

Registration number: 08699607

# TIAA International Holdings 3 Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2022



**TIAA International Holdings 3 Limited**

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## **TIAA International Holdings 3 Limited**

### **Company Information**

<b>Directors</b>	D. D. Morton O. Salami M. J. L. Sales
<b>Company secretary</b>	Nuveen Corporate Secretarial Services Limited
<b>Registered office</b>	9th Floor 201 Bishopsgate London, United Kingdom EC2M 3BN
<b>Bankers</b>	National Westminster Bank Plc Western Avenue, Chatham Maritime, Chatham ME4 4RT
<b>Independent Auditors</b>	PricewaterhouseCoopers LLP 7 More London Riverside London SE1 2RT

## **TIAA International Holdings 3 Limited**

### **Directors' Report for the Year Ended 31 December 2022**

The Directors present their report and the audited financial statements for the year ended 31 December 2022.

#### **Principal activities and future developments**

The principal activity of TIAA International Holdings 3 Limited (the "Company") is that of a holding company for Nuveen Investment Management Holdings Limited ("NIMHL" or the "Group"), a dedicated real estate and infrastructure investment management business. Its only source of revenue will come from dividends arising from its investments in the underlying operating subsidiaries, as well as any gain from sale of investments. The Directors do not envisage a change of activities in the foreseeable future.

The Company applies FRS 101 - Reduced Disclosure Framework and has taken advantage of certain exemptions allowed under this standard. Further details are provided in note 2 of the financial statements. The Company's immediate parent undertaking has been notified and did not object to the disclosure exemptions.

#### **Principal risks and uncertainties**

The ultimate controlling party of TIAA International Holdings 3 Limited is Teachers Insurance and Annuity Association ("TIAA" or "the Group"). The Group has a risk management framework in place to ensure that it 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, credit risk, operational risk and regulatory/legal risk which are discussed in the Group financial statements.

Whilst the Covid-19 pandemic had been the primary external risk to the Group in prior years, over the past 12 months, as the world started to recover from the Covid-19 pandemic, the risk reduced significantly to one deemed acceptably low so as not to present a threat to the Group and its employees. Management continues to monitor the threat level and is ready to adapt company policies, including hybrid in office/work from home policy accordingly.

The Group initially saw a correction to asset values at the start of the pandemic putting pressure on fee income but asset valuations rebounded strongly in the second half of 2021 across all asset classes.

As the challenges presented by Covid-19 receded, focus moved to rebuilding from the economic impacts as business activity returned to normal. However when Russia invaded Ukraine, the worldwide impact on inflation and rates expectations resulted in another challenging period for assets globally.

This geopolitical instability has caused commodity prices to increase rapidly, inflation to rise and the end to the period of historically low interest rates for the global economy. This outlook will impact investor sentiment regarding investments, but the full impact is still to be seen. Whilst not expected to be material, the Group continues to monitor the impact on its business, results of its operations, investments, and cash flows.

Despite these challenges the Group believes its asset classes remain a good alternative long-term investment and are relevant across a range of economic scenarios.

Climate change - the Group has made a house-level public commitment to reduce the energy intensity of its global real estate equity portfolio by 30% by the year 2025, based on a 2015 baseline. The Group has also committed to transition its global real estate portfolio to Net Zero Carbon by 2040 and future-proof its investments through the active integration of the environment, social and governance ("ESG").

## **TIAA International Holdings 3 Limited**

### **Directors' Report for the Year Ended 31 December 2022 (continued)**

**Inflation risk** - the Group has sufficient cash flows to support price rises in the short-term. The Bank of England ("BoE") has forecast inflation to fall sharply from mid-2023 due to falls in global oil prices and lower demand anticipated for consumer goods and services. The Group will continue to monitor BoE forecasts and any additional monetary policy tightening to the Bank Rate which currently stands at 4.25%.

**Decline in asset valuations** - there is a risk to the Group of a decline in net asset valuations ("NAVs") leading to a reduction in revenue ("management fees"). However, to mitigate this risk the Group has a diversified investment portfolio across multiple asset classes and geographies to offset declines in NAVs, by investing in e.g. real assets including wind turbines.

#### **Results and Dividends**

The loss for the year ended 31 December 2022 amounted to £15,000 (2021: profit £18,297,000). During the year the Company did not pay a dividend (2021: £20,315,000).

#### **Directors**

The Directors who held office during the year ended 31 December 2022 and up to the date of signing 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 approval of these financial statements.

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.

#### **Going concern**

The Company meets its day-to-day working capital requirements through its cash reserves. The Directors consider that the Company has adequate financial resources to continue in operational existence in the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

#### **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.

#### **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.

## **TIAA International Holdings 3 Limited**

### **Directors' Report for the Year Ended 31 December 2022 (continued)**

#### **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.

#### **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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, 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 the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, 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.

The Directors 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 2023 and signed on its behalf by:

DocuSigned by:  
  
.....8B9B59A059D84C0.....  
D. D. Morton  
Director

# Independent auditors' report to the members of TIAA International Holdings 3 Limited

## Report on the audit of the financial statements

### Opinion

In our opinion, TIAA International Holdings 3 Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); 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 2022; the Statement of Comprehensive Income and the Statement of Changes in Equity 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 2022 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 the 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](http://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 into 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' remuneration 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 2023

# TIAA International Holdings 3 Limited

## Statement of Comprehensive Income for the Year Ended 31 December 2022

	Note	2022 £ 000	2021 £ 000
Revenue	4	-	18,315
Administrative expenses	5	(15)	(17)
Operating (loss)/profit		(15)	18,298
Finance expense	7	-	(1)
(Loss)/profit before tax		(15)	18,297
Income tax expense	8	-	-
(Loss)/profit and total comprehensive (expense)/income for the financial year		(15)	18,297

The above results were derived from continuing operations.

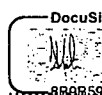
The notes on pages 12 to 28 are an integral part of these financial statements.

**TIAA International Holdings 3 Limited****(Registration number: 08699607)****Statement of Financial Position as at 31 December 2022**

	Note	31 December 2022 £ 000	31 December 2021 £ 000
<b>Fixed assets</b>			
Investments	10	202,323	202,323
<b>Current assets</b>			
Trade and other receivables	11	201	201
Cash and cash equivalents		69	70
		270	271
<b>Creditors: amounts falling due within one year</b>	12	(26)	(12)
<b>Net current assets</b>		244	259
<b>Net assets</b>		202,567	202,582
<b>Equity</b>			
Called up share capital	13	1	1
Share premium account		202,163	202,163
Retained earnings		403	418
<b>Total equity</b>		202,567	202,582

The notes on pages 12 to 28 form an integral part of these financial statements.

The financial statements on pages 9 to 28 were approved by the Board of Directors on 13 April 2023 and signed on its behalf by:

DocuSigned by:  
  
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 D. D. Morton  
 Director

# TIAA International Holdings 3 Limited

## Statement of Changes in Equity for the Year Ended 31 December 2022

	Called up share capital £ 000	Share premium £ 000	Retained earnings £ 000	Total equity £ 000
<b>Balance at 1 January 2021</b>	<b>1</b>	<b>202,163</b>	<b>2,436</b>	<b>204,600</b>
Profit and total comprehensive income for the year	-	-	18,297	18,297
Dividends paid	-	-	(20,315)	(20,315)
<b>Balance as at 31 December 2021</b>	<b>1</b>	<b>202,163</b>	<b>418</b>	<b>202,582</b>
Loss and total comprehensive expense for the year	-	-	(15)	(15)
<b>Balance as at 31 December 2022</b>	<b>1</b>	<b>202,163</b>	<b>403</b>	<b>202,567</b>

The notes on pages 12 to 28 form an integral part of these financial statements.

## **TIAA International Holdings 3 Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2022**

#### **1 General information**

TIAA International Holdings 3 Limited (the "Company") is a private company limited by shares incorporated in England and Wales and domiciled in the England and Wales under the Companies Act 2006.

The address of its registered office is:

9th Floor  
201 Bishopsgate  
London, United Kingdom  
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 of the Company have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' ("FRS 101"). The financial statements have been prepared under the historical cost convention, and in accordance with the Companies Act 2006 as applicable to companies using FRS 101.

The preparation of financial statements in conformity with FRS 101 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 3.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information requirements in respect of paragraph 79(a)(iv) of IAS 1 (share capital);
- The following paragraphs of IAS 1, 'Presentation of financial statements':
  - 10(d) (statement of cash flows),
  - 16 (statement of compliance with all IFRS),
  - 38A (requirement for minimum of two primary statements, including cash flow statements),
  - 38B-D (additional comparative information),
  - 111 (cash flow statement information), and
  - 134-136 (capital management disclosures).
- IAS 7, 'Statement of cash flows' exemption from preparing statement of cash flows and related notes;
- Paragraph 17 of IAS 24 'Related party disclosures' (key management compensation); and
- The requirements in IAS 24, 'Related party disclosures', to disclose related party transactions entered into between two or more members of a group.
- IFRS 7, 'Financial instruments: Disclosures';

## **TIAA International Holdings 3 Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)**

#### **2 Accounting policies (continued)**

##### **Basis of preparation (continued)**

- Paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors'.

##### **Rounding of amounts**

All amounts disclosed in the financial statements have been rounded off to the nearest thousand currency units unless otherwise stated.

##### **Going concern**

The Company meets its day-to-day working capital requirements through its cash reserves. The Directors consider that the Company has adequate financial resources to continue in operational existence in the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

##### **New standards, interpretations, and amendments not yet effective**

There are no amendments to accounting standards, or IFRS Interpretations Committee interpretations that are effective for the year ended 31 December 2022 that have a material impact on the Company's financial statements.

##### **Changes in accounting policies**

The accounting policies set out in these financial statements have been applied consistently to all years presented unless otherwise stated.

##### **Consolidation**

The Company is a wholly owned subsidiary of TIAA International Holdings 2 Limited. It is included in the consolidated financial statements of TIAA International Holdings 2 Limited which are publicly available upon request from 201 Bishopsgate, London, United Kingdom, EC2M 3BN. 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. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'Administrative expenses'.

## TIAA International Holdings 3 Limited

### Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

#### 2 Accounting policies (continued)

##### Financial instruments

###### *• Recognition and initial measurement*

Financial assets and financial liabilities are recognised on the Statement of Financial Position when the Company has become a party to the contractual obligations of the financial instrument.

The Company classifies its financial assets in the following categories:

- Amortised cost;
- Fair value through profit or loss (FVTPL);
- Fair value through other comprehensive income (FVOCI).

The classification depends on the purpose for which the financial assets were acquired, i.e. the entity's business model for managing the financial assets and/or the contractual cash flow characteristics of the financial asset.

###### *• Financial assets*

The Company's financial assets consist of cash and cash equivalents and trade and other receivables which are held at amortised cost. 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. 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.

The Company assesses on a forward-looking basis the expected credit loss associated with its financial assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

###### *• Financial liabilities*

The Company's financial liabilities consist of trade and other payables. Financial liabilities are measured subsequently at amortised cost using the effective interest method.

###### *• 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, cancelled or have expired.

##### Provisions

Provisions are recognised when the Company has a present legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the obligation. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the obligation. The increase in the provision due to the passage of time is recognised as interest expense.

##### Investments

Investments comprise of investments in subsidiaries and are held at cost less accumulated impairment losses.

##### Cash and cash equivalents

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



## **TIAA International Holdings 3 Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)**

#### **2 Accounting policies (continued)**

##### **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 measurement is on a present value basis.

##### **Current and deferred tax**

The tax expense for the period comprises current tax. Tax is recognised in the Statement of Comprehensive Income, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates taxable income.

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 corporation 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.

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

Deferred corporation 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 corporation 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 corporation taxes assets and liabilities relate to corporation 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.

## **TIAA International Holdings 3 Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)**

#### **2 Accounting policies (continued)**

##### **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 legal, accounting, auditing and other fees. They are recognised in the Statement of Comprehensive Income in the period in which they are incurred (on an accruals basis).

##### **Trade receivables**

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value. The company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables are grouped based on shared credit risk characteristics and the days past due.

##### **Trade payables**

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

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

##### **Dividends**

Dividend distribution to the company's shareholders is recognised as a liability in the company's financial statements in the period in which the dividends are approved by the company's shareholders.

#### **3 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.

##### **Critical accounting estimates and judgements**

Management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions 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 items that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

## TIAA International Holdings 3 Limited

### Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

#### 3 Critical accounting estimates and judgements (continued)

##### Impairment of investment in subsidiaries

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 9.5 times, plus the net assets. The Group presumes 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. Furthermore, the similar investments' enterprise value must also support the transfer without assuming any individual investment's carrying value above its cost otherwise, an impairment may be recognised. At 31 December 2022 it has been determined that the carrying value of the investment is less than the enterprise value and therefore no impairment is required.

#### 4 Revenue

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

	2022 £ 000	2021 £ 000
Dividends received	-	18,315
	<u>-</u>	<u>18,315</u>

No dividends were received during the year (2021: £18,315,000).

#### 5 Administrative expenses

Operating (loss)/profit is stated after charging:

	2022 £ 000	2021 £ 000
Legal and professional fees	5	10
Auditors' remuneration	8	6
Other expenses	2	1
	<u>15</u>	<u>17</u>

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

Other expenses includes the write off of irrecoverable VAT on the audit fee for these financial statements.

## TIAA International Holdings 3 Limited

### Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

#### 6 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 (2021: £nil). The emoluments of O. Salami are paid by the parent with no recharge being made to the Company (2021: £nil). 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 (2021: none).

#### 7 Finance expense

	2022 £ 000	2021 £ 000
Bank charges	-	1
	<u>          </u>	<u>          </u>
	<u>          </u>	<u>          </u>

## TIAA International Holdings 3 Limited

### Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

#### 8 Income tax expense

##### Factors affecting tax charge for the year

The Company did not recognise any tax charge during the year (2021: £nil) based on the following calculation:

	2022 £ 000	2021 £ 000
(Loss)/profit before tax	(15)	18,297
Tax on profit/(loss) at standard corporation tax rate of 19% (2021: 19%)	(3)	3,477
<b>Tax effect of:</b>		
Effects of group relief	-	3
Non-taxable dividend income	-	(3,480)
Amounts upon which deferred tax has not been recognised	3	-
<b>Total tax charge for the year</b>	<b>-</b>	<b>-</b>

At the year end, the Company had accumulated tax losses amounting to £53,651 (2021: £21,508) giving rise to a potential deferred tax asset of £13,413 (2021: £4,087).

The deferred tax asset has not been recognised in the financial statements due to uncertainty regarding the timing and level of future profits.

On 3 March 2021 it was announced that the UK corporation tax rate would increase from 19% to 25% from 1 April 2023. This change in tax rate was substantively enacted on 24 May 2021. Accordingly, these rates have been considered when calculating the closing deferred tax balances at the Statement of Financial Position date. Accordingly, these rates have been considered when calculating the closing deferred tax balances at the Statement of Financial Position date.

## TIAA International Holdings 3 Limited

### Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

#### 9 Financial assets and financial liabilities

##### Financial assets

The Company holds the following financial assets:

	Carrying value		Fair value	
	31 December 2022 £ 000	31 December 2021 £ 000	31 December 2022 £ 000	31 December 2021 £ 000
Cash and cash equivalents	69	70	69	70
Trade and other receivables	201	201	201	201
	<u>270</u>	<u>271</u>	<u>270</u>	<u>271</u>

##### Financial liabilities

The Company holds the following financial liabilities:

	Carrying value		Fair value	
	31 December 2022 £ 000	31 December 2021 £ 000	31 December 2022 £ 000	31 December 2021 £ 000
Creditors: amounts falling due within one year	<u>26</u>	<u>12</u>	<u>26</u>	<u>12</u>

#### 10 Investments

	£ 000
<b>Cost</b>	
At 1 January 2021	<u>202,323</u>
At 31 December 2021	<u>202,323</u>
At 1 January 2022	<u>202,323</u>
At 31 December 2022	<u>202,323</u>
<b>Carrying value</b>	
As at 31 December 2021	<u>202,323</u>
As at 31 December 2022	<u>202,323</u>

## **TIAA International Holdings 3 Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)**

#### **10 Investments (continued)**

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 9.5x (2021: 8.6x), plus the net assets. The Group presumes 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. Furthermore, the similar investments' enterprise value must also support the transfer without assuming any individual investment's carrying value above its cost otherwise, an impairment may be recognised. At 31 December 2022 it has been determined that the carrying value of the investment is less than the enterprise value and therefore no impairment is required.

## TIAA International Holdings 3 Limited

### Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

#### 10 Investments (continued)

Details of the subsidiaries as at 31 December 2022 are as follows:

Name of subsidiary	Principal activity	Registered office	Proportion of ownership interest and voting rights held	
			2022	2021
Nuveen Investment Management Holdings Limited	Holding company	201 Bishopsgate, London, United Kingdom, EC2M 3BN	99%	99%
Nuveen FCACO Limited	Holding company	201 Bishopsgate, London, United Kingdom, EC2M 3BN	99%	99%
Nuveen Europe Holdings Limited	Holding company	201 Bishopsgate, London, United Kingdom, EC2M 3BN	99%	99%
Nuveen Group Holdings Limited	Holding company	201 Bishopsgate, London, United Kingdom, EC2M 3BN	99%	99%
Nuveen Administration Limited	Administration company	201 Bishopsgate, London, United Kingdom, EC2M 3BN	99%	99%
Nuveen Investment Management International Limited	Operating company	201 Bishopsgate, London, United Kingdom, EC2M 3BN	99%	99%
Nuveen Management AIFM Limited	Operating company	201 Bishopsgate, London, United Kingdom, EC2M 3BN	99%	99%
Henderson European Retail Property Fund Management S.à.r.l	Operating company	4a rue Henri M Schnadt, L-2530 Gasperich, Luxembourg	99%	93%
Nuveen Management Company (Luxembourg) No. 1 S.à r.l	Operating company	4a rue Henri M Schnadt, L-2530 Gasperich, Luxembourg	99%	93%



## TIAA International Holdings 3 Limited

### Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

#### 10 Investments (continued)

Name of subsidiary	Principal activity	Registered office	Proportion of ownership interest and voting rights held	
			2022	2021
Nuveen Property Management (Jersey) Limited	Operating company	11-15 Seaton Place, St Helier, Jersey, JE4 0QH	99%	99%
Nuveen Fund Management (Jersey) Limited	Operating company	11-15 Seaton Place, St Helier, Jersey, JE4 0QH	99%	99%
Nuveen Singapore Private Limited	Operating company	50 Raffles Place, #06-00 Singapore, Land Tower, 048623, Singapore	99%	99%
Nuveen (France) SAS	Operating company	7, rue Scribe - 75009 Paris, France	99%	99%
CLOF II (GP) Limited	Related to CLOF fund	201 Bishopsgate, London, United Kingdom, EC2M 3BN	99%	99%
Matador General Partner Limited	LP Dormant	201 Bishopsgate, London, United Kingdom, EC2M 3BN	99%	99%
Nuveen Corporate Secretarial Services Limited	Dormant	201 Bishopsgate, London, United Kingdom, EC2M 3BN	99%	99%
Nuveen Australia Limited	Operating company	44 Martin Place, Sydney, NSW 2000, Australia	99%	99%
Nuveen Operations Limited	Dormant	201 Bishopsgate, London, United Kingdom, EC2M 3BN	99%	99%
OMP Limited	(GP) Related to OMP fund	201 Bishopsgate, London, United Kingdom, EC2M 3BN	99%	99%
UK OM (LP1) (GP) Limited	Related to OMP fund	201 Bishopsgate, London, United Kingdom, EC2M 3BN	99%	99%
UK OM (LP1) Limited	Related to OMP fund	201 Bishopsgate, London, United Kingdom, EC2M 3BN	99%	99%

## TIAA International Holdings 3 Limited

### Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

#### 10 Investments (continued)

Name of subsidiary	Principal activity	Registered office	Proportion of ownership interest and voting rights held	
			2022	2021
UK OM (LP2) (GP) Limited	Related to OMP fund	201 Bishopsgate, London, United Kingdom, EC2M 3BN	99%	99%
UK OM (LP2) Limited	Related to OMP fund	201 Bishopsgate, London, United Kingdom, EC2M 3BN	99%	99%
UK OM (LP3) (GP) Limited	Related to OMP fund	201 Bishopsgate, London, United Kingdom, EC2M 3BN	99%	99%
UK OM (LP3) Limited	Related to OMP fund	201 Bishopsgate, London, United Kingdom, EC2M 3BN	99%	99%
Nuveen S.à r.l.	Italy Operating company	Piazza Pio XI, 1, 20123 Milan, Italy	99%	99%
Islazul General Partner S.à r.l.	Operating company	4a rue Henri M Schnadt, L-2530 Gasperich, Luxembourg	99%	99%
Anglo-Sino Henderson Investment Consultancy (Beijing) Co Limited	Operating company	Unit 22/23B, 36/F, China World Tower, No.1 Jianguomenwai Avenue, Chaoyang District, 100004 Beijing, China	99%	99%
Nuveen Consulting (Shanghai) Co Ltd	Operating company	Suite 965,9/F, Eco City, No.1788,Nanjing West Road, Jing 'An District, Shanghai, China	99%	99%
Nuveen Estate Partners S.à r.l.	Real Debt (GP)	Operating company 4a rue Henri M Schnadt, L-2530 Gasperich, Luxembourg	99%	99%
T-C Investments GP S.à r.l.	Lux Operating company	4a rue Henri M Schnadt, L-2530 Gasperich, Luxembourg	99%	99%
Enhanced Debt Carry (GP) S.à r.l.	Operating company	4a rue Henri M Schnadt, L-2530 Gasperich, Luxembourg	99%	99%
European Cities Partnership (GP) S.à r.l.	Operating company	4a rue Henri M Schnadt, L-2530 Gasperich, Luxembourg	99%	99%

## TIAA International Holdings 3 Limited

### Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

#### 10 Investments (continued)

Name of subsidiary	Principal activity	Registered office	Proportion of ownership interest and voting rights held	
			2022	2021
Nuveen Management Austria GmbH	Operating company	Wipplingerstraße 33, 010 Vienna, Austria	99%	99%
Nuveen Management Finland Oy	Operating company	Y-tunnus 2847548-9, Mannerheimintie 20, 00100, Helsinki, Finland	99%	99%
ERES APAC II (GP) S.à r.l	Operating company	4a rue Henri M Schnadt, L-2530 Gasperich, Luxembourg	99%	99%
Nuveen Estate Partners II (GP) S.à r.l	Real Debt II Operating company	4a rue Henri M Schnadt, L-2530 Gasperich, Luxembourg	99%	99%
CLOF Vanquish Limited	II Related to CLOF fund	11-15 Seaton Place, St Helier, Jersey, JE4 0QH	99%	99%
Nuveen Alternatives Europe S.à r.l	Asset management	4a rue Henri M Schnadt, L-2530 Gasperich, Luxembourg	99%	99%
Nuveen Asset Management Europe S.à r.l	Asset management	4a rue Henri M Schnadt, L-2530 Gasperich, Luxembourg	99%	99%
Tokyo Multifamily GP Pte Ltd	Related to Tokyo Multifamily fund	8 Robinson Road #14-00 ASO Buiding, Singapore	99%	99%
ERES Europe II (GP) S.à r.l	Operating company	4A, rue Henri Schnadt, L-2530 Luxembourg	99%	99%
Nuveen Estate Partners III (GP) S.à r.l	Real Debt III Operating company	8 rue Lou Hemmer, L-1748 Senningerberg, Luxembourg	99%	99%
NRE Portfolio Limited	Storage Holding company	201 Bishopsgate, London, EC2M 3BN United Kingdom	99%	99%
Nugreen Services AB	Operating company	Bolagsrätt Sundsvall AB, Box 270, 851 04 Sundsvall, Stockholm Sweden	82%	82%

## TIAA International Holdings 3 Limited

### Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

#### 10 Investments (continued)

Name of subsidiary	Principal activity	Registered office	Proportion of ownership interest and voting rights held	
			2022	2021
European Core-Plus Logistics Fund (GP) S.à.r.l	Related to European Logistics Fund	4a rue Henri M Schnadt, L-2530 Gasperich, Luxembourg	99%	99%
Japan Alternatives Living GP Pte. Ltd	Holding company	1 George Street, #14-05 One George Street, Singapore (049145)	99%	99%
Nuveen Switzerland GmbH	Operating company	Fraumünsterstrasse 16, Level 1, FlexOffice, Fraumünster, 8001, Zürich	99%	0%
European Core Renewable Infrastructure S.à.r.l	Operating Company	8, rue Loy Hemmer, L-1748 Senningerberg, Grand-Duche de Luxembourg	99%	0%

#### 11 Trade and other receivables

	31 December 2022 £ 000	31 December 2021 £ 000
Amounts receivable from related parties	201	201
	<u>201</u>	<u>201</u>

The fair value of those trade and other receivables classified as financial assets held at amortised cost are disclosed in the financial instruments note.

Amounts receivable from related parties are unsecured, interest free, have no fixed date of repayment, and are repayable on demand.

#### 12 Creditors: amounts falling due within one year

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

	31 December 2022 £ 000	31 December 2021 £ 000
Accrued expenses	18	12
Amounts payable to related parties	<u>8</u>	<u>-</u>
	<u>26</u>	<u>12</u>

## TIAA International Holdings 3 Limited

### Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

#### 12 Creditors: amounts falling due within one year (continued)

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

#### 13 Called up share capital

	31 December 2022 £ 000	31 December 2021 £ 000
<b><u>Allotted and fully paid</u></b>		
600 (2021: 600) Ordinary shares of £1 each	<u>1</u>	<u>1</u>

#### 14 Related party transactions

The Company has taken advantage of the exemption in FRS 101 by not disclosing related party transactions entered into between two or more parties of a group.

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

##### Receivables from related parties:

	31 December 2022 £ 000	31 December 2021 £ 000
TIAA International Holdings 1 Limited	<u>201</u>	<u>201</u>
	<u>201</u>	<u>201</u>

TIAA International Holdings 1 Limited is a subsidiary of Nuveen Real Estate Global LLC, the immediate parent company of TIAA International Holdings 2 Limited.

The amounts outstanding are unsecured, carry no interest and will be settled in cash. No guarantees have been given or received. No provisions have been made for doubtful debts in respect of the amounts owed by related parties.

## **TIAA International Holdings 3 Limited**

### **Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)**

#### **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 is TIAA International Holdings 2 Limited, a limited company incorporated in England and Wales.

The ultimate undertaking and controlling party and largest group to consolidate these financial statements is Teachers Insurance and Annuity Association, a company incorporated in the United States of America. The registered office and financial statements are available at 730 Third Avenue, New York, NY 10017. TIAA International Holdings 2 Limited is the parent undertaking of the smallest group to consolidate these financial statements in the United Kingdom. The registered office and consolidated financial statements of TIAA International Holdings 2 Limited are available at 201 Bishopsgate, London, United Kingdom, EC2M 3BN.