

Registration number: 08698166

TIAA International Holdings 1 Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2021



TIAA International Holdings 1 Limited

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TIAA International Holdings 1 Limited

Company Information

Directors	D. D. Morton
	O. Salami
	M. J. L. Sales
Company secretary	Nuveen Corporate Secretarial Services Limited
Registered office	201 Bishopsgate London, England EC2M 3BN
Bankers	National Westminster Bank Plc Western Avenue, Waterside Court Chatham Maritime, Chatham ME4 4RT
Independent Auditors	PricewaterhouseCoopers LLP 7 More London Riverside London SE1 2RT

TIAA International Holdings 1 Limited

Directors' Report for the Year Ended 31 December 2021

The Directors present their Annual Report and the audited financial statements for the year ended 31 December 2021 which have been prepared with International Accounting Standards in conformity with the requirements of the Companies Act 2006.

Business Review

TIAA International Holdings 1 Limited ("TIH 1") was incorporated in the United Kingdom on 19 September 2013 and its principal activity is that of a holding company for Nuveen Investment Management Holdings Limited ("Nuveen Group" or "NIMHL"). On 9 March 2021, the Company acquired 1% of the issued shares in Clean Energy Partners Holdco LLP and its affiliated entities thereof (collectively, "Glennmont") with TIAA International Holdings 2 Limited ("TIH 2") acquiring the controlling 99% interest, for a total consideration of £104,667,000. Glennmont Asset Management Limited, Clean Energy Partners LLP and Glennmont Partners I Limited are regulated by the United Kingdom Financial Conduct Authority. The acquisition will enhance the Group's existing private infrastructure platform. The results and assets and liabilities of Glennmont have been consolidated in TIH 2 from 9 March 2021, the date at which control was obtained.

During the year the Company terminated the secretarial services of Cornhill Secretaries Limited and transferred to Nuveen Corporate Secretarial Services Limited.

Principal Risks and Uncertainties

The ultimate controlling party of TIH 1 is Teachers Insurance and Annuity Association ("TIAA" or "the Group"). The Group has a risk management framework in place to ensure that TIH 1 meets its objectives within acceptable risk parameters. This framework is reviewed regularly so that new and emerging risks are identified early on. The Group's culture embeds the management of risk at all levels within the organisation. The framework under which it operates also ensures that the business is capable of meeting its business objectives within its risk appetite and is subject to continuous review. The main risks the Group faces are market risk, liquidity risk, foreign exchange risk and credit risk, which are discussed further in note 3 to the financial statements. The risk of COVID-19 has continued to impact all of the principal risks above facing our business.

Results and Dividends

The profit for the year ended 31 December 2021 amounted to £182,290 (2020: loss £15,394). The Directors do not recommend payment of a dividend (2020: £nil).

Directors

The Directors, who were in office during the year ended 31 December 2021 and up to the date of signing of the financial statements, were as follows:

D. D. Morton

O. Salami

M. J. L. Sales

Directors' third party indemnity provisions

NIMHL on behalf of the Company has made qualifying third party indemnity provisions within the meaning given to the term by s.234 of the Companies Act 2006 for the benefit of the respective Directors which were in place throughout the year and which remain in place at the date of this report.

NIMHL may indemnify the Directors to the extent permitted by United Kingdom law. NIMHL may indemnify the Directors against all costs, charges, losses, expenses and liabilities incurred in the actual or purported execution and/or discharge of his duties, or in relation to them.

NIMHL may provide the Directors with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred above.

TIAA International Holdings 1 Limited

Directors' Report for the Year Ended 31 December 2021

Going concern

The Company meets its day-to-day working capital requirements through regular cash flows from Group activities. The Company is in a net current liability position of £767,251 (2020: £218,813) and an overall net asset position of £2,004,111 (2020: £1,821,821) with the majority of the liability relating to intercompany balances owed to TIAA International Holdings 2 Limited. The Directors have received confirmation that the immediate parent, Nuveen Real Estate Global LLC intends to support the Company to enable it to meet its obligations as they fall due and will not seek repayment of part or all of the amount loaned to the Company, where to do so would place the Company in an insolvent position. Therefore the Company continues to adopt the going concern basis in preparing its financial statements.

Our response to the COVID-19 pandemic

The COVID-19 virus has had a profound effect on societies, economies and markets across the world, and there remains uncertainty about its future impact. The Company's priorities during this period have been to continue to focus on delivering value for its stakeholders. While this crisis is unprecedented in recent memory, the Company's business model and culture have meant that it has responded effectively to the challenges and maintained its operational, investment and support activities as close to normal as possible.

Operational impact

Although the nature and impact of the COVID-19 pandemic was not predicted, the Company's Business Continuity Plan was deployed swiftly and delivered an effective response in the context of the rapid development of government guidance, policies and legislation in which it operates in.

Communications

The worldwide impact of the pandemic on working practices meant that the Company had to employ alternative ways of communicating with stakeholders. The Company has a significant increase in the use of video calling systems as well as communicating with stakeholders early in the crisis to provide a comprehensive update and reassurance on the Company's response to the developing situation.

Conclusion

With the COVID-19 crisis evolving and the developments in vaccinations, the Company remains in close contact with our local health authorities, governmental agencies and other key stakeholders in our geographies, so that the Company can react and adapt to any changes in circumstances and minimise the risk to the Company's customers and other stakeholders. There are a number of ongoing business reviews to evaluate different courses of action in response to the crisis.

Looking ahead, the Company will review the lessons learned during this crisis as part of future updates to the risk management framework, specifically when it comes to the Company's approach taken to prepare for similar types of events.

Russia-Ukraine war

The Russian invasion of Ukraine has created significant uncertainty in the global financial markets and economies. The duration and extent of this uncertainty and the related impact over the long-term cannot be reasonably estimated at this time. While not currently expected to be material, Nuveen will continue to monitor the impact on the Company's business, results of operations, investments, and cash flows.

Events after the reporting period

No events occurred after the Statement of Financial Position date that have a material impact on the financial statements. The Directors have not received any further information as at the approval date which has not been reflected in the financial statements presented.

TIAA International Holdings 1 Limited

Directors' Report for the Year Ended 31 December 2021

Independent Auditors

The Independent auditors, PricewaterhouseCoopers LLP will be proposed for re-appointment in accordance with Section 485 of the Companies Act 2006. PricewaterhouseCoopers LLP have indicated their willingness to continue in office.

Strategic report

A strategic report has not been included in these audited financial statements as the Company qualifies for exemption under Section 414B of the Companies Act 2006 relating to small entities.

TIAA International Holdings 1 Limited

Directors' Report for the Year Ended 31 December 2021

Statement of Directors' responsibilities in respect of the financial statements

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to have prepared Financial Statements in accordance with UK-adopted international accounting standards.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and apply them consistently;
- state whether applicable UK-adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

They are responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

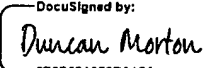
The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' confirmations

In the case of each Director in office at the date the Directors' Report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Approved by the Board of Directors on 13 April 2022 and signed on its behalf by:

DocuSigned by:

D. D. Morton
Director

Independent auditors' report to the members of TIAA International Holdings 1 Limited

Report on the audit of the financial statements

Opinion

In our opinion, TIAA International Holdings 1 Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Statement of Financial Position as at 31 December 2021; the Statement of Comprehensive Income, the Statement of Changes in Equity and the Statement Cash Flows for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to manipulation of financial data to present more favourable financial results. Audit procedures performed by the engagement team included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing relevant Board meeting minutes;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations, entries posted containing unusual account descriptions, and entries posted with unusual amounts; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or in to whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting


Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remunerations specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Thomas Norrie (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors
London
13 April 2022

TIAA International Holdings 1 Limited

Statement of Comprehensive Income for the Year Ended 31 December 2021

	Note	2021 £	2020 £
Revenue	5	185,000	-
Administrative expenses	6	(2,153)	(14,741)
Operating profit/(loss)		182,847	(14,741)
Finance expense	8	(523)	(653)
Profit/(loss) for the financial year		182,324	(15,394)
Income tax expense	9	(34)	-
Total comprehensive income/(expense) for the financial year		182,290	(15,394)

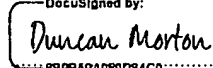
The above results were derived from continuing operations.

The notes on pages 14 to 26 form an integral part of these financial statements.

TIAA International Holdings 1 Limited
(Registration number: 08698166)
Statement of Financial Position as at 31 December 2021

	Note	31 December 2021 £	31 December 2020 £
Non-current assets			
Investments	11	3,087,294	2,040,634
Current assets			
Cash and cash equivalents		143,926	70,666
Total assets		<u>3,231,220</u>	<u>2,111,300</u>
Non-current liabilities			
Trade and other payables	12	(315,932)	-
Current liabilities			
Trade and other payables	12	(911,143)	(289,479)
Income tax liability		(34)	-
Total liabilities		<u>(1,227,109)</u>	<u>(289,479)</u>
Net assets		<u>2,004,111</u>	<u>1,821,821</u>
Equity			
Called up share capital	13	600	600
Share premium		1,899,634	1,899,634
Retained earnings/(accumulated losses)		103,877	(78,413)
Total equity		<u>2,004,111</u>	<u>1,821,821</u>

The financial statements on pages 8 to 23 were approved by the Board of Directors on 13 April 2022 and signed on its behalf by:

DocuSigned by:

 889859A099D84C0
 D. D. Morton
 Director

The notes on pages 14 to 26 form an integral part of these financial statements.

TIAA International Holdings 1 Limited**Statement of Changes in Equity for the Year Ended 31 December 2021**

	Called up share capital £	Share premium £	(Accumulated losses)/Retained earnings £	Total equity £
Balance at 1 January 2020	600	1,899,634	(63,019)	1,837,215
Loss and total comprehensive expense for the year	-	-	(15,394)	(15,394)
Balance as at 31 December 2020	<u>600</u>	<u>1,899,634</u>	<u>(78,413)</u>	<u>1,821,821</u>
Profit and total comprehensive income for the year	-	-	182,290	182,290
Balance as at 31 December 2021	<u>600</u>	<u>1,899,634</u>	<u>103,877</u>	<u>2,004,111</u>

The notes on pages 14 to 26 form an integral part of these financial statements.

TIAA International Holdings 1 Limited**Statement of Cash Flows for the Year Ended 31 December 2021**

	Note	2021 £	2020 £
Cash flows from operating activities			
Profit/(loss) for the year		182,324	(15,394)
Adjustments to cash flows from non-cash items			
Foreign exchange gain	6	(21,027)	-
Changes in operating assets and liabilities:			
(Decrease)/increase in trade and other payables	12	<u>(88,037)</u>	<u>78,594</u>
Net cash generated from operating activities		<u>73,260</u>	<u>63,200</u>
Net increase in cash and cash equivalents		73,260	63,200
Cash and cash equivalents at 1 January		<u>70,666</u>	<u>7,466</u>
Cash and cash equivalents at 31 December		<u>143,926</u>	<u>70,666</u>

The notes on pages 14 to 26 form an integral part of these financial statements.

TIAA International Holdings 1 Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

1 General information

TIAA International Holdings 1 Limited (the "Company") is a private company limited by shares, incorporated and domiciled in United Kingdom under the Companies Act 2006. The Company was established in the United Kingdom on 19 September 2013.

The address of its registered office is:

201 Bishopsgate
London, England
EC2M 3BN

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The financial statements have been prepared in accordance with UK-adopted International Accounting Standards.

The financial statements have been prepared on a going concern basis under the historical cost convention, except for the measurement at fair value of financial instruments, including deferred consideration as set out in the accounting policies below.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

Going concern

The Company meets its day-to-day working capital requirements through regular cash flows from Group activities. The Company is in a net current liability position of £767,251 (2020: £218,813) and an overall net asset position of £2,004,111 (2020: £1,821,821) with the majority of the liability relating to intercompany balances owed to TIAA International Holdings 2 Limited. The Directors have received confirmation from the immediate parent, Nuvcen Real Estate Global LLC intends to support the Company to enable it to meet its obligations as they fall due and will not seek repayment of part or all of the amount loaned the Company, where to do so would place the Company in an insolvent position. Therefore the Company continues to adopt the going concern basis in preparing its financial statements.

New standards, amendments and IFRIC interpretations not yet effective

There are no amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 December 2021 that have a material impact on the company's financial statements.

TIAA International Holdings 1 Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

2 Accounting policies (continued)

Consolidation

The Company is a wholly owned subsidiary of Nuveen Real Estate Global, LLC. The results of the Company are included in the consolidated financial statements of Nuveen Real Estate Global, LLC which are publicly available at 730 Third Avenue, New York, NY 10017. Therefore the Company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements.

These financial statements are separate financial statements.

Foreign currency transactions and balances

(a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in 'Pounds Sterling' (£), which is also the Company's functional currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income, except when deferred in other comprehensive income as qualifying cash flow hedges. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'Administrative expenses'.

TIAA International Holdings 1 Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

2 Accounting policies (continued)

Financial instruments

• Recognition and initial measurement

Financial assets and financial liabilities are recognised on the Company's balance sheet when the Company has become a party to the contractual obligations of the financial instrument. The Company determines the classification of its financial instruments at initial recognition in accordance with the categories outlined below and re-evaluates this designation at each reporting period end. When financial instruments are recognised initially, they are measured at fair value, being the transaction price plus, in the case of financial assets and financial liabilities not at fair value through the Statement of Comprehensive Income, directly attributable transaction costs.

• Financial assets

All financial assets are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below. All income and expenses relating to financial assets that are recognised in Statement of Comprehensive Income are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within expenses.

• Financial liabilities

The Company's financial liabilities consists of trade and other payables which includes deferred consideration. Financial liabilities are initially measured at the transaction price and subsequently measured at amortised cost using the effective interest method, except for financial liabilities held for trading or designated at fair value through the Profit and Loss account, that are carried subsequently at fair value with gains or losses recognised in the Statement of Comprehensive Income.

• Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flow from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability. The Company derecognises a financial liability when its contractual obligations are extinguished, discharged or cancelled or have expired.

Investments

Investments are held at cost less accumulated impairment loss.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and at banks.

Called up share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurements is on a present value basis.

Members' remuneration

The policy to allocate profits is governed by the amended members' agreement dated 9 March 2021.

TIAA International Holdings 1 Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

2 Accounting policies (continued)

Members' capital

Members' capital that is not automatically repayable on retirement is classified as equity. Members' capital that is automatically repayable on retirements is classified as a liability. Members' capital, whether classified as equity or a liability are not interest bearing.

Current and deferred tax

Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised directly in other comprehensive income or equity - in which case, the tax is also recognised in other comprehensive income or equity.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the date of the Statement of Financial Position in the countries where the Company operates. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation, and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the date of the Statement of Financial Position and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Revenue

Revenue consists of dividends. A dividend is recognised when the right to receive payment is established.

Finance income and expense policy

Interest income and expense are recognised within finance income and finance costs in the Statement of Comprehensive Income using the effective interest rate method.

Administrative expenses

Expenses include accounting, auditing, and other administrative expenses. They are recognised in the Statement of Comprehensive Income in the period in which they are incurred (on an accruals basis).

TIAA International Holdings 1 Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

2 Accounting policies (continued)

Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

TIAA International Holdings 1 Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

3 Financial risk management

Financial risks are risks arising from financial instruments to which the Company is exposed during or at the end of the reporting period. Financial risk comprises market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The primary objectives of the financial risk management function are to establish risk limits, and then ensure that exposure to risks stays within these limits.

Risk management is carried out centrally under policies approved by the Board of Directors. Financial risks are identified and evaluated in close co-operation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investing excess liquidity.

Key financial risk management reports are produced monthly on a Group level and provided to the key management personnel of the Company.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group's market risks arise from (a) a significant reduction in income and valuation to a financial asset or liability and (b) a significant decline in the value of AUM. The Group is able to mitigate risk (to a certain extent) via natural hedging within the Group, being the natural offset of assets and liabilities of the same currency. It is important to note, the use of this approach does not prevent losses outside these limits in the event of more significant market movements.

Sensitivities to market risks included below are based on a change in one factor while holding other factors constant. In practice, this is unlikely to occur, and changes in some of the factors may be correlated - for example, changes in interest rate and changes in foreign currency rate.

The Group has been quick to address issues created by the COVID-19 pandemic, allowing the Group to continue to meet the needs of its customers whilst adhering to strict Government guidelines. The health, safety and welfare of our employees and those in the communities we serve has been under intense focus, ensuring our operational and support management teams are able to perform at optimum levels.

The longer-term impact of COVID-19 remains uncertain with many unknowns, but the principles of investing, the long-term growth opportunities and the resilience of the Group's business model, ensure that the Group is well-positioned to meet the challenges and opportunities resulting from the crisis.

Brexit has caused implications distributing products from the UK into the EU and the access to the EU and UK markets depends on the regulation of the investment manager. Management proposed a number of Brexit plans in 2019, all of which have been implemented and are operating effectively.

Both the COVID-19 pandemic, Brexit and the Ukraine-Russia war are recent world events that could have an impact on the business, asset valuation and revenue. This is managed via a mixture of a diversity of clients, distribution channels, products and regions so there is not a concentration in one particular part of the market and seeking fees that are not solely related to market value.

TIAA International Holdings 1 Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

3 Financial risk management (continued)

(b) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company has no significant concentrations of credit risk. Credit risk arises from cash and cash equivalents held at banks and trade receivables. The Company's main counterparties are other entities within the Group. Cash balances are held with high credit quality financial institutions (AA grade) and the Company has policies to limit the amount of credit exposure to any financial institution. No financial assets are deemed to be impaired or past due at year end.

No credit limits were exceeded during the reporting period, and management does not expect any losses from non-performance by counterparties.

(c) Liquidity risk

Cash flow forecasting is performed in the operating entities of the Group. Forecasts of the liquidity requirements are monitored to ensure the Company has sufficient cash to meet its operational needs. Given the ultimate Group structure the liquidity risk is seen as minimal for this Company.

Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders; and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Management view the following as the capital of the Company:

	31 December 2021 £	31 December 2020 £
Called up share capital	600	600
Share premium	1,899,634	1,899,634
Retained earnings/(accumulated losses)	103,877	(78,413)
	<u>2,004,111</u>	<u>1,821,821</u>

Fair value estimation

The fair values of the Company's financial assets and liabilities approximates the carrying amount at the reporting date.

4 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience as adjusted for current market conditions and other factors.

TIAA International Holdings 1 Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

4 Critical accounting estimates and judgements (continued)

Critical accounting estimates and assumptions

Management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. Estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

Impairment of investments

Management tests investments held for impairment annually. An impairment is recognised in the Statement of Comprehensive Income immediately when the carrying value of the investment is greater than the enterprise value. The enterprise value is determined by multiplying earnings before interest, taxation, depreciation and amortisation by 8.6%, plus the net assets. The Group takes the approach that so long as the principal activity of the Company has not changed, the carrying value transfers to other similar investments held on the Statement of Financial Position as long as the other similar investments' enterprise value supports the transfer and the transfer does not take any individual investment's carrying value above its cost. At 31 December 2021 it has been determined that the carrying value of the investment is less than the enterprise value and therefore no impairment is required.

The Directors do not consider that there are any other accounting estimates or judgements that are critical to the understanding of the Company's financial statements

5 Revenue

The analysis of the company's revenue for the year from continuing operations is as follows:

	2021	2020
	£	£
Dividends received from related parties	185,000	-
	<u>185,000</u>	<u>-</u>

During the year the company received a dividend from Nuveen Investment Management Holdings Limited for £185,000 (2020: £nil).

TIAA International Holdings 1 Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

6 Administrative expenses

Operating profit/(loss) is stated after charging/(crediting):

	2021 £	2020 £
Legal and professional fees	12,208	7,559
Auditors' remuneration	6,284	5,985
Other administrative expenses	<u>(16,339)</u>	<u>1,197</u>
	<u>2,153</u>	<u>14,741</u>

All fees payable by the Company's auditors relate to the audit of the Company's financial statements, so no split for non-audit services is required.

Other administrative expenses relates to the write off of irrecoverable VAT ((£16,832) (2020: £1,197)); fair value adjustments recognised through the Statement of Comprehensive Income ((£2,856) (2020: £Nil)); less a foreign exchange gain ((£21,027) (2020: £Nil))

7 Employees and Directors

The emoluments of D. D. Morton and M. J. L. Sales are paid by Nuveen Administration Limited which makes no recharge to the Company (2020: £nil). The emoluments of O. Salami are paid by the Parent with no recharge being made to the Company. The Directors are directors of a number of fellow subsidiaries and their total emoluments are included in the aggregate of directors emoluments disclosed in those financial statements.

The Company has no employees (2020: nil).

8 Finance expense

	2021 £	2020 £
Bank charges	<u>523</u>	<u>653</u>
	<u>523</u>	<u>653</u>

TIAA International Holdings 1 Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

9 Income tax charge

Factors affecting tax credit for the year

The difference between the total current tax credit shown above and the amount calculated applying the standard rate of UK corporation tax to the profit/(loss) before tax is as follows:

	2021 £	2020 £
Profit/(loss) before tax	<u>182,324</u>	<u>(15,394)</u>
Profit/(loss) before tax at standard corporation tax rate of 19% (2020: 19%)	34,642	(2,925)
Tax effect of:		
Increase arising from group relief	-	2,925
Non-taxable dividend income	(35,150)	-
Unrealised loss on equity investments upon which no deferred tax is being recognised	<u>542</u>	<u>-</u>
Total tax charge for the year	<u><u>34</u></u>	<u><u>-</u></u>

The tax payable for the year is £34 (2020: £nil).

TIAA International Holdings 1 Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

10 Financial assets and financial liabilities

Financial assets

The Company holds the following financial assets:

	Carrying value		Fair value	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	£	£	£	£
Cash and cash equivalents	<u>143,926</u>	<u>70,666</u>	<u>143,926</u>	<u>70,666</u>

Financial liabilities

The Company holds the following financial liabilities:

	Carrying value		Fair value	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	£	£	£	£
Trade and other payables	<u>1,226,569</u>	<u>289,479</u>	<u>1,226,569</u>	<u>289,479</u>

11 Investments

	£
Cost	
At 1 January 2020	<u>2,040,634</u>
At 31 December 2020	<u>2,040,634</u>
At 1 January 2021	<u>2,040,634</u>
Additions - acquisition of Clean Energy Partners Holdco LLP	<u>1,046,660</u>
At 31 December 2021	<u>3,087,294</u>
Carrying value	
As at 31 December 2020	<u>2,040,634</u>
As at 31 December 2021	<u>3,087,294</u>

TIAA International Holdings 1 Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

11 Investments (continued)

On 9 March 2021, the Company acquired 1% of the issued shares in Clean Energy Partners Holdco LLP and its affiliated entities thereof (collectively, "Glennmont") with TIH 2 acquiring the controlling 99% interest, for a total consideration of £104,667,000. Glennmont Asset Management Limited, Clean Energy Partners LLP and Glennmont Partners 1 Limited are regulated by the United Kingdom Financial Conduct Authority. The acquisition will enhance the Group's existing private infrastructure platform. The results and assets and liabilities of Glennmont have been consolidated in TIH 2 from 9 March 2021, the date at which control was obtained.

12 Trade and other payables

The amounts listed below were outstanding at the Statement of Financial Position date:

	31 December 2021 £	31 December 2020 £
Current		
Amounts payable to related parties	898,733	276,177
Accrued expenses	12,410	13,302
	<u>911,143</u>	<u>289,479</u>

Amounts payable to related parties are unsecured, interest free, have no fixed date of repayment and are payable on demand.

	31 December 2021 £	31 December 2020 £
Non-current		
Deferred consideration	315,932	-
	<u>315,932</u>	<u>-</u>

Deferred consideration relates to the Company's purchase of 1% of the issued shares in Glennmont. At the time of the acquisition, the Company agreed to make future payments to the partners of Glennmont contingent on their continuing employment and future fund performance, payable in 3 years. Deferred payments linked to the continuing employment of the sellers will be recognised through the Consolidated Statement of Profit or Loss over the period of the earn out.

13 Called up share capital

	31 December 2021 £	31 December 2020 £
Allotted and fully paid		
600 Ordinary shares of £1 each	<u>600</u>	<u>600</u>

TIAA International Holdings 1 Limited

Notes to the Financial Statements for the Year Ended 31 December 2021

14 Related party transactions

Payables to related parties

	31 December 2021	31 December 2020
	£	£
TIAA International Holdings 3 Limited	201,177	201,177
TIAA International Holdings 2 Limited	<u>697,556</u>	<u>75,000</u>
	<u>898,733</u>	<u>276,177</u>

TIAA International Holdings 3 Limited is a subsidiary of TIAA International Holdings 2 Limited, a fellow subsidiary of Nuveen Real Estate Global, LLC. The amounts outstanding are unsecured, carry no interest, no fixed date of repayment and are payable on demand. No provision has been made for doubtful debts in respect of amounts owed by related parties.

15 Events after the reporting period

No events occurred after the Statement of Financial Position date that have a material impact on the financial statements. The Directors have not received any further information as at the approval date which has not been reflected in the financial statements presented.

16 Parent and ultimate parent undertaking

The Company's immediate parent company is Nuveen Real Estate Global, LLC, a limited liability company incorporated in the United States of America. The ultimate controlling party is Teachers Insurance and Annuity Association, a company incorporated in the United States of America. The financial statements of the ultimate parent company are maintained at 730 Third Avenue, New York, NY 10017. Nuveen Real Estate Global, LLC is the parent undertaking of the smallest group of undertakings to consolidate these financial statements. The financial statements of Nuveen Real Estate Global, LLC are available from 730 Third Avenue, New York, NY 10017.