAA-sponsored community gardens provide fresh food to local residents and access to green spaces, which can reduce health inequities, improve well-being, and aid in treatment of mental illness.

Our TIAA Denver office has established a longstanding partnership with Denver Urban Gardens (DUG), specifically designed to protect the environment, increase local food access, and improve youth education around these issues. Fresh produce is a critical component for many communities that lack adequate access to healthy foods, areas that are sometimes referred to as “food deserts.” Since our partnership began in 2016, TIAA has worked with DUG to build and maintain 11 community gardens with a focus on the Elyria-Swansea food desert of Denver.

Three of these gardens were built for local schools and are coupled with curriculum to help students learn about food production, providing teachers with a valuable educational resource. One of the gardens was developed and designed specifically to provide fresh and nutritious produce for TIAA’s local community partner, Metro Caring, an organization that serves individuals and families struggling with hunger in the Denver area.

“Volunteering through TIAA has offered me the opportunity to strengthen the community where I live in many ways, especially through financial education—something I needed when I was younger but never had access to. It’s amazing to see the fruits of your labor and know that they are making the world around you a better place!”

**KELLY KOSIKOWSKI, VOLUNTEER COUNCIL MEMBER, DALLAS**
Celebrating our Centennial by Giving Back in 2018

TIAA celebrated our centennial in a way that was unique and true to our mission of service. Thousands of employees across the country came together as part of our “100 Days of Difference”—a nationwide employee volunteer and community service program.

Beginning on March 5, our centennial birthday, and ending 100 days later on June 12, we completed more than 300 projects! Our 100 Days of Difference united our businesses, teams, and colleagues across the country around a shared purpose to improve our communities and serve others in need.

Together We Have Made a Difference

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<th>Clock</th>
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<tr>
<td>341</td>
<td>9,029</td>
<td>17,789</td>
<td>654,377</td>
<td>51</td>
</tr>
</tbody>
</table>

projects | volunteers | volunteer hours | lives impacted | offices

Some highlights from the 100 days include:

**Playground Builds**

Employees in Charlotte, Denver, and Dallas built two playgrounds and a children’s garden in underserved communities, creating new safe spaces for families and their children to learn and play.

**Tiny Libraries**

Employees built and painted 223 tiny libraries that were placed in communities and schools across the country. Each library was stocked with books, selected by early-childhood literacy specialists, intended to increase reading proficiency.

**Board Trainings/Community Engagement**

Recognizing that our employees are active in their communities outside of the workplace, we hosted in-person and virtual training sessions to equip our employees with the skillsets to join a nonprofit board and be impactful volunteers in their communities.
Advancing Strategic Philanthropy at TIAA

TIAA Charitable

TIAA was founded in 1918 as the vision of one of history’s great philanthropists—Andrew Carnegie—who wanted teachers to have financially secure retirements after a lifetime of serving others. Giving back is part of our heritage, and in 2015, we made it easier for our clients to do the same when we established TIAA Charitable. This public charity helps people make the most of their charitable giving in a simpler, more strategic way.

With TIAA Charitable, individuals and organizations can create a Giving Fund, which functions like a personal fund dedicated to charitable giving. The Giving Fund is a donor-advised fund—the fastest-growing giving vehicle in the U.S.⁶—and it combines simplicity, tax benefits, and investment planning. The most common contributions are cash or stock, though TIAA Charitable also accepts more complex assets (i.e., real estate, limited partnership interests, life insurance policies, and patents/royalties/copyrights). Contributions to TIAA Charitable Giving Funds are invested in a full suite of investment strategies including Responsible Investment funds. All growth is tax-free, so our clients can give more to charity as their contributions grow over time.

Through TIAA Charitable, our clients can make the most of their acts of generosity—in effect, giving them the opportunity to make a bigger difference in the world. We think Andrew Carnegie would be proud.

Metrics

- Between 2016 and 2017, employees pledged more than $500,000 to their TIAA Charitable Giving Funds through the Employee Giving Campaign.
- Since 2017, 400 TIAA employees have opened a TIAA Charitable Account.

Learn more about TIAA Charitable at tiaacharitable.org.

Community Building

Achieving Meaningful Impact through the Community Reinvestment Act (CRA)

In 2017, TIAA acquired EverBank based in Jacksonville, FL and the bank was rebranded as TIAA Bank in 2018. TIAA Bank works with community development organizations to develop and offer products and services that enhance the economic vitality of our communities and demonstrate our deeply rooted commitment to doing good. We engage community organizations and seek relationships to expand the bank’s presence and commitment in underserved segments of our communities with economic development needs.

As a full-service bank, TIAA Bank offers a wide array of products to clients in our communities. The mission of our Community Reinvestment Act (CRA) program is to serve the credit needs of low- and moderate-income (LMI) individuals, LMI geographies, small business, and community development organizations in a safe and sound manner through prudent banking and lending practices. In these ways, TIAA Bank provides loans, investments, and services to individuals, families, nonprofits, and institutions to help them grow and compete successfully in a dynamic world.

TIAA Charitable

Contribute

Contribute cash, stock or complex assets to your Giving Fund and you may be eligible for a tax deduction for the current year.

Grow

While you decide which charities you want your Giving Fund to support, contributions are invested and growth is tax-free.

Give

Use your Giving Fund at any time to support favorite charities or a new cause. TIAA Charitable does all the paperwork.

⁶Source: National Philanthropic Trust, 2017
TIAA Bank is committed to a strong CRA program that includes but is not limited to:

- Ensuring that products and services are prudently and fairly underwritten while also being responsive to community credit needs.
- Designing competitive loan products that meet the needs of the communities in which we operate.
- Offering financial literacy programs relating to financial education, credit repair, and foreclosure alternatives.
- Strengthening relationships and entering into relationships with community-based organizations serving LMI individuals and neighborhoods to support lending, investment, and service activities.

Through the CRA program, TIAA Bank is making investments in community development programs that address specific needs and align with the TIAA Corporate strategy. TIAA Bank supported the following communities:

**St. Louis**

In working with Virtual Enterprises International (VEI), TIAA Bank was the direct sponsor of an in-school, live, global business simulation that offers students in low-income schools a competitive edge through collaborative learning and the development of 21st-century skills in entrepreneurship, global business, problem solving, communication, personal finance, and technology.

The bank has supported and collaborated with the Urban League of Metropolitan St. Louis (ULSTL), Inc. to transform the community by helping individuals and families climb out of poverty through economic opportunities, financial education, and community empowerment. The bank also served as the presenting sponsor of the 2016 and 2017 Annual Turkey Giveaway, providing more than 2,000 Thanksgiving Day meals each year to LMI families.

Through a unique relationship with Tower Grove Neighborhoods Community Development Corporation (TGNCDC), the bank was able to provide a loan to purchase a mortgage portfolio of multifamily properties in the distressed Shaw neighborhood of St. Louis.

TGNCDC rehabilitates the properties and makes them affordable to LMI families, helping transform the neighborhood by creating sustainable options in the affordable housing space.
Jacksonville, Florida

To support students in the 2017–2018 school year, TIAA Bank contributed $1.5 million to the Step up for Students Florida scholarship program, a nonprofit that helps administer the Florida Tax Credit Scholarship Program for financially disadvantaged school children. Everbank started this initiative in 2004 and has contributed more than $14 million, the equivalent of 3,050 scholarships.

In 2018, TIAA Bank teamed up with Habitat for Humanity® and the Jacksonville Jaguars to form the “One Team. One Home” campaign, a five-year, $2 million pledge to help build or repair 100 homes in Northeast Florida, in celebration of TIAA’s centennial year. The homes will be part of a collaboration with various Habitat for Humanity affiliates including lead partner HabiJax, Habitat’s Jacksonville chapter, and affiliates of the Jacksonville Beaches and Clay, Nassau, St. John’s, Putnam, and Greater Volusia counties. TIAA Bank, Jaguars employees and players, as well as fans will continue the over six year tradition of volunteering together to make the dream of homeownership a reality for many NE Florida families.

TIAA Institute: Maximizing Opportunities through Academic Research

The TIAA Institute produces original research and insights on issues pertaining to financial security and organizational effectiveness for the educational, nonprofit, and public sectors.

For two decades, the Institute has been conducting and sponsoring rigorous academic research that fills important knowledge gaps for individuals and institutions. Its cutting-edge research is produced by staff and by the Institute’s fellows—prominent scholars and higher education leaders who work with the institute on projects and initiatives—and through partnerships with a wide range of select organizations.

With a focus on academic rigor, the Institute has always operated at the nexus between business and education, giving it a deep understanding of the issues faced by the academic community and a bottom-line orientation on how to address them. This focus allows the Institute to serve as a bridge across sectors—facilitating the exchange of information and ideas.

Visit www.tiaainstitute.org for more information.
TIAA is committed to sustainability, starting with the communities where we live and work. Hundreds of TIAA employees have dedicated thousands of hours to make our communities more beautiful and sustainable places to live. As one of the largest real estate managers in the world, TIAA also values adopting best practices and standards to promote sustainability in the real estate industry. Through TIAA’s Energy and Environmental Impact Performance Plan, we use performance metrics to hold ourselves accountable for meeting and exceeding environmental industry standards at our properties.
Energy and Environmental Impact Performance Plan

Our Energy and Environmental Impact Performance Plan is our commitment to reduce energy and water usage and maintain environmental performance, leadership, and accountability, in service of UN SDG 7, Affordable and Clean Energy.

Employing Integrated Design Principles

TIAA’s planning and design process relies on an integrated project team. We embed performance goals throughout project design, and our design team is encouraged to consider all stages of a product’s life cycle, including deconstruction. In addition, we employ total building commissioning practices to verify building component and system performance and ensure design requirements are met.

Optimizing Energy Performance

To ensure that we are optimizing energy performance, TIAA has two objectives.

- Earn the U.S. Environmental Protection Agency’s (EPA’s) Energy Star label for existing buildings and achieve:
  - 20% energy cost reduction for new construction compared to the baseline building performance rating.
  - 15% energy cost reduction below a pre-renovation baseline for major renovations.
  - Efficient data center operations through implementation of innovative and proven best practices.
- Continuously measure cost reduction in new major construction and renovation projects to track and optimize performance.

Protecting and Conserving Water

TIAA strategies use at least 20% less indoor water compared to baseline for buildings after meeting uniform plumbing fixture performance requirements. In addition, water-efficient landscape and irrigation strategies reduce our outdoor water consumption by at least 35% over conventional practices.

Enhancing Indoor Air Quality

In order to enhance the indoor air quality of our buildings, TIAA:

- Meets very specific standards for indoor ventilation and thermal comfort.
- Implements moisture control strategies to prevent building damage and mold contamination.
- Specifies materials and products with low pollutant emissions.
- Installs CO₂ sensors.
- Employs contracted vendors that implement green cleaning to reduce contaminants introduced into facilities.
Reducing Environmental Impact of Materials

TIAA strives to use products that meet or exceed the EPA’s recycled-content recommendations. We also use bio-based products that meet the U.S. Department of Agriculture’s recommendations or use products made from rapidly renewable resources or sustainable wood. During construction TIAA strives to recycle or salvage at least 50% of construction waste, and we eliminate use of ozone-depleting compounds during and after construction when alternatives are available. For all new floors constructed, TIAA employs a strategy to reduce the environmental impact of materials as part of our goal to align with LEED Commercial Interiors (CI) initiatives.

Reducing Environmental Impact of Purchases

TIAA follows environmental purchasing criteria for office supplies, furniture, electronics, light bulbs, and food. We give preference to products that contain:

- Recycled content
- Salvaged or reused materials
- Rapidly renewable materials
- Environmentally certified materials
- Locally produced materials
- Low mercury content (for light bulbs)
- Energy Star® labeled (for electronics)

Reducing Waste and Promoting Recycling

Our New York office recycling program began in May 2017, three months ahead of implementation requirements. Our Denver office added waste separation bins in all break rooms. Both our Denver and Charlotte offices are composting organic food preparation waste from cafeterias.
Sustainability Results

**Charlotte Properties**
- Reduced electric usage by 22% since 2007.
- 30% of interior common area and 80% of exterior are LED.
- 12 tons of waste recycled monthly / 144 tons annually.

**Annual environmental savings:**
- 2,448 trees.
- 11,376 gallons of oil.
- 1,008,000 gallons of water.
- 662 yards of landfill space.

**New York Properties**
- Reduced electric usage by 37% since 2007.
- 43 tons of waste recycled monthly / 516 tons annually.

**Annual environmental savings:**
- 8,772 trees.
- 40,764 gallons of oil.
- 3,612,000 gallons of water.
- 2,373 yards of landfill space.

**Denver Properties**
- Converted all ceiling lighting to LED, reduced lighting power by 28% since 2008.
- Installed daylight harvesting on all floors, estimated 25% energy reduction on sunny days.
- 16 tons of waste recycled monthly / 195 tons annually.

**Annual environmental savings:**
- 3,231 trees.
- 15,141 gallons of oil.
- 1,341,648 gallons of water.
- 882 yards of landfill space.

7 As of 12/31/2017
2 Responsible Investing
Responsible Investing

TIAA and Nuveen, the investment manager of TIAA, have a long history of investing by example. Our nearly five decades of responsible investing (RI) leadership began when clients asked us to engage on anti-apartheid and product safety issues in the 1970’s. In 1990, we launched our first dedicated Environmental, Social, Governance (ESG) product, the CREF Social Choice Account.

We have a long-term commitment to applying our proprietary RI framework across our $973 billion in assets under management, with more than $650 billion of our total firm assets adhering to the United Nations’ Principles for Responsible Investment (UNPRI). In addition, we manage over $20 billion of ESG strategies for institutional investors, advisors, and individuals in public markets. Nuveen is recognized as a leader in ESG integration and innovation and stands as one of the largest managers of RI assets in the U.S.¹⁰

Our investment-led approach and scale enables us to apply RI Principles to our work throughout the organization. Nuveen has nearly 20 dedicated RI professionals reporting up to Nuveen’s President of Global Investments, who oversees the firm’s work across all asset classes.

We are proud of the leadership role we have played over the decades and our ability to affect change and promote good governance throughout the corporate world. We believe that by driving innovation, transparency, and global adoption of RI principles, we have the opportunity to provide enduring benefits for investors, our communities, and the planet.

¹⁰Nuveen is a top 10 manager among ESG mutual funds, ETF’s, and variable insurance managers, as of 6/30/18 according to analysis of Morningstar Direct data from FUSE Research Network.
As responsible investing leaders, we focus on:

**ESG Integration**
We supply asset-class and sector-specific ESG data to our investment teams to inform investment analysis, selection, and portfolio construction. We created proprietary ESG benchmarks for the Nushares ETF product line. We provide relevant training and timely news and insights to our investment teams to complement their data and facilitate their investing decisions. Additionally, RI is part of our Global Investment Committee that meets regularly to discuss priority issues across the organization and all asset classes.

**Engagement**
We engage with companies, industry stakeholders, and communities around the world in both public and private markets to ensure that our investments are aligned with our values and long-term views. In 2017, we engaged with more than 250 public companies for more than 300 meetings. In emerging markets, our focus on governance and active management allows us to mitigate local risks, unlocking the potential for attractive investment opportunities.

**Impact**
Through our investing practices, we seek to drive positive environmental and social outcomes for our clients. We invest in opportunities with direct, measurable outcomes, such as affordable housing and low carbon. In addition, we apply our impact framework to investments within private markets and public fixed income, as well as the alignment of the UN SDGs.

Engaging with Leading Organizations in Responsible Investing

We actively participate in global networks that lead, educate, and advocate for strong responsible investing standards. Those organizations include:

- Asian Corporate Governance Association (ACGA)
- Council of Institutional Investors (CII)
- Global Impact Investing Network (GIIN)
- Global Initiative for Sustainability Rating (GISR)
- Global Investors Governance Network (GIGN)
- Interfaith Center on Corporate Responsibility (ICCR)
- Investor Network on Climate Risk (INCR/CERES)
- Principles for Investors in Inclusive Finance
- Principles for Responsible Investment (PRI)
- Sustainability Accountability Standards Board (SASB)
- University of Cambridge Investment Leaders Group (ILG)
- USSIF: The Forum for Sustainable And Responsible Investment
How do TIAA and Nuveen provide premier global, responsible investment management to clients and deliver better financial outcomes?

Our number one goal is growing our clients’ investments in a way that meets their long-term needs and expectations. Responsible investing plays an important role in how this is done. We work every day to deliver competitive returns through better capital allocation that promotes a stronger economy and contributes positively to our communities.

We believe the right investments can create positive outcomes for investors and for the communities where we live. By investing in ways that seek to improve quality of life, create jobs, or inspire innovation, we seek to generate compelling long-term investment returns while also driving real, lasting societal improvements. Over the years we have made investments that help with financial inclusion for the millions that are unbanked, in addition to supporting affordable housing, renewable energy projects, and water conservation projects for our agriculture holdings.

What does it mean to Nuveen to “invest by example”?

Together with TIAA, responsible investing guides how we operate and how we invest. We are committed to helping all investors reach their goals while also contributing meaningfully to improving the world around us.
measurable social impact along with a market-competitive financial return through investments in assets such as affordable housing, green energy projects, and financial institutions. Nuveen’s social impact investing portfolio is about $676 million, which includes 51 investments.\(^\text{12}\)

Our impact strategies focus on high-quality investments that seek competitive risk-adjusted returns alongside measurable social and environmental outcomes, in developed and emerging markets.

**How do you measure social returns in your impact strategies?**

This is certainly a big topic in the industry but we’ve made great progress in recent years. Nuveen works closely with industry groups such as the Global Impact Investing Network and Investment Leaders Group to encourage broad adoption of industry standards for measuring social returns that are as transparent and easy to understand as financial metrics.

Most impact investors, including us, have adopted the UN SDGs as a broad framework for determining what types of investments should be considered in an impact approach. These goals were adopted by world leaders at the UN in 2015. This is the closest we have to a global blueprint for protecting and improving the planet and quality of life for everyone over the next 15 years. There are 17 UN sustainable development goals, which can be distilled to six themes: basic needs, well-being, decent work, resource security, healthy ecosystems, and climate stability.

To give an example of social impact measurement, one of Nuveen’s impact investing themes is affordable housing preservation. This aligns with three of the UN’s goals: no poverty, good health and well-being, and reduced inequality.

We measure the impact of our investments by scale, or number of residences built, affordability, and affordability preservation after we exit the investment and quality of life. In line with this theme, we invested in 35 affordable housing properties in Pennsylvania, Maryland, and Virginia. All 3,472 units in those properties are 100% affordable at 30%, 40%, 50% and 60% of the area’s median income. There’s also a long-term plan to preserve the affordable nature of these properties through tax incentives after we exit the investment.

**How do you engage with industry groups?**

Our active participation in global forums and with policymakers allows us to set standards that will shape the future of investing. We hold leadership positions in 10 of the top responsible investing organizations committed to developing globally accepted principles on transparency, governance, and environmental impact. We are a founding member of the Global Impact Investing Network (GIIN) Investor Council. We are also a founding member of the Investment Leaders Group (ILG) and SASB’s Investor Advisory Group (IAG).

Responsible investing is more than an investment for us—it’s an integral part of our history and our future. Through five decades of leadership in responsible investing, we work each day to create better outcomes for investors, our communities, and our planet.

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\(^{12}\) Global Impact Investing Network, Annual Impact Investor Survey, 2018

\(^{12}\) As of 6/30/18 assets under management (AUM) is reflective of the active impact investing Nuveen Private Markets portfolio.
Promoting Responsible Business and Sound Governance Practices

The TIAA Investments Global Equity and Nuveen RI teams collaborate extensively on ESG integration, engagement, and proxy voting issues concerning significant current (or potential) public equity investments. This collaboration is an important input into the investment process to assess corporate governance and broader ESG issues associated with a particular investment. Our approach to engagement encompasses both long-term engagement with companies and industry groups on priority themes (for example, board effectiveness, shareholder rights, climate change, human capital management, and human rights) and more time-sensitive tactical engagements with specific companies.

Our investment colleagues systematically assess governance issues as part of their investment analysis and decision-making process. Issues such as management quality, board effectiveness and independence, shareholder rights, succession planning, and executive compensation are carefully reviewed through direct conversations with management and boards of our portfolio companies as well as through in-house and third-party research using a variety of quantitative and qualitative approaches. Concerns related to material governance issues can be expressed as risk factors, which may reduce an investment’s fair value and increase the potential downside risk associated with an investment. At the same time, we have seen that responsible business practices, often marked by sound governance practices, can lower risk, improve financial performance, and bring

“Our have over $350 billion in public equities as of the end of 2017 and a long history of engaging with public companies around governance. This work is done in partnership with the Responsible Investing team to ensure that our values and long-term views are aligned with our investments and help our clients achieve their investment goals.”

TOM FRANKS, TIAA INVESTMENTS, CHIEF INVESTMENT OFFICER, GLOBAL EQUITIES

Our Policy Statement on Corporate Governance

The principles articulated in our Policy Statement on Corporate Governance are recognized as an essential means to protect shareholder rights, encourage management and board accountability, and promote maximum performance by public equity companies. Our Policy Statement is publicly available on tiaa.org.
Our company has been a leader in responsible investing for half a century. We have differentiated our business, driven long-term investment returns, and made a positive impact on the world by directly engaging with portfolio companies on environmental, social, and governance (ESG) practices, launching innovative products, and spearheading efforts to expand ESG and sustainability across public and private markets, as well as real estate and real assets.

Our approach to RI is driven through three key principles.

**ESG Integration** – We aim to systematically incorporate material ESG factors into our investment process across funds and asset classes.

**Engagement** – We use our influence with companies and issuers to help them innovate and operate more effectively, and partner with stakeholders to drive and advance RI best practices.

**Impact** – Through our investing practices, we seek to drive positive environmental and social outcomes.

better results across an array of social responsibility issues—from better managing data security and privacy and protecting shareholder rights to safeguarding the environment.

**Advocating for Shareholder Rights**

Nuveen and TIAA believe that shareholder rights are the foundation of a company’s overall approach to corporate governance. We regularly engage with portfolio companies in order to establish and/or protect our rights. Examples of fundamental shareholder rights include director accountability, the right to vote in proportion to our economic stake, and the ability to approve share issuance and vote without obstacles.

Nuveen’s history with shareholder rights includes:

- Engaging with companies to remove “evergreen” provisions in equity plans that we believe undermine control of stock issuance and lead to excessive dilution.

- Requesting that non-US companies adopt poll voting instead of voting by show of hands, an antiquated method that excludes investors who cannot be present in-person at shareholder meetings.

- Filing shareholder resolutions requesting that directors be elected by a majority of votes cast.

- Dedicated leadership on proxy access.

- A longstanding practice of leveraging proxy voting to ensure accountability and transparency.

**Responsible Investing Proxy Voting in Figures**

Nuveen’s RI team voted approximately 13,900 times during the 2018 Securities And Exchange Commission proxy voting year. We often are more supportive of shareholder proposals relative to our peers on issues such as:

- **Climate risk**
- **Sustainability**
- **Diversity**

11,500 meetings globally on behalf of TIAA and CREF public equities; 2,400 meetings globally on behalf of legacy Nuveen affiliates.

“We believe that responsible investing principles provide enduring benefits for our investors, our communities, and the planet.”

AMY O’BRIEN, GLOBAL HEAD OF RESPONSIBLE INVESTING, NUVEEN
Influencing Board Quality

We recognize that boards have a critical role in crisis management, oversight, and risk management, which sets the tone at the top before incidents occur. Director independence, board composition, experience, perspectives, and tenure all protect shareholder value, which is why we work to improve the governance of companies’ boards by:

- Supporting proxy proposals that encourage accountability and transparency.
- Engaging with boards to develop appropriate diversity criteria that ensure director candidates are drawn from a broad talent pool.
- Influencing legislation, public policy and global standards of best practice.

Proxy Voting on Climate Change

We believe that corporate boards should carefully consider the strategic impact of environmental and social responsibility on long-term shareholder value. Because sustainability and social responsibility impact the performance of individual companies and markets as a whole, we believe that investors should adopt a long-term perspective on sustainability and social responsibility. We support shareholder resolutions that drive greater transparency around a company’s sustainability strategy, the impact of climate change on its business, and strategies to reduce its carbon footprint, in support of UN SDG 13, Climate Action. In 2018, for example, we supported:

- 100% of proposals requesting disclosure of a company’s climate risk and plans to manage its carbon footprint in support of the international goal to cap global warming at two degrees above pre-industrial levels.
- 89% of proposals seeking greater disclosure on a company’s overall sustainability strategy.

Promoting Oversight in Data Security and Privacy

Nuveen’s RI team, in partnership with TIAA Investments portfolio managers, engaged with a leading social media and social networking service company around a wide range of important ESG issues, including data security and privacy. The RI team was particularly interested in understanding the board’s role in the oversight of risks around these issues given the potentially significant impacts these risks could have on the company’s performance. During the course of the engagement, the RI team offered suggestions as to how the company could better articulate its risk oversight process, more clearly define the board’s role and responsibilities, and ultimately provide a clearer picture of how the company can manage these material risks. Shortly after the meeting, the company announced changes in the company’s governing documents that give shareholders greater insights into the board’s risk oversight process.
Nuveen’s ESG-mandated Strategies

Social Choice suite of funds:
- TIAA-CREF Social Choice Equity Fund
- TIAA-CREF Social Choice Low Carbon Equity Fund
- TIAA-CREF Social Choice International Equity Fund
- TIAA-CREF Social Choice Bond Fund

Nushares suite of ETFs:
- Nushares ESG Large-Cap Growth ETF
- Nushares ESG Large-Cap Value ETF
- Nushares ESG Mid-Cap Growth ETF
- Nushares ESG Mid-Cap Value ETF
- Nushares ESG Small-Cap ETF
- Nushares ESG International Developed Markets Equity ETF
- Nushares ESG Emerging Markets Equity ETF
- Nushares ESG U.S. Aggregate Bond ETF

Separately managed accounts:
- TIAA Low Carbon Value ESG Strategy
- TIAA All-Cap Growth ESG Strategy
- TIAA Global Dividend Equity ESG Strategy

As of 6/30/2018

Open-end mutual funds, exchanged-traded funds and separately managed accounts are different investment products, each with its own features, terms and conditions, fee structures and risk factors and certain restrictions may apply.
Diversity and Inclusion

Reinforcing the value of inclusion to competitive performance

Through our shareholder voting and engagement activities, we voice our expectations of public company best practices on ESG issues. We reinforce our message to boards of directors and senior managers across the market that corporate cultures that value diversity and inclusion can improve long-term resilience and support competitive performance. We also actively advance market-wide discourse and international best practices in support of the UN SDGs, especially Reduced Inequalities (SDG 10) and Gender Equality (SDG 5).

Our consistent diversity and inclusion (D&I) advocacy with companies and boards through our engagement work is centered around the following key areas:

- Disclosure
- Board composition
- Workforce diversity
- Workplace policy
- Talent pipeline

Currently, we are engaging with boards in the U.S. and Japan who have no female directors, encouraging them to consider adding women to their nominee pool and/or commit to appointing at least one female director to their board.
In the recent past, we participated in an open dialogue with key regulators in India, including the chairman and chief general manager of the Securities and Exchange Board of India (SEBI), the CEO of the National Stock Exchange (NSE), and the chief regulations of the Listing Compliance Department of the NSE. Key issues discussed during this open dialogue included:

- **Best practice advocacy.** This includes advocacy and education on the role of the independent director and the role that a lead independent director could play when there is a combined CEO and chairman position. It also includes the role of effective board evaluations in the U.S. market.

- **Streamlining regulations.** We support overhauling rules with a balanced approach to principles and rules. Areas of focus include the role of the independent director, board effectiveness, and related-party transactions.

**“We have the opportunity through membership with organizations like Asia Corporate Governance Association (ACGA) to meet with regulators in Asian markets to discuss ESG issues. Additionally, we make recommendations on best practices to influence change in public companies.”**

**MOHANI MAHARAJ, DIRECTOR, RESPONSIBLE INVESTING, NUVEEN**

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**How Nuveen Engages on D&I**

Since 2015, Nuveen has discussed diversity and inclusion approaches and disclosure with more than two-thirds of the public companies with which it engaged. In addition:

- In 2016, 2017 and 2018, Nuveen voted in favor of the majority of shareholder proposals requesting that public companies review and address diversity-related pay gaps among employees.

- Since 2015, Nuveen has offered annual enrichment programming for women on public company boards to equip them with insight on ESG priorities that are important to long-term shareholders.
Nuveen’s community investment initiatives address gaps in essential support services for low-income and underserved populations globally. Our impact framework across asset classes aims to produce direct and measurable positive outcomes in affordable housing, financial services, healthcare, education, and community development.

Our investment approach relies on market-based solutions that can be self-supporting and generate competitive returns for investors. Investments in community services are important for two reasons. First, they play a vital role in supplementing publicly funded programs that fall short of meeting social needs. Second, they provide local communities with the tools to achieve self-sustaining growth and independence from government aid.

Our affordable housing investments support new and existing developments targeting low- and moderate-income families and the elderly. Affordable housing is essential for maintaining vibrant, healthy, and diverse communities. Our inclusive finance investments can provide financial security and loans to help small and medium-sized businesses create jobs. Our investments in community and economic development programs provide essential support services for families, such as childcare, education, and healthcare.
Our Process for Community Investment

Our process for selecting and managing community investments varies depending on whether specific investments include private equity or public fixed-income securities. Private equity investments can include co-investments with other institutional investors, investments in specialized private equity funds, or direct investments with local entrepreneurs. With public fixed income securities, we provide direct exposure to socially beneficial issuers and/or individual projects.

We are able to source a broad range of opportunities through industry contacts acquired during our 30 years of impact investing experience. We conduct due diligence to screen these opportunities and assess each project’s financial viability and ESG impact. The process involves detailed analysis of governance and objectives and ESG implementation, including financial modeling and site visits.

We often play an active role in supervising and managing projects with a seat on the board of directors or advisory boards. We monitor a range of data, such as key performance indicators, to ensure that projects are meeting their objectives for financial performance and social impact. For investments in public bonds, we identify securities that meet best-in-class ESG leadership standards, based on independent research and ratings by leading third-party providers, as well as internal analysis. The goal is a portfolio maintaining higher ESG quality and investment performance than its broad market benchmark.

Our Impact on Community Issues

We engage on community issues by investing in projects or securities with direct impact on affordable housing, financial inclusion, and community and economic development.

These investments can include:

- Direct participation in community projects.
- Indirect investments in private equity funds.
- Public bonds to finance community projects.
- Investments in social impact portfolios within the TIAA General Account and the TIAA-CREF Social Choice Bond Fund.
The TIAA General Account Social Impact Portfolio

In 2017, the General Account’s $1.1 billion social impact portfolio deployed $182 million in new capital commitments, including the following:

- **Affordable housing.** Our $70 million commitment includes a $50 million private equity investment to purchase 35 properties with 3,500 rental units in Maryland, Pennsylvania, and Virginia. The project provides high-quality, attractive, and affordable housing with social programs for low- and moderate-income families and the elderly.

- **Inclusive finance,** including $22 million for investments in companies that provide banking and other financial services for low- and moderate-income families and the underserved.

- **Community and economic development.** This $90 million commitment includes:
  - $40 million invested in providers of affordable options for healthcare, education, and other basic services.
  - $50 million invested in a green building technology company to reduce energy consumption and environmental impact.

TIAA Investments’ Proprietary Impact Framework: Public Fixed Income

As of June 30, 2018, through TIAA Investments’ Proprietary Impact Framework—a proprietary framework developed in 2007—we have identified and selected public fixed income investments that support direct and measurable social and environmental impact with an emphasis on competitive, risk-adjusted return potential totaling **$3.3 billion** in AUM.

These investments include:

- **Affordable housing: $400 million** in securities issued by federal, state, and municipal agencies to finance low- and moderate-income housing, transit-oriented development, and urban mixed-use development. For example, the fund invests in securities issued by the state of Maryland supporting its Maryland Mortgage Program. Home ownership incentives for veterans, first-time home buyers with student loans, and others include attractive mortgage rates and assistance with down payments and closing costs.
• **Community and economic development: $440 million**, including bonds funding global immunization programs; financial, medical and educational services; and urban revitalization and aid services targeting underserved or economically disadvantaged communities.

• **Renewable energy and climate change: $1.3 billion**, including:
  - New, expanding, or existing renewable energy projects (including hydroelectric, solar, and wind).
  - Smart grid and other projects designed to make power generation and transmission systems more efficient.
  - Energy efficiency projects resulting in the reduction of greenhouse gas emissions.

• **Natural resources: $1.1 billion**, including:
  - Sustainability projects, such as forestry and agriculture, waste management, and certified green buildings.
  - Remediation and redevelopment of polluted or contaminated sites.
  - Improvement of clean drinking water supplies and/or sewer systems infrastructure.

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**Partnering with Enterprise Homes to Support Affordable Housing**

Nuveen Private Markets partnered with Enterprise Homes, a nonprofit affordable housing developer that is part of Enterprise Community Partners, to purchase 35 affordable housing properties with the intention of preserving existing affordability and improving tenant experience through green retrofits and services. As a result, more than 4,100 rental homes will remain affordable to low-income residents in Maryland, Pennsylvania, and Virginia. The investment aims to address the growing affordability challenges facing communities across the U.S.

“Securing the right investment partner needed for this type of large-scale, complex transaction can be extremely difficult, which is why we’re so grateful to partner with TIAA Investments on financing this acquisition,” said Chris Herrmann, vice president, Conventional Equity, Enterprise Community Investment. “Nearly 19 million low-income families in the U.S. are homeless or paying at least half of their monthly income on housing. TIAA Investments’ $50 million contribution shows a commitment to ending our country’s affordability challenges and improving the lives of hard-working Americans nationwide.”

The 4,153 original apartments were originally financed through the Low-Income Housing Tax Credit, America’s main tool for creating and preserving affordable homes for low-income families, seniors, veterans, and people with special needs.

“Preserving and improving the affordable housing stock in the United States are focal points of our impact investment portfolio, so we’re especially pleased to deploy capital in properties that help meet the affordability needs in our country,” said Rekha Unnithan, portfolio manager of impact investing at Nuveen Private Markets. “This investment opportunity was particularly attractive given the properties were consistently of high quality, are located in high-demand markets, and offer steady cash flows.”
Sustainability

Embracing ESG best practices to protect our investments and the planet

Sustainability is integral to our investment process, essential for long-term investment success, and aligned with our corporate commitment to reduce the impact of climate change. Our investments are designed to achieve a double bottom line of competitive investment returns and measurable environmental benefits. Sustainable practices, such as land and water conservation, are required to maintain the productivity of long-term investments in farmland and timberland. Energy and resource conservation in commercial real estate is vital to reducing costs, making our properties more attractive to tenants, and meeting our climate change commitment.

Integrating ESG Principles Into Our Real Estate Portfolios

Sustainability goals are incorporated in our selection of real asset investments—farmland, timberland, and commercial real estate—and other investments such as fixed income that incorporate ESG criteria. Real assets must pass strict due diligence showing the ability to support sustainable operations. Before acquiring farmland, we assess environmental risks, including pesticide storage, harvesting practices, water use efficiency, and presence of endangered species. For farmland and timberland investments, our investment teams, including technical experts, conduct site inspections to evaluate environmental risks.

We also engage third-party consultants who perform independent assessments. In commercial real estate, cities and buildings are evaluated for climate change risk, carbon intensity, and energy efficiency. Investments using broader ESG criteria favor clean water, sanitation, or renewable energy sources that reduce climate change risks. These investments may also include green bonds which are targeted environmental projects for that issuer, such as the financing of wastewater treatment plants or wind or solar energy projects.
Our approach to real estate stems from a deep understanding of the structural trends that shape the future of real estate and responsible investing beyond market cycles. This ‘Tomorrow’s World’ approach sits at the core of our investment process, informing our view of real estate investments that yield attractive long-term financial returns and benefits to society.
Monitoring Our Progress Toward Sustainability Goals

We actively monitor progress in meeting sustainability goals at all farmland, timberland, and commercial real estate properties. We conduct site visits and evaluate key performance indicators (KPIs) measuring progress against industry standards and UN guidelines. Our affiliated farmland asset manager, Westchester, has demonstrated continuous improvement since tracking began in 2012. Our timberland properties managed by affiliate GreenWood Resources are assessed twice a year and carry third-party certification that they meet global sustainability standards that include forest, habitat, and biodiversity protection.

To promote transparency, we publish an annual report (available at tiaa.org) showing progress in meeting sustainability KPIs across our farmland properties. Our real estate manager, TH Real Estate, requires all property managers to meet strict energy and resource conservation standards—and measure annual progress toward achieving the 30% energy reduction goal by 2030. TIAA Investments actively engages with bond issuers on the environmental and shareholder benefits of issuing “green bonds” used to fund projects such as solar and wind power. TIAA-CREF Social Choice Bond Fund portfolio managers work to promote the adoption of best practices in structuring bonds, using bond proceeds, and reporting on their impact.

Sustainability Progress and Achievements

- We rely partly on third-party certifications to verify that farmers use sustainable agriculture practices on our farmland properties.
- In the U.S. over 3,500 acres of our almond cropland have achieved USDA Good Agricultural Practices certification and almost 9,000 acres of wine grapes have earned Certified Sustainable or Sustainability In Practice certifications.
- In Brazil, we own over 5,500 acres of sugarcane properties with the Bonsucro certification. Our sole citrus property in Brazil was the first in our portfolio to achieve Rainforest Alliance certification.
- We have processes in place to help ensure that land we acquire and manage in Brazil complies with the Brazilian Forest Code designed to prevent deforestation. In support of reforestation, Nuveen has planted more than 1 million trees across 2,100 acres of land in Brazil.

15 As of 12/31/17.
Our affiliate TH Real Estate uses “smart building” technology—sensors, advanced metering, and software—to monitor progress toward its goal of a 30% reduction in energy consumption by 2030. For example, the Steward Building in London is designed to use about 25% less energy than a typical UK office building. The building incorporates a green roof, solar panels, and web-based monitoring devices to minimize energy consumption. The system monitors thousands of heating and ventilation (HVAC) sensors and identifies those making excessive energy demands, causing discomfort, and wasting energy. Data is automatically analyzed and sent to building managers who make adjustments to maintain optimal energy efficiency. New monitoring technology was instrumental in TH Real Estate’s achieving a 20% reduction in energy consumption at U.S. properties ahead of the 2030 goal. The company is also testing technology designed to avoid the buildup of carbon dioxide and other indoor air pollutants, which can impair workers’ health and productivity.
Appendix
Awards and Recognition

Responsible Investing

TIAA Investments
- Founding member of the SASB Investor Advisory Group
- Signatory of the United Nations backed Principles for Responsible Investment (PRI) – Earned an A+ on 2017 Assessment Report
- Signatory and executive committee member of Green Bond Principles

Nuveen
- Founding member of the Global Impact Investing Network (GIIN) Investors Council
- Founding member of the Investment Leaders Group (ILG)
- One of a group of PRI signatories that developed the Principles for Responsible Investment in Farmland, precursor to today’s PRI’s Farmland Guidelines

Diversity & Inclusion

TIAA
- Forbes Best Employers for Diversity, 2018
- Forbes Best Employers for Women, 2018
- Best Workplaces for Diversity, Fortune, 2018
- NBIC Best of the Best Corporation for Inclusion, 2018
- Top 50 Companies for Diversity, DiversityInc, 2013–2018
- 100% rating for support of LGBTQ+ employees, The Human Rights Campaign Foundation, 2010–2018
- Best Companies for Latinas to Work for in the US, Latina Style magazine, 2010–2018
- 100 Best Companies for Working Mothers, Working Mother magazine, 2011-2018
- Top Company for Executive Women, National Association of Female Executives, 2015–2018
- Learning in Practice Awards “Excellence in Content” for Journey to Inclusion, Chief Learning Officers, 2017
- “Best Innovative Learning and Development Program” for Journey to Inclusion, Brandon Hall Group, 2017

Community

TIAA
- Rise Against Hunger’s Impact Award, 2018
- EarthShare NJ’s Green Day Challenge, Best Overall Team Award, 2018
- Metro Caring’s Hungry for Change Award for TIAA’s partnership and impact in advancing the mission of Metro Caring, 2017
- EarthShare North Carolina’s Corporate Partner of the Year Award for TIAA’s leadership in environmental stewardship and employee engagement, 2017
- Innovation in Financial Education Award for TIAA’s significant efforts to improve the financial capability of young adults in Charlotte, NC with adopt-a-school partners located in Governor’s Village, 2016 and 2017
- Second Harvest New Partnership and Special Event Partner Awards, 2016
- Money Management Institute (MMI) “Doing Good” Award for TIAA’s strong financial literacy programs and commitment to serve our communities, constituents and the financial services industry, 2016

Governance

Nuveen
- Serve as Chair of the International Committee of the Council of Institutional Investors (CII)
- Member of the Global Institutional Governance Network (GIGN)
- Member of the Asian Corporate Governance Association (ACGA)
- Founding member of The Investor Stewardship Group (ISG)
### Sustainability

**TIAA**

**Charlotte Properties**
- 8500 – LEED Gold; Energy Star Rating 83
- 8625 – LEED Silver; Energy Star Rating 89
- 8925 – Energy Star Rating 85
- Designated BOMA 360 since 2010

**New York Properties**
- LEED Gold; Energy Star Rating 86
- 21st, 22nd, and 26th floor renovations are LEED Gold
- Designated BOMA 360 in 2011 and 2014

**Denver Properties**
- 1670 Broadway – LEED Gold; Energy Star Rating 88
- BOMA 360 designation 2016
- 1670 Restack Project adhering to LEED certified construction standards
- Broomfield Data Center has received the EPA's Energy Star (89 Rating) since 2013

**Nuveen**

Nuveen Achieved 11 Green Stars in the Global Real Estate Sustainability Benchmark (GRESB). 2017 results included:
- The UK Shopping Centre Fund ranked #1 among all global non-listed retail funds
- The Super Regional Mall Fund ranked #1 in its peer group
- Eight funds were awarded the top 5-star rating, meaning they outperformed 80% of all participating property funds
- 12 out of 14 real estate funds outperformed their peer group average

**TH Real Estate Sustainability Program Achievements**

- 71% of our global office portfolio has sustainability certification, as of 2017
- Achieved a 5% reduction in greenhouse gas emissions on the portfolio of properties owned for the full years 2015 and 2016
- Reduced energy consumption by 4% between 2015 and 2017, saving enough energy to power 1,500 houses (based on properties owned from January 2015 to June 2017)
- 80% of the investment staff received sustainability training as of the end of 2017
- TH Real Estate earned an A+ rating in 2017 UN PRI Sustainability Benchmark Assessment

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16 As of 12/31/17.
About this Report

Our Responsible Business report is designed to provide an overview to our stakeholders of the efforts TIAA is making to maximize our positive impact on society and the people and institutions we serve. Through two lenses—traditional CSR and responsible investing—this report addresses our key pillars: governance, diversity and inclusion, community, and sustainability. Business leads from within each pillar area, as well as our Nuveen colleagues, collaborated to identify tangible initiatives that embody our commitment to operating responsibly and to doing good in the communities where we live and work. In an effort to facilitate dialogue with our stakeholders, we welcome your feedback and invite you to send your comments, inquiries, and suggestions to csr@tiaa.org.

Scope

This report covers TIAA’s CSR and responsible investing policies, programs, and initiatives. While we’ve provided information regarding our organization’s CSR efforts, please note that not all of our organization’s affiliates or business units are included in the report. All information contained within the report, unless otherwise stated, is for fiscal years 2016 and 2017. This self-directed report is part of our ongoing effort to further engage stakeholders about our CSR efforts.

About TIAA

TIAA (TIAA.org) is a unique financial partner. TIAA is the leading provider of financial services in the academic, research, medical, cultural, and government fields. TIAA has $1 trillion in assets under management (as of 9/30/2018) and offers a wide range of financial solutions, including investing, banking, advice and education, and retirement services.
Learn more about TIAA and our CSR programs by visiting TIAA.org

This material is for informational or educational purposes only and does not constitute investment advice under ERISA. This material does not take into account any specific objectives or circumstances of any particular investor, or suggest any specific course of action. Investment decisions should be made based on the investor's own objectives and circumstances.

Investing involves risk; principal loss is possible. There is no guarantee the investment objectives will be achieved. Because social criteria exclude some investments, socially responsible funds may not be able to take advantage of the same opportunities or market trends as portfolios that do not use such criteria.

Shares of ETFs are bought and sold at market price as opposed to net asset value. As a result, an investor may pay more than net asset value when buying and receive less than net asset value when selling. In addition, brokerage commissions will reduce returns. Fund shares are not individually redeemable directly with the Fund, but blocks of shares may be acquired from the Fund and tendered for redemption to the Fund by certain institutional investors in Creation Units.

You should consider the investment objectives, risks, charges and expenses carefully before investing.

Please call 877.518.9161 or log on to www.tiaa.org for product and fund prospectuses that contain this and other information. Please read the prospectuses carefully before investing.

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