nuveen
A TIAA Company

2022 – 2023
Nuveen private equity impact annual report

FOR PUBLIC DISTRIBUTION IN THE U.S. OR PROFESSIONAL INVESTOR USE IN OTHER JURISDICTIONS WHERE APPLICABLE.
PLEASE SEE IMPORTANT DISCLOSURES IN THE ENDNOTES.

What's inside

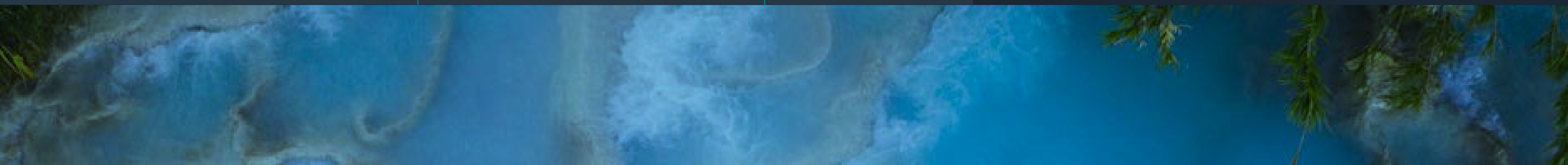
1

About us

A message from Nuveen Private Equity Impact ▸

Portfolio at a glance ▸

Overall outcomes ▸



A message from Nuveen Private Equity Impact

In 2022 and 2023, scrutiny of sustainable and impact investing continued to grow. Critics see a style of investing that incorporates social and environmental performance as either insufficient to address the moment — one in which the severity of climate change's impacts is clear and growing, and inequality continues to proliferate — or else a violation of an investors' fiduciary duty. As longtime investors in private equity impact, we've been focused on countering the latter contention for nearly a decade, demonstrating that strong, risk-adjusted returns can be achieved. This year, we've turned our attention to the former — sharpening our focus on the real-world outcomes that we achieve via our investments.

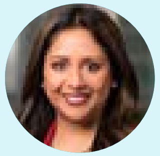
Specifically, we've focused on bringing discipline to the process of setting quantitative impact targets and measuring our progress toward those targets. Our approach to impact underwriting has long included projecting the potential impact performance of a company during our hold period (and after), and we have often set internal targets for our companies. This year, for the first time, we are publicly releasing those targets and will do so on an ongoing basis, highlighting where we do and do not hit our objectives.

Our aim in doing so is to make clearer what social and environmental outcomes we seek to achieve, and to focus our investment teams on those targets.

> ***"Just as increased financial performance information has dispelled the idea that impact investors cannot achieve a market rate of return, we think increased rigor around setting and measuring against targets will dispel the idea that impact investing cannot contribute to meaningful outcomes for people and the planet."***

These targets also form the basis of our Sustainable Finance Disclosure Regulation (SFDR) disclosures, and may, in the future, provide a means for us to tie our financial compensation as managers to our impact performance.

What follows is a summary of our efforts to date within the Nuveen Global Impact Fund I[1] (NGIF) portfolio companies. We include portfolio-level information, a deep dive into each of our companies, and details of our approach to selecting key performance indicators (KPIs) and setting impact targets.



Rekha Unnithan, CFA
Managing Director,
Head of Private Equity
Impact Investing

Pete Murphy
Senior Director, Private
Equity Impact Investing;
Head of Impact and ESG

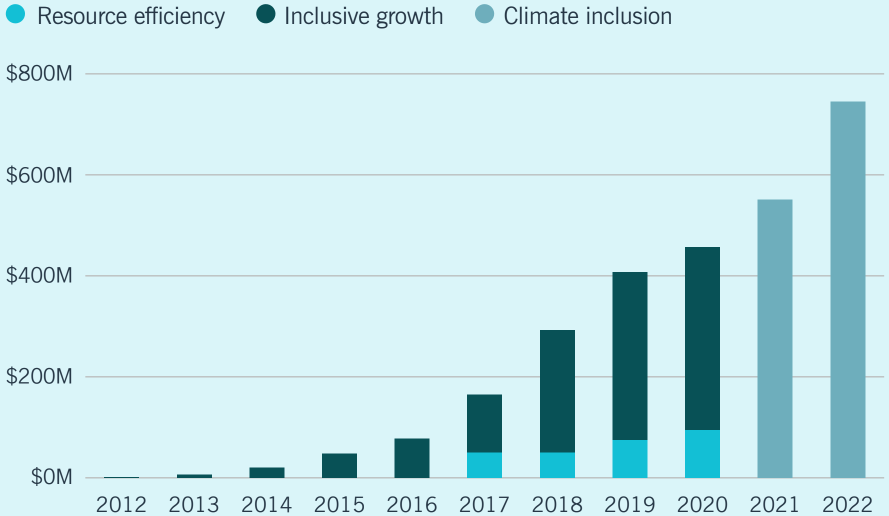
Portfolio at a glance

Managing a global, diversified private-equity focused impact investing portfolio for more for than a decade

Our investment thesis is rooted in addressing two critical and inextricably linked problems — inequality and climate change. We believe that by targeting the emerging low-income consumer segment, and providing that consumer with goods and services that mitigate carbon emissions and build resilience, we'll select companies best positioned to grow and lead in the decades to come.

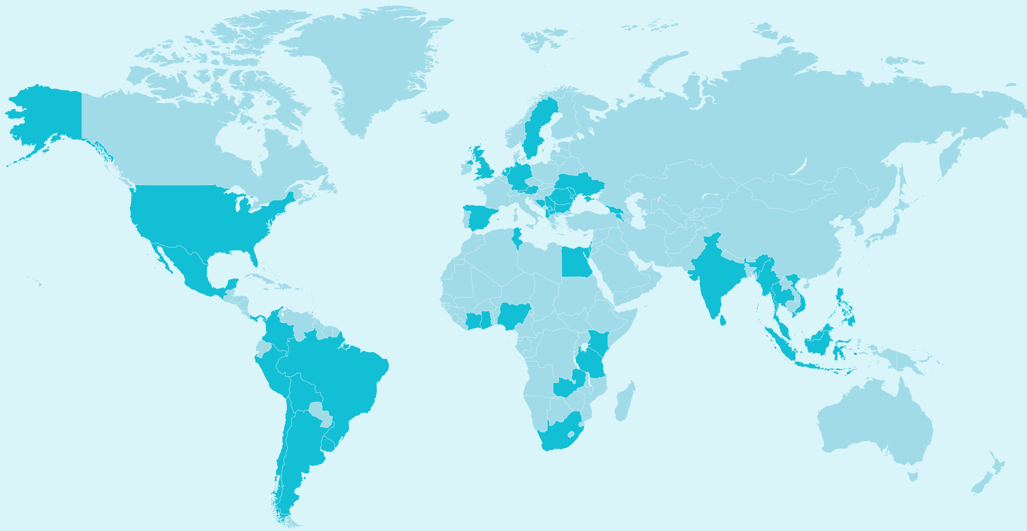
CUMULATIVE PORTFOLIO SIZE OVER TIME

Investments disbursed



Source: Nuveen. As of 31 Dec 2022. Includes all Nuveen private equity impact investments, including those made on behalf of NGIF and TIAA.

GLOBAL PRIVATE EQUITY IMPACT EXPOSURE



The Global Impact Investing Network's (GIIN) methodology for assessing aggregate impact

To analyze and compare the collective impact of hundreds of independent companies and impact investments, the GIIN created a methodology focused on company impact, investment impact, and year-on-year change. **Learn more about the COMPASS methodology to compare and assess impact here.**

COMPANY IMPACT

Investees, or the financial service providers receiving investment capital, create significant real-world impacts.

INVESTMENT IMPACT

To understand the impact of investments, these figures are investment weighted, adjusting to account for the ratio of investment amount outstanding to enterprise value.

YEAR-ON-YEAR CHANGE

To truly understand impact, it is imperative to consider the year-on-year change across key performance indicators (as applicable).

Why only financial inclusion?

In 2022, the GIIN released the first-ever impact performance benchmark (the IRIS+ Impact Performance Benchmark) to help investors understand their impact performance relative to peers. As detailed on the left, methodological barriers to aggregating and comparing impact performance, were addressed.

The larger barrier the GIIN faced, and the reason such benchmarks won't work for every sector, is accessing a sufficient sample size for a given sector or business model. Financial inclusion is the rare sector within the impact market with enough impact information to be able to generate a meaningful benchmark.

GIIN
GLOBAL IMPACT INVESTING NETWORK

How we stack up to the GIIN's IRIS+ Impact Performance Benchmark

Portfolio company clients actively using ***responsible*** financial services (on average each year)

	IRIS+ BENCHMARK AVERAGE	NUVEEN AVERAGE
CLIENTS	728,077	▲ 2,400,605
INVESTMENT-WEIGHTED CLIENTS	73,222	▲ 119,361
ADDITIONAL CLIENTS EACH YEAR	670,565	▲ 7,014

Data accessed on 01 Oct 2023.
Note that the GIIN's IRIS+ Impact Performance Benchmark requires an account and login.

Quantifying access to financial inclusion

Understanding the relative number of new individuals who are provided access to responsible financial services helps us to understand how much our investments are contributing to solving real-world problems — in this case, roughly **1.7 billion individuals lack access to financial services.**

Last year, the year-on-year change in investment-weighted clients of Nuveen's investments relative to the benchmark was roughly 7,000 higher, indicating strong impact performance of our investments relative to peers in the impact market. Nuveen provided impact performance data from over 140 companies over three reporting years.

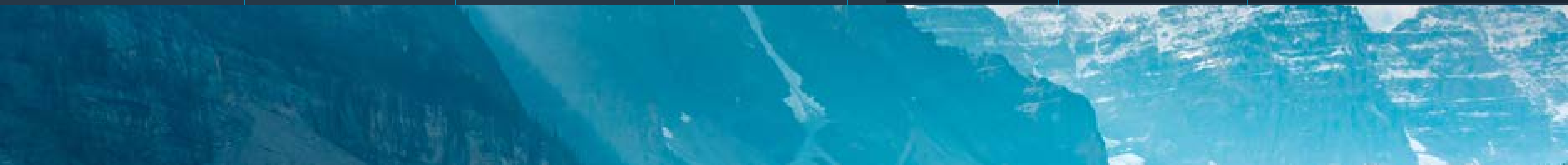
For more information, visit GIIN's IRIS+ Impact Performance Benchmark.

GIIN
GLOBAL IMPACT INVESTING NETWORK

2

Nuveen Global Impact Fund I

Measuring impact ▶
ESG risk ratings ▶
Climate risk ratings ▶
Physical climate risks ▶
Carbon emissions ▶
Gender-equity ▶
Racial-equity ▶



Nuveen Global Impact Fund I: How we measure impact

In 2021, we launched our inaugural third-party fund, the Nuveen Global Impact Fund I, extending the strategy we built over the last decade in partnership with TIAA, and our capacity to drive an inclusive climate transition. We track two types of environmental and social performance data:

1 Cross-portfolio ESG and climate risk information

At a baseline, we collect standard ESG data across all the companies in our portfolio, leveraging industry standard frameworks like the ESG Data Convergence Project, the EU Taxonomy/Sustainable Finance Disclosure Regulation, and the Sustainability Accounting Standards Board (SASB; now part of ISSB).

2 Company-specific impact data, tied to the UN Sustainable Development Goals (SDGs), and the concrete problem each company is seeking to solve

When we invest, we seek to understand the concrete social or environmental problem each company is trying to solve. In this way, we can relate global goals like the SDGs, to company-level performance within our portfolio.

SUSTAINABLE DEVELOPMENT GOAL (SDG) TARGET

We start by selecting a primary SDG target — in addition to any other SDGs to which the company is aligned or contributing.

COUNTRY-LEVEL PROBLEM STATEMENT

Then we identify the scale of that problem — at a country, regional, or global level depending on the reach of the company's products and services.

COMPANY-LEVEL KEY PERFORMANCE INDICATORS

Finally, we identify key performance indicators (KPIs) that help us track our progress toward that problem.

Overall outcomes: Nuveen Global Impact Fund I

500K+
tons of CO_2e avoided

as a result of the sale of solar-powered water pumps and cold storage units.

45 million+
pounds of waste diverted

from landfills and put to productive use in reuse or recycling end markets.

6 million+
individuals

provided with access to basic financial services, the vast majority of whom are underserved or low-income, and more than half of whom are women.

Portfolio-level data: ESG risk ratings

We assess all companies based on a proprietary ESG risk assessment tool that utilizes industry-standard materiality frameworks and provides a view of:

Exposure to material ESG risks

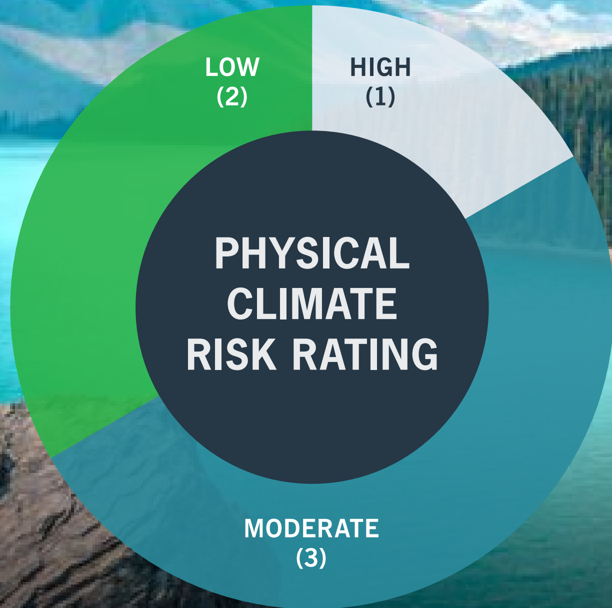
Effectiveness of management of those ESG risks

We use these ratings to guide our diligence prior to investments, and to guide engagements with our portfolio companies after we invest. Our rating system buckets companies into “Leader,” ‘Neutral,’ and “Laggard.” We endeavor to improve performance in all companies over the lifetime of our hold.

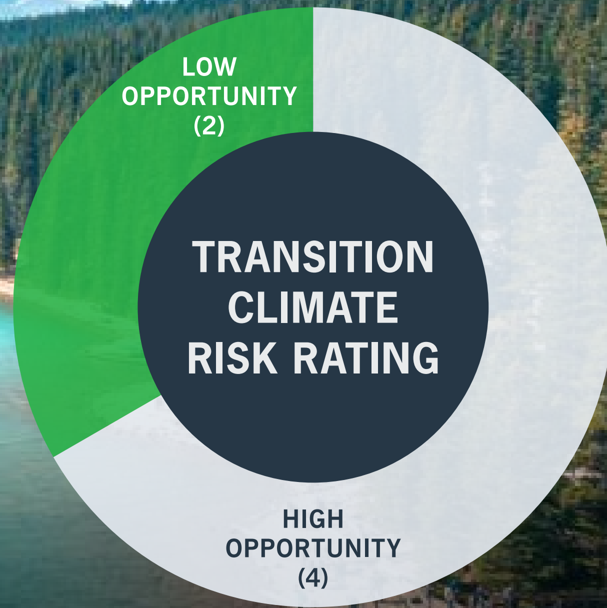
Based on year-end 2022 risk exposures and management practices, two of our companies have been rated “leaders” and four have been rated “neutral.”

Portfolio-level data: Climate risk ratings

Nuveen's climate risk assessments seek to understand how exposed a company is to transition and physical risks and opportunities. For these ratings, we rely on the definition of physical and transition risks provided by the Intergovernmental Panel on Climate Change.[2]



Our rating system buckets companies into risk exposure ratings, "High," "Moderate," "Low," or "Not Relevant," based on our assessment of the company's vulnerability to the physical impacts of climate change.



Our framework identifies companies with high or low transition risk, as well as companies with high or low transition opportunities: indicating their preparedness to participate and support the transition. Because of our interest in climate-mitigating companies, we primarily see companies exposed to transition opportunities rather than risks.

Deep-dive data: Physical climate risks

Physical risks are those that will result as function of a changing climate – including floods, temperature extremes, and natural disasters. We work with each of our companies to help them understand the individual risks they are exposed to.

PHYSICAL RISK IN KEY INVESTMENT GEOGRAPHIES:

The U.S. has a **moderate exposure** to physical risks, driven largely by temperature extremes in certain parts of the country.

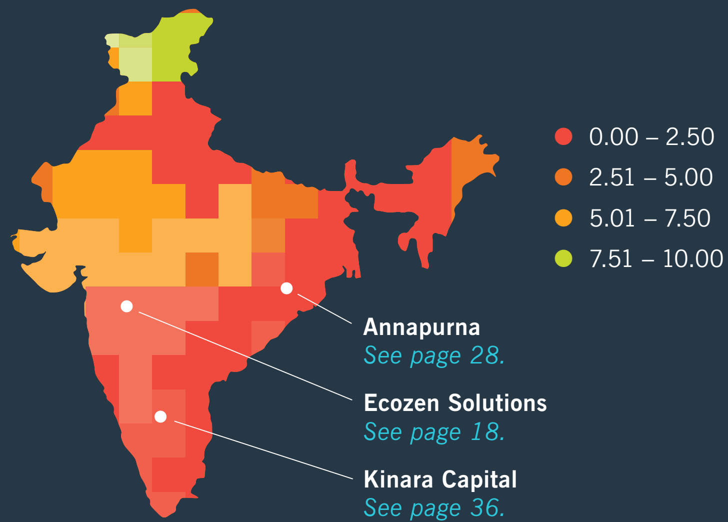
Peru also has a **moderate exposure** to physical risks, driven by some extreme heat and the country's limited capacity to adapt to these extremes.

India has a **high exposure** nationwide to physical risks, driven largely by India's already extreme temperatures and drought conditions in certain parts of the country.

PHYSICAL RISK – EXTREME HEAT

Physical risks will impact different companies in different ways — drought and flooding are likely to negatively impact physical assets like farms, while severe storms might negatively impact a housing lender more acutely. Our fund holds three companies in India, the most exposed country in our portfolio.

Below, you can see their locations and the specific extreme heat those regions are currently exposed to. Each company will have a slightly different response to managing these risks.



What can we do about physical risk?

Typically, when we talk about supporting companies' integration of physical risk into their operations and product/service offerings, it's about ensuring they understand and manage those risks, but not necessarily eliminate them entirely, which isn't feasible.

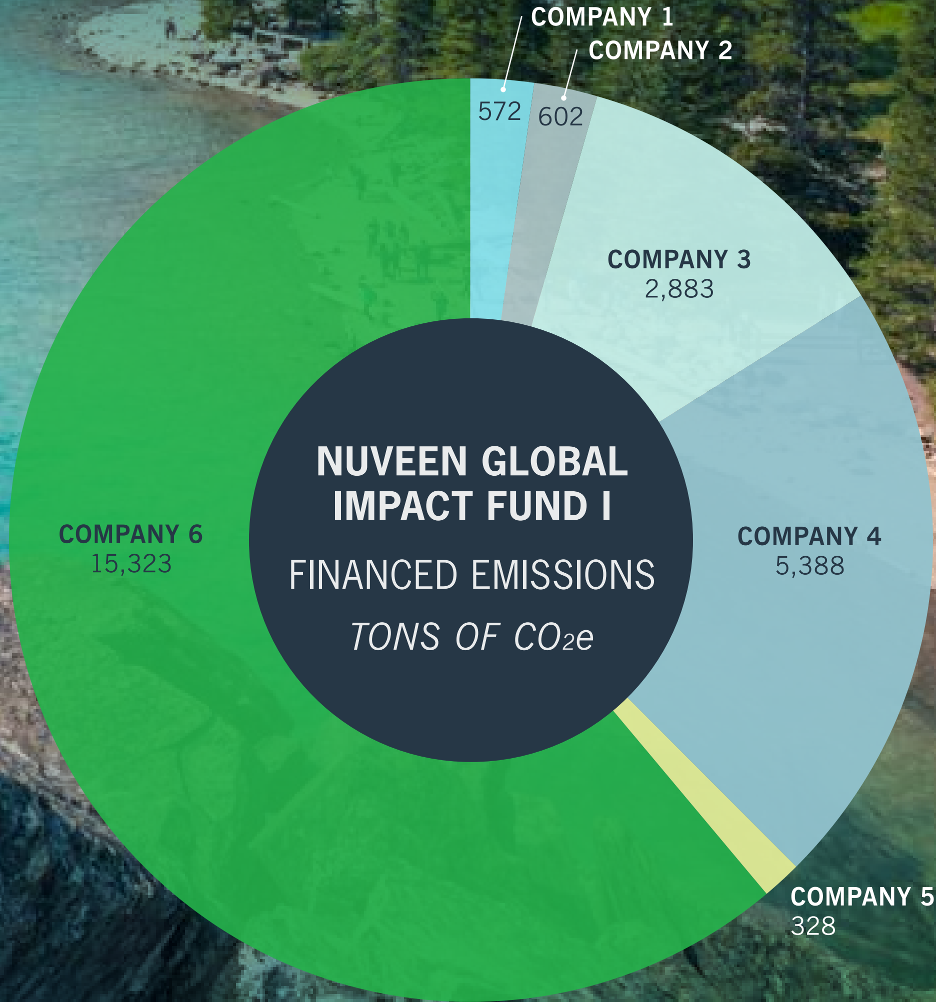
Portfolio-level data: Carbon emissions

THE TROUBLE WITH ESTIMATED CARBON DATA

Most carbon data disclosed for private companies is estimated — based on complex methodologies developed by data providers. This allows asset managers like Nuveen to input five to six basic data points about a company and receive Scope 1, 2 and 3 emissions of the emissions estimates. These estimates are useful for disclosure, but the differences in methodologies can lead to significant variation in output. See below from two of the leading carbon data providers, based on the Scope 1, 2 and 3 emissions of the six companies in NGIF I.

	Data provider 1 (tons CO2e)	**Data provider 2** (tons CO2e)
Company 1	572	1,089
Company 2	12,770	35,898
Company 3	15,016	13,838
Company 4	6,909	6,609
Company 5	2,645	1,438
Company 6	22,851	8,555

These estimates are, at times, orders of magnitude different across vendors. The only real way to improve these estimates is to collect more primary information from companies and use that to refine, or complete a bottom-up emissions exercise. While that process is quite onerous, it is essential to any company that seeks to decarbonize its operations over time. We have already begun this work, and will continue to refine our estimates with our companies in service of supporting those companies to decarbonize over our hold period.



Portfolio-level data: Gender-equity

Where possible, we collect gender-equity data from our companies. We believe that understanding the makeup of our companies, from management to hourly workers, is essential. Companies that hire, include, and advance a workforce that matches the clients they seek to serve are often better performers, financially. We also capture this data to support our commitment to addressing inequality throughout our portfolio.

	% Full-time employees who identify as women	% Management employees who identify as women	% Board members who identify as women	% Promotions awarded to women	Voluntary turnover rate for women	% of Top 10% of compensated employees who are women	Mean gender pay gap for FTEs
Metric alignment	IRIS+ OI6213	IRIS+ OI1571	IRIS+ OI8118	Proprietary	IRIS+ OI1638	Proprietary	IRIS+ OI1855
Company 1	▲ 22%	▶ 0%	▶ 0%	▲ 100%	20%	Not reported	▲ 88%
Company 2	▲ 9%	▼ 5%	▼ 14%	▼ 15%	▲ 23%	Not reported	▼ 90%
Company 3	▲ 64%	▶ 20%	▲ 25%	▲ 66%	77%	49%	▼ 81%
Company 4	▶ 15%	▲ 58%	▲ 36%	▼ 19%	▲ 27%	▼ 21%	▲ 121%
Company 5	34%	20%	20%	100%	1%	17%	117%
Company 6	5%	5%	17%	11%	18%	5%	92%

Source: Nuveen as of 31 Dec 2022

Performance relative to prior reporting period | ▲ Performance increase ▼ Performance decrease ▶ Performance flat First reporting period

Portfolio-level data: Racial-equity

Because of regulatory and cultural differences between the markets in which we invest, it is not possible to collect data on racial inclusion at every company. We do so in the U.S. and other developed markets in Europe. In certain contexts, we also collect information about inclusion of LGBTQ+ individuals, but are unable to share that data publicly due to the current sample size.

	% FTEs from minority/previously excluded groups	% Management employees from minority/previously excluded groups	% Board members from minority/previously excluded groups	% Promotions awarded to minority/previously excluded groups	Voluntary turnover rate for minority/previously excluded groups	% of top 10% of compensated employees from a minority/previously excluded group	Mean minority/ previously excluded pay gap for FTEs
Metric alignment	IRIS+ OI8147	IRIS+ OI3140	IRIS+ OI6696	Proprietary	IRIS+ OI1638	Proprietary	IRIS+ OI2362
Company 1	▼ 3%	▶ 0%	▶ 0%	▶ 0%	Not reported	Not reported	▼ 83%
Company 3	▶ 48%	▲ 20%	▼ 13%	▲ 56%	Not reported	Not reported	▼ 99%

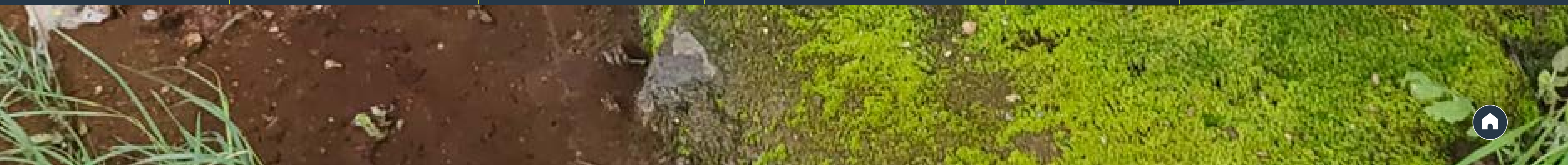
Source: Nuveen as of 31 Dec 2022

Performance relative to prior reporting period | ▲ Performance increase ▼ Performance decrease ▶ Performance flat

3

Portfolio companies

- Ecozen Solutions ▸
- GloboKasNet ▸
- Annapurna ▸
- Advanced Battery Concepts ▸
- Kinara Capital ▸
- America's Thrift Stores ▸



Ecozen Solutions

ALIGNMENT WITH SDGS:

1 NO POVERTY · 7 AFFORDABLE AND CLEAN ENERGY · 8 DECENT WORK AND ECONOMIC GROWTH · 10 REDUCED INEQUALITIES

Ecozen is a manufacturer of Internet of Things-enabled, ***renewable energy-powered irrigation and cold storage equipment,*** primarily serving the smallholder farmer segment in India and parts of sub-Saharan Africa. Ecozen's products typically replace, or prevent the need for, diesel-powered devices, simultaneously avoiding greenhouse gas (GHG) emissions and increasing incomes for low-income farmers.

Ecozen Solutions: *New Investment*

Impact considerations

Low-income consumers are rarely considered an ideal target for climate-mitigating technologies, even when cost savings associated with these products can be transformative. Ecozen has developed a series of products targeted to this consumer segment, simultaneously mitigating future emissions and increasing farmer yields.

Climate-tech businesses like Ecozen are particularly attractive:

1. Focusing on climate inclusion

Not only is the smallholder farmer segment historically underserved when it comes to climate-mitigating technology, but they're also very likely to be low income or below. These consumers have historically been excluded as part of the transition to a low-income technology. By leveraging a proven technology (with IP in a specialized controller which tailors the technology for these consumers), Ecozen provides access to the cost savings and yield increases that its products generate.

2. Addressing a massive, unaddressed and growing gap

Ecozen supports farmers to improve farm yields and decrease spoilage post-harvest. Its technology is also essential to building physical resilience to the impacts of climate change. As weather cycles intensify, farmers face increased exposure to drought, excess rainfall, and flooding, which can influence the farm yields and timing of harvest. Ecozen's products allow farmers more choice in how and when to grow and help mitigate the negative impacts climate change will inevitably have on farms.

Deal dynamics

Investment	$12.5 million
Date of investment	December 2022
Round	Series C
Geography	Pune, India

Ecozen Solutions: *Contextualizing its impact*

Understanding the problems

Smallholder farmers (those farming on less than 2 hectares of land) represent roughly 86% of all farmers in India. The agricultural sector collectively supports over 50% of India's workforce and is a massive contributor to the country's GDP.[3]

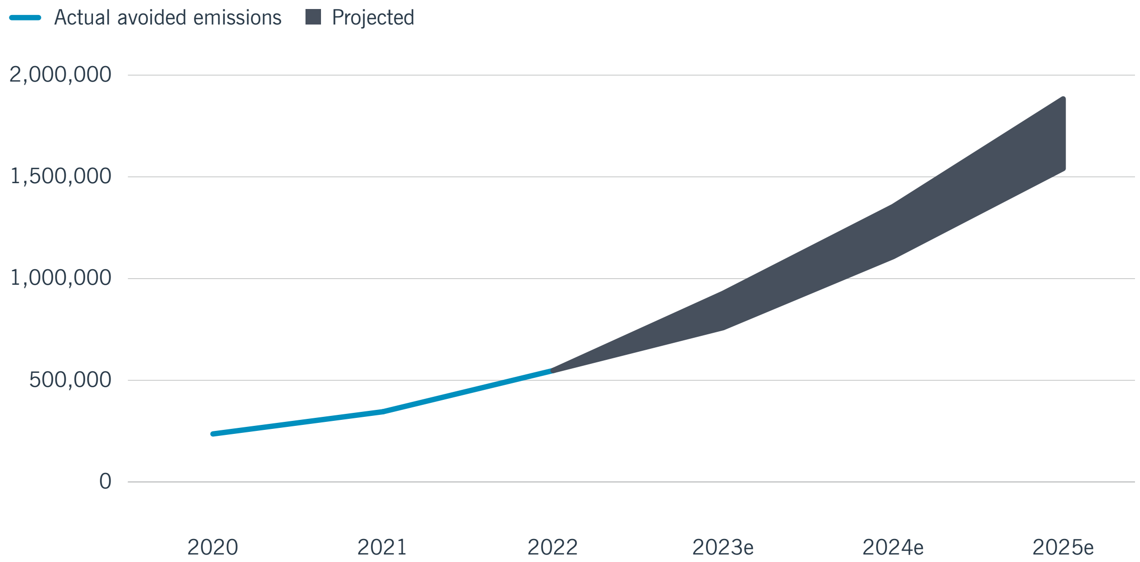
The agricultural sector is also a significant consumer of energy, which is the largest component of India's national emissions — accounting for roughly 75% of overall emissions, or 2.3 billion tons of CO2E.[4]

India seeks to reduce emissions by 45% of 2005 levels by 2030.[4]

Because Ecozen captures high-quality data on the use of their products by way of their controllers, we can provide high-quality estimates of the avoided emissions associated with the use of its products relative to alternatives. These avoided emissions result from replacing diesel and grid-powered irrigation and cooling technologies with solar-powered systems, and from reducing food spoilage on-farm.

Given Ecozen's strong performance over the years prior to Nuveen's investment and significant market traction, we expect to see a material increase in avoided emissions over the coming years.

Ecozen's avoided emissions potential



Source: Nuveen as of 31 Dec 2022

Ecozen Solutions: *2022 impact performance*

Ecozen's Ecotron and Ecofrost units directly contribute to adding renewable energy into the generation mix in India, by replacing grid- or diesel-powered irrigation and cold-storage devices. We measure progress by first identifying the country-level problem statement: annual emissions from energy generation amounts to more than 2.3 billion tons of CO2.

As Ecozen continues to expand the markets in which its products are sold, they will grow the total tonnage of emissions that have been reduced or avoided. We will measure progress via three main KPIs:

- The number and types of products that Ecozen sells, including the income levels of customers
- The reduced and avoided emissions that Ecozen generates
- The satisfaction clients express, and the change in income it is likely to generate

Why are so many of these indicators listed as "reporting in development"?

We closed our investment in Ecozen in December 2022. As such, much of the data reported is based on Ecozen's existing reporting framework. While the company has a strong calculation methodology to reflect avoided emissions, there was not sufficient information about the characteristics of the customers purchasing Ecozen's products. Data collection will be enhanced in the coming year with the support of Nuveen and engagement with an external consultant.

SUSTAINABLE DEVELOPMENT GOAL TARGET

7 AFFORDABLE AND CLEAN ENERGY

SDG 7.1
By 2030, increase substantially the share of renewable energy in the global energy mix

COUNTRY-LEVEL PROBLEM STATEMENT

India's annual emissions from energy generation amount to more than 2.3 billion tons of CO2e.[5]

Ecozen Solutions: *2022 impact performance*

KPI 1: Number and types of products sold			
Metric 1.a	IRIS+ PI1263	Number of Ecotron units sold	34,225
Metric 1.b	IRIS+ PI2822	Ecotron units sold to customers without previous access	Reporting in development
Metric 1.c	—	Ecotron units sold to customers replacing diesel irrigation	Reporting in development
Metric 1.d	IRIS+ PI7098	Number of Ecotron units purchased by low-income consumers	Reporting in development
Metric 1.e	IRIS+ PI1263	Number of Ecofrost units sold	215
Metric 1.f	IRIS+ PI2822	Number of Ecofrost units sold to customers without previous access	Reporting in development
Metric 1.g	—	Number of Ecofrost units sold to customers replacing diesel cold storage	Reporting in development
KPI 2: Reduce and avoid emissions			
Metric 2.a	—	Emissions reduced or avoided via replacement with Ecotron solar water pumps	512,781 tons CO2e
Metric 2.b	—	Emissions reduced or avoided via replacement with Ecofrost cold storage units	2,914 tons CO2e
Metric 2.c	—	Methane reductions from prevention of food waste	763 tons methane
KPI 3: Client satisfaction and change in income			
Metric 3.a	IRIS+ PI7163	Client satisfaction ratio — Ecotron	Reporting in development
Metric 3.b	IRIS+ PI7163	Client satisfaction ratio — Ecofrost	Reporting in development
Metric 3.c	—	Change in client income via Ecotron	Reporting in development

Performance relative to prior reporting period: First reporting period

GloboKasNet

ALIGNMENT WITH SDGS:

1 NO POVERTY | 5 GENDER EQUALITY | 8 DECENT WORK AND ECONOMIC GROWTH | 10 REDUCED INEQUALITIES

GloboKasNet, or GKN, is the leading player in the Peruvian payments market and manages the ***largest correspondent agent network in the country.*** The company operates a multi-bank network that offers transaction capabilities to low-income urban and rural individuals through handheld devices managed by local bodegas in towns across the country.

GloboKasNet: *New investment*

Impact considerations

Providing last-mile access to financial services in rural emerging markets is exceedingly difficult — and often not commercially viable — for large financial institutions.

Specialized payments companies like GKN provide access to a range of services for low-income individuals, and GKN is a particularly attractive impact solution.

1. A business model with lockstep social outcomes for financially underserved stakeholders

GKN's technology turns any merchant, whose main activity includes cash handling, into a correspondent agent capable of performing financial transactions. Local bodegas benefit from incremental revenue and foot traffic, typically contributing a material portion of monthly revenue. Customers, most of whom are unbanked or low income, thereby receive access to formal financial services that would not otherwise be available to them. As the transaction volume (i.e., commercial success) of the business grows, GKN's positive impact on both stakeholder groups grows in lockstep. This also ensures the impact will be preserved after Nuveen exits.

2. Companies that serve underserved and low-income customers in Peru are often more resilient to macro factors in the long run

Agent networks provide banking services closer to where consumers live and work. During the height of the COVID-19 pandemic, as traditional banks encouraged clients to transact at agents (rather than branches), GKN's transactions and agent network grew to provide essential financial services to rural and peri-urban populations. The transactional nature and daily necessity of the business has also allowed GKN to continue operating amid the recent political turmoil in Peru, which started as a result of the forced resignation of Pedro Castillo, the country's former president. While this unrest has impaired local industries like tourism and mining, we believe GKN's mission-critical services are well positioned to ride out the storm.

Deal dynamics

Investment	**$9.4 million**
Date of investment	**June 2022**
Round	**Later-stage equity**
Geography	**Lima, Peru**

GloboKasNet: *Contextualizing its impact*

Understanding the problems

Low-income urban and rural Peruvians often have difficulty accessing bank and microfinance branches to complete simple banking transactions due to inconvenient locations, limited operating hours and/or long lines. Fully digital solutions also remain nascent and not broadly accepted in the country.

In 2022, 50%+ of Peruvians did not have access to any formal financial products or services.[6] This represents more than 17 million individuals without access to basic, affordable services.

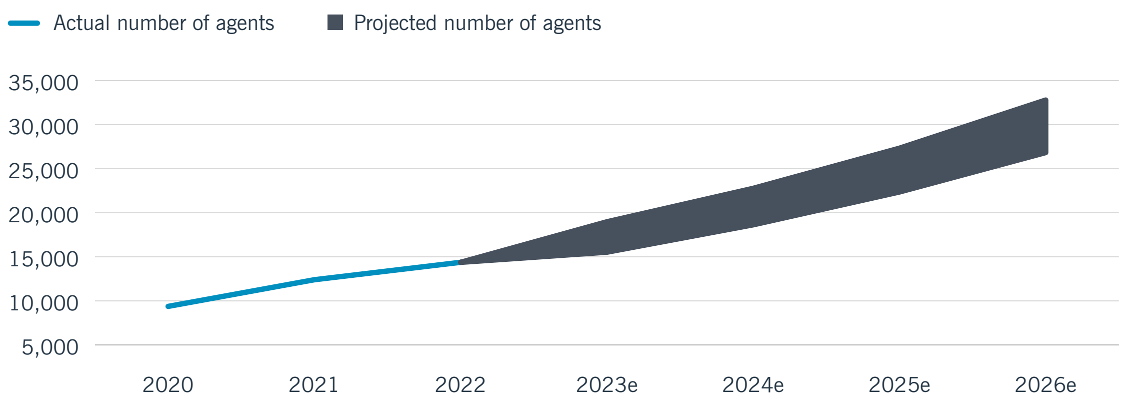
Achieving universal access in Peru will require providing new access to roughly 1.9 million new individuals per year.[5]

GKN's potential contribution

While the best way to measure GKN's progress toward addressing the country-level challenge is to look at overall number of new individuals provided with access to financial services, a better measure of GKN's performance is the number of agents — because it is directly measurable, tied to GKN's core business growth, and highly correlated to the number of individual users who are given access to financial services.

At underwriting, GKN grew the number of agents on the platform by more than 20% per year. Given macro-headwinds and the scale and penetration the company achieved, we expect a level of growth consistent with past performance during our hold period.

Number of agents on GKN platform



Source: Nuveen as of 31 Dec 2022

GloboKasNet: *2022 impact performance*

GKN's network directly contributes to addressing SDG Target 1.4. We measure progress toward meeting that goal by first identifying a country-level problem statement: More than 17 million individuals in Peru lack access to formal, affordable, basic financial services.

As GKN continues to add agents in hard-to-reach rural areas, they will continue to address this challenge by providing a point of contact to a range of financial services providers. As such, when we measure the performance of GKN, we look at three main things:

- The number and types of agents that GKN adds to the network,
- The types of products that GKN has on its network and the transaction volume for those products and the number and types of users that GKN ultimately provides with access to financial services, and
- The economic impact on GKN's agents from an income perspective

Why do we measure end user demographics?

SDG Target 1.4 calls out a goal of universal access for all men and women to basic financial services. While GKN is focused on providing access to all the 17 million individuals in Peru who currently lack access, we seek to track demographic information on these clients for several reasons. First, the lowest-income consumers in any market are very likely to be those without access to financial services. This is also true of rural clients and women users.[5] Understanding this, tracking clients in these demographic groups helps us to understand how well GKN is reaching the hardest-to-reach users. Second, understanding the demographics of GKN's user-base helps them better market its network to clients.

SUSTAINABLE DEVELOPMENT GOAL TARGET

1 NO POVERTY

SDG 1.4
By 2030, ensure that all men and women, particularly the poor and the vulnerable, have equal rights to economic resources, access to basic services, ownership, and control over land and other forms of property, inheritance, natural resources, appropriate new technology, and financial services, including microfinance.

COUNTRY-LEVEL PROBLEM STATEMENT

In 2022, 50%+ of Peruvians did not have access to any formal financial products or services.[5] This represents more than 17 million individuals without access to basic, affordable services.

GloboKasNet: *2022 impact performance*

KPI 1: Number and types of agents			
Metric 1.a	—	Total number of agents	14,381
Metric 1.b	—	Number of agents who are women	Reporting in development
Metric 1.c	—	Number of agents who qualify as "low income" or below	Reporting in development
KPI 2: Number and types of transactions and clients			
Metric 2.a	—	Number of transactions, broken out by product type and client	**Agent banking:** 47,692,148 **Collections:** 23,552,301 **Other:** 2,547,060 **Total:** 73,791,509
Metric 2.b	IRIS+ PI4060	Number of individual users	4,484,968
Metric 2.c	IRIS+ PI8330	Number of individual users who are women	1,749,138
Metric 2.d	IRIS+ PI7089	Number of active users who are "low income" or below	Reporting in development
Metric 2.e	IRIS+ PI6652	Number of active users who live in rural areas	Reporting in development
KPI 3: Change in income for agents			
Metric 3.a	—	Change in agent organization revenue %	Reporting in development

Source: Nuveen as of 31 Dec 2022

Performance relative to prior reporting period: First reporting period

Annapurna

ALIGNMENT WITH SDGS:

1 NO POVERTY
5 GENDER EQUALITY
8 DECENT WORK AND ECONOMIC GROWTH
10 REDUCED INEQUALITIES
13 CLIMATE ACTION

Annapurna is one of the largest microfinance institutions (MFIs) operating in India with a loan portfolio of over $500 million, serving 1.8 million+ ***mostly female entrepreneurs*** with working capital loans in rural areas. The company is focused on providing a wide range of financial services to its customer base, and driving scale through innovation and digital transformation to better meet their financial needs and help them build income.

Annapurna: *2022 impact performance*

Notes on Annapurna's 2022 performance

Annapurna continues to focus on providing responsible, affordable financial services to low-income consumers in primarily rural India. Roughly 100 million Indians still lack access to basic financial services. In 2022, Annapurna continued to make significant progress toward addressing that challenge:

- Annapurna added 568,048 new clients in 2022, in the number of new clients over the prior year period, significantly outperforming impact expectations. This outperformance is due in part to India's economic recovery from COVID-19 from strong fundraising traction in 2021.
- In 2021, Annapurna launched a rooftop solar financing product to support the installation of renewable energy through its micro-, small-, and medium-enterprise lending practice. While that remains a relatively small portion of the overall borrowing portfolio, this year it grew significantly to more than 73 loans.
- In 2022, Annapurna saw a dip in the percentage of customers designated as low income. This is attributable to a change in the definition of *low income*. The definition relies on the eligibility criteria for BPL Cards, which support individuals living below the poverty line. The definition excludes individuals who own cell phones or mobile devices. As the cost of these devices has dropped, we have seen an increase in mobile penetration and a consequent decrease in the percentage of Annapurna clients who are eligible. We can be confident that this drop is not a reflection of a business model change because the average loan size has remained largely the same.

How do we define responsible?

Assessing the relative responsibility of a company's financial product and services is essential to any impact investor. We rely on the IRIS+ definition of *responsible,* which includes those financial service providers that "conduct repayment capacity analysis, embed client protection principles, or provide non-financial support to clients."[7]

SUSTAINABLE DEVELOPMENT GOAL TARGET

1 NO POVERTY

SDG 1.4
By 2030, ensure that all men and women, particularly the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership, and control over land and other forms of property, inheritance, natural resources, appropriate new technology, and financial services, including microfinance.

COUNTRY-LEVEL PROBLEM STATEMENT

More than 160 million Indians are underserved with respect to access to credit.[8]

Annapurna: *2022 impact performance*

KPI 1: Number of clients actively using responsible credit/loan products			
Metric 1.a	IRIS+ PI9327	Total number of clients actively using loan products	▲ 2,415,814
Metric 1.b	IRIS+ PI7098	Total number of low-income clients actively using loan products	▼ 519,400
Metric 1.c	IRIS+ PI8330	Total number of clients actively using loan products who identify as a woman	▲ 2,380,457
KPI 2: Number of micro, small, and medium enterprises (MSMEs) financed responsibly			
Metric 2.a	IRIS+ PI4940	Number of MSME clients served during reporting year	▲ 37,326
KPI 3: Client satisfaction			
Metric 3.a	IRIS+ PI7163	Client satisfaction ratio	▲ 79
KPI 4: Responsible business growth			
Metric 4.a	IRIS+ PI8381	Total loans disbursed during the reporting period	▲ 1,502,044
Metric 4.b	IRIS+ PI7467	Average interest rate charged on loans	▲ 24%
Metric 4.c	IRIS+ PI5160	Average loan size	▲ $604
Metric 4.d	—	Total loan volume	▲ $962,014,127
Metric 4.e	—	Number of branches	▲ 1,160
KPI 5: Green financing product growth			
Metric 5.a	IRIS+ PI4940	Number of MSME clients served with rooftop solar loans during reporting year	73

Source: Nuveen as of 31 Dec 2022

Performance relative to prior reporting period | ▲ Performance increase ▼ Performance decrease ▭ First reporting period

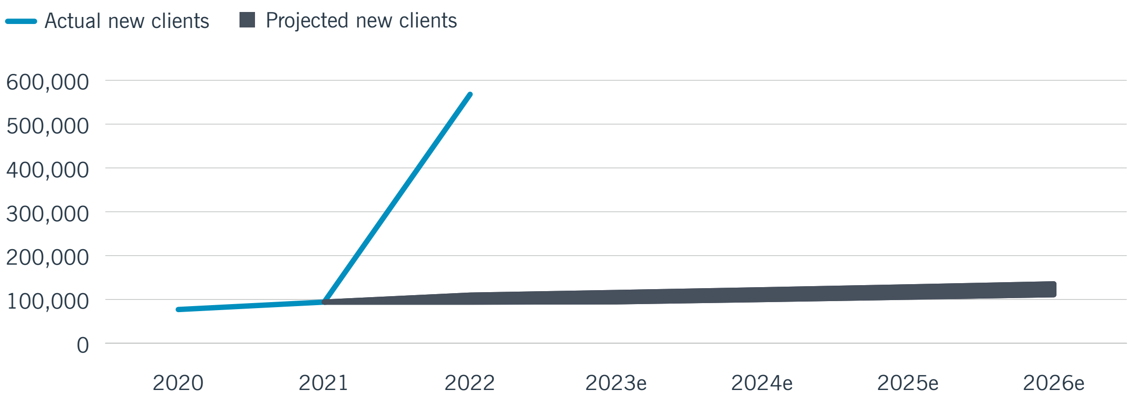
Annapurna: *2023 targets*

***Headline key performance indicator:** Number of low-income and/or underserved individuals provided with new access to basic, responsible financial services. At Annapurna, the proxy measure for this is the change in clients as part of the microfinance lending portfolio (YoY).*

Target set at underwriting

As of the start of 2022, we believed that by 2025, Annapurna could be adding close to 120K new clients per year. This was determined based on an average of the GIIN's benchmark for new clients per year, and the projections of Annapurna based on linear growth.

Prior year targets: New clients



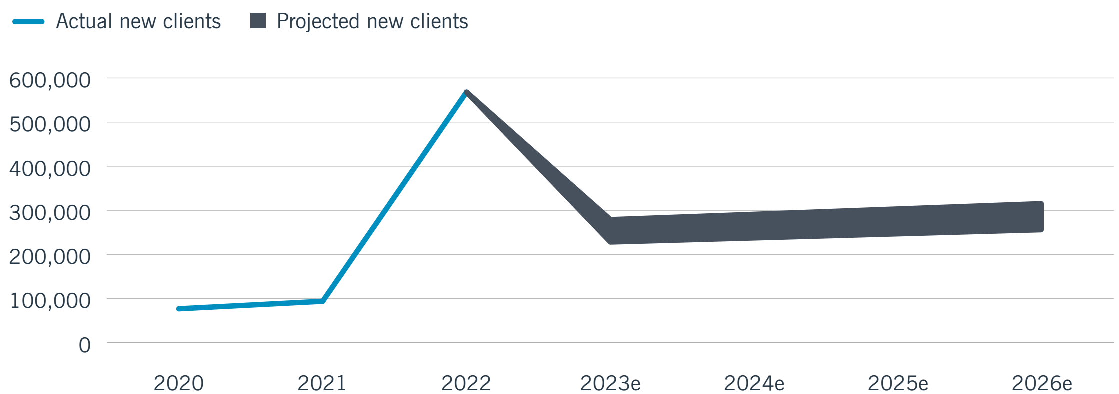
In 2022, Annapurna significantly beat that expectation, achieving more than 5x the target, and roughly 6x the industry benchmark of 4.1% increase YoY.[9]

Projected targets as of 2023

Annapurna's target for 2023 was developed based on a triangulation of several key factors:

- The GIIN's Impact Performance Benchmarks
- Annapurna's 2021 and 2022 impact performance
- Annapurna's management projections for 2023 new clients

2023 target: New clients



Advanced Battery Concepts

ALIGNMENT WITH SDGS:

7 AFFORDABLE AND CLEAN ENERGY
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION

Advanced Battery Concepts (ABC), based in Clare, Michigan, develops and licenses intellectual property for manufacturing lead acid batteries with a bipolar architecture. ABC's GreenSeal™ technology ***improves battery performance*** (which materially reduces raw material inputs) and satisfies a market need for a more ***affordable and less material-intensive alternative*** to lithium-ion technology.

Advanced Battery Concepts: *2022 impact performance*

Notes on ABC's 2022 performance

ABC continues to develop intellectual property for efficient bi-polar battery technologies. ABC's technology is particularly attractive because it utilizes an incumbent battery technology — lead-acid — which is 99% recyclable and relies on material inputs that are easily accessed, unlike lithium-based batteries.

In investments where the impact thesis is related to material efficiency, we look at both the breadth and the depth of that efficiency. In the case of ABC, the breadth is the number of products they produce and put into productive use in energy storage. The depth is measured by the percentage reduction in material input that the battery requires to be produced, and the recyclability of those materials at the end of the process.

ABC spent much of 2022 fundraising for new capital to support the direct manufacturing of its technology and progressing its licensing agreements with other manufacturers. Because ABC doesn't currently directly manufacture, they have limited control over the performance of the key breadth KPI.

On depth, however, ABC's technology continues to evolve and improve, resulting in a small increase in the delta of lead required for ABC's battery relative to peers in the lead-acid battery space (a 46% reduction). Because of the regulatory environments of most developed nations, almost all lead-acid batteries are recycled (presumed around 99%). That compares favorably to lithium-ion batteries, the alternative for most application of ABC's batteries. Only about 5% of lithium-ion batteries are estimated to be recycled today.[10]

SUSTAINABLE DEVELOPMENT GOAL TARGET

7 AFFORDABLE AND CLEAN ENERGY

SDG 7.2
By 2030, increase substantially the share of renewable energy in the global energy mix

COUNTRY-LEVEL PROBLEM STATEMENT

More than 120 GW of energy storage is needed per year to drive the transition to a low carbon economy and meet the targets in the Paris Agreement.[11]

Advanced Battery Concepts: *2022 impact performance*

KPI 1: Energy storage capacity of batteries produced in reporting year			
Metric 1.a	—	Total MW of batteries produced during reporting year at all ATS and licensed facilities	▶ 0 MW
Metric 1.b	—	Total MW of batteries produced in emerging countries/markets during reporting at licensed facilities	▶ 0 MW
KPI 2: Energy technology exported to emerging markets			
Metric 2.a	—	Value of R&D and technology transferred to developing countries/emerging markets each year	▼ $0
KPI 3: Material efficiency in production and use			
Metric 3.a	—	Percentage reduction in lead content per battery unit (relative to standard lead-acid battery)	▲ 46%
Metric 3.b	—	Percentage reduction in graphite (anode) content per battery unit	Reporting in development
Metric 3.c	—	Recycling rate of ABC batteries (presumed)	▶ 99%

Source: Nuveen as of 31 Dec 2022

Performance relative to prior reporting period | ▲ Performance increase ▼ Performance decrease ▶ Performance flat

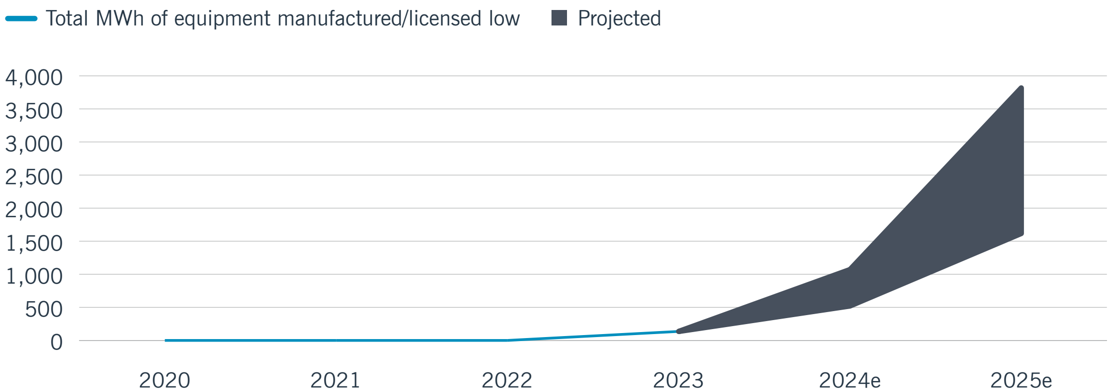
Advanced Battery Concepts: *2023 targets*

Headline key performance indicator: *MW of energy storage produced during reporting period at both ABC's facilities and licensed facilities.*

Target set at underwriting

As of the start of 2022, we expected a year of premanufacturing progress to support ABC's future ability to produce efficient batteries at scale.

Prior year target: MWh storage

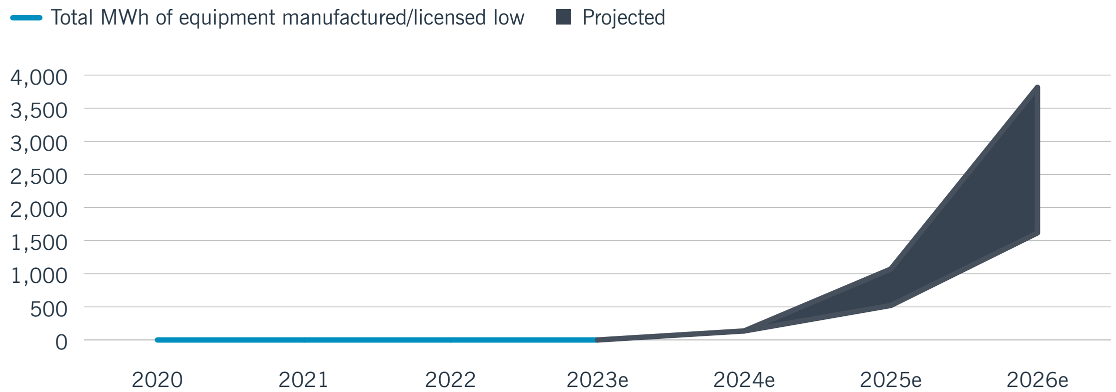


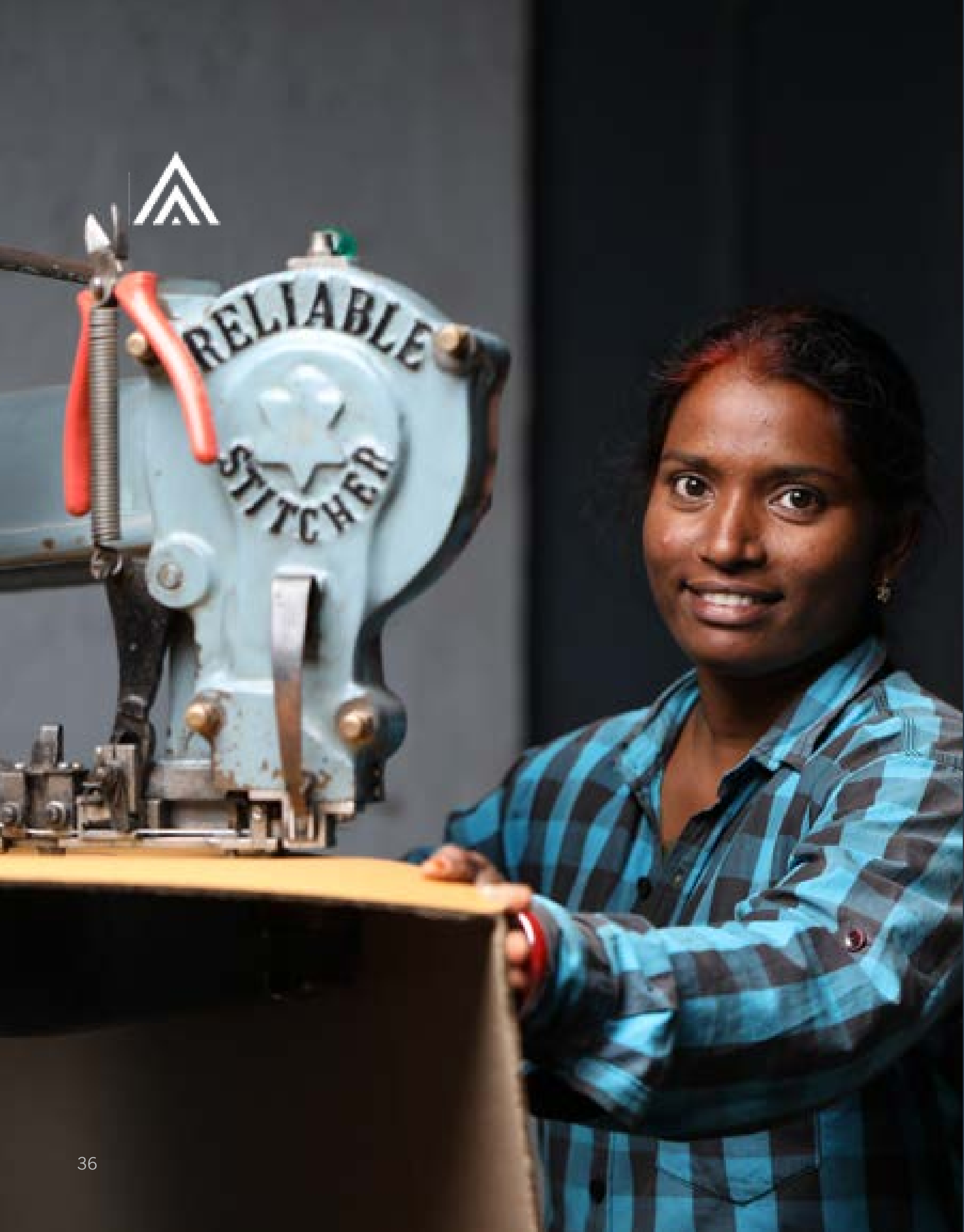
In 2022, ABC's target was zero MWh, because the company was focused on fundraising and technical hurdles with its licensors. ABC performed in line with those expectations.

Projected targets as of 2023

Given delays in developing a dedicated manufacturing facility for ABC, we have shifted our targets for ABC by one year.

2023 target: MWh storage





Kinara Capital

ALIGNMENT WITH SDGS:

Kinara Capital is an Indian financial technology company focused on providing unsecured loans in the range of ***$1,000 to $30,000 to the fast-growing micro, small and medium enterprises (MSME) segment in India.*** The company currently serves more than 25,000 customers across the country, and has tailored programs for women entrepreneurs, providing affordable and responsible financial services for entrepreneurs who would otherwise struggle to get access.

Kinara Capital: *2022 impact performance*

Notes on Kinara's 2022 performance

Kinara continues to provide affordable access to capital for micro, small, and medium enterprises in India – who historically have not been able to access business lending to grow their incomes and provide jobs. In 2022, Kinara significantly outperformed our expectation, disbursing more than $185 million over the course of the year.

Why is loans disbursed our headline indicator?

Our headline KPIs are tied directly to the problems our companies are trying to solve so we can measure the percentage of a given social or environmental challenge our companies address. While we are focused on the use of borrowed capital to increase incomes, provide quality jobs, and build wealth for low-income and underserved populations, in the case of Kinara we focus on the disbursements the company makes in a given year relative to the unaddressed debt demand for Indian MSMEs.

Why do we track average interest rates?

When we invest in companies that provide financial services to populations with limited access to financial services, we seek to ensure they're providing interest rates at or below industry benchmark and are not predatory to end consumers. In Kinara's case, 27% is in line with both secured and unsecured lenders serving similar types of MSMEs.

What are directly supported jobs and why are they important?

In India, MSMEs contribute to nearly 30% of GDP and provide more than 124 million jobs. As Kinara grows its loan book, we want to make sure that is translating to an increase in employees at directly supported enterprises. While this data is far more challenging to access, we believe it is a better indicator of the impact of Kinara's loans on the individuals we are seeking to benefit.

SUSTAINABLE DEVELOPMENT GOAL TARGET

8 DECENT WORK AND ECONOMIC GROWTH

SDG 8.3
Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of MSMEs, including through access to financial services.

COUNTRY-LEVEL PROBLEM STATEMENT

The overall addressable debt demand for MSMEs in India is estimated at more than $300 billion.[12]

Kinara Capital: *2022 impact performance*

KPI 1: Number and size of MSMEs financed responsibly			
Metric 1.a	IRIS+ PI4940	Number of MSME clients served during reporting year	▲ 29,965
Metric 1.b	—	Number of MSME clients served during the reporting period that are owned by women	▲ 3,565
Metric 1.c	—	Number of MSME clients served during the reporting period that are owned by low-income individuals	6,712
Metric 1.d	—	Number of loans provided to MSME clients during the reporting period	▲ 29,965
Metric 1.e	—	Number of loans provided to MSMEs owned by women during the reporting period	▲ 3,565
Metric 1.f	—	Number of loans provided to MSMEs that have not previously had access to formal credit/unsecured loans	▲ 1,274
Metric 1.g	—	Total value of new loans disbursed	▲ $186,840,000
KPI 2: Client satisfaction			
Metric 2.a	—	Client satisfaction ratio	▲ 98%
KPI 3: Jobs directly supported			
Metric 3.a	IRIS+ PI4874	Number of full-time equivalent employees working for directly supported enterprises	▲ 65,759
Metric 3.b	—	Number of full-time equivalent employees working for directly supported enterprises who are women	▲ 18,060
KPI 4: Responsible business growth			
Metric 4.a	IRIS+ PI7467	Average interest rate charged on loans	▲ 28%
Metric 4.b	IRIS+ PI5160	Average loan size during reporting period	▲ $11,497
Metric 4.c	—	Total disbursements to date	▲ $578,528,438
KPI 5: Increase in client revenue			
Metric 5.a	—	Revenue growth at directly supported enterprises	▼ 7%

Source: Nuveen as of 31 Dec 2022

Performance relative to prior reporting period | ▲ Performance increase ▼ Performance decrease ▭ First reporting period

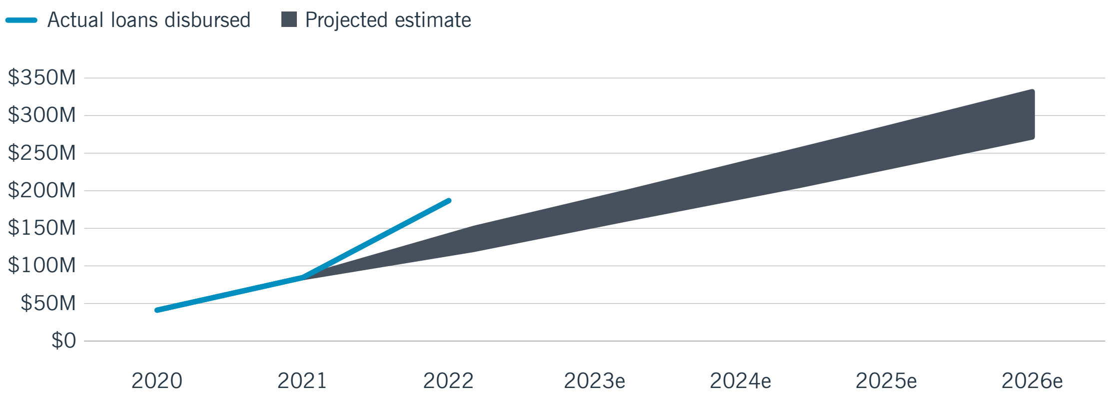
Kinara: *2023 targets*

Headline key performance indicator: *Total value of responsible, affordable, unsecured loans disbursed to underserved MSMEs in India.*

Target set at underwriting

At underwriting, in mid-2022, we set a relatively straightforward increase in new disbursements of roughly $40 million over prior year. This was based largely on longitudinal impact performance of the company from prior years.

Prior year target: Total disbursement



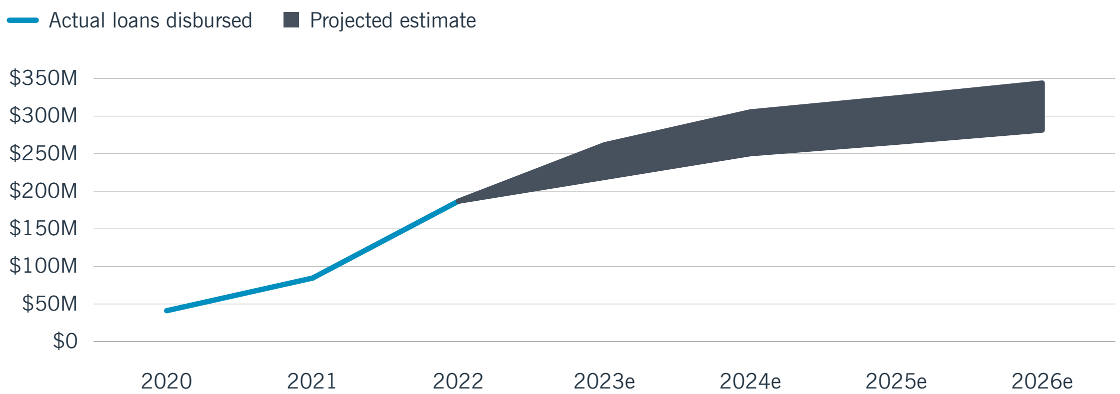
Kinara significantly outperformed our expectations, achieving roughly $187 million in disbursements in 2022.

Projected targets as of 2023

Kinara's target for 2023 was developed based on a triangulation of several key factors:

- The GIIN's Impact Performance Benchmarks
- Kinara's 2022 impact performance
- Kinara's management projections for 2023 and long-term targets

2023 target: Total disbursement



America’s Thrift Stores

ALIGNMENT WITH SDGS:

America’s Thrift Stores (ATS) is a circular economy retailer operating in the southeastern United States, diverting ***close to 50 million pounds of textile and home goods waste from landfills every year.*** The company is also a large employer of hourly workers and provides access to quality secondhand clothing at affordable prices to low-income consumers.

America's Thrift Stores: *2022 impact performance*

Notes on America's Thrift Stores 2022 performance

ATS continues to focus on providing affordable, reused clothing to consumers in the southeastern region of the United States, while recycling additional textiles household goods into other down-market applications. ATS is focused on increasing the percentage of textile waste (currently roughly 15% that does not end up in landfills) and providing productive end uses to donated clothing while supporting a range of charity partners who assist in its collection. **In 2022, ATS diverted roughly 47,948,777 lbs from landfills, or roughly 24,000 tons.**

Why is waste diverted our headline indicator?

Our headline KPIs are tied directly to the problems our companies are trying to solve, so we can measure the percentage of a given social or environmental challenge the company is addressing. While diversion of waste will ultimately result in a range of materials savings (including raw materials and natural resources), as well as the avoidance of carbon emissions, numerous assumptions about the supply chains and inputs of diverted waste would be required to calculate those figures. Our view is that, based on the diversity in quality and type of textile that is donated to ATS, accurately setting proxy values for avoided emissions could not be done rigorously and would not result in accurate claims. As such, we measure waste diverted by looking at the amount of waste sold in stores and otherwise reused or recycled.

SUSTAINABLE DEVELOPMENT GOAL TARGET

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

SDG 12.5
By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.

COUNTRY-LEVEL PROBLEM STATEMENT

In the U.S., less than 15% of textiles produced are reused or recycled in a given year. More than 14 million tons of waste per year could be diverted.[13]

America's Thrift Stores: *2022 impact performance*

KPI 1: Divert an increasing volume of textile and household waste from landfills			
Metric 1.a	—	Beginning donations inventory (pounds)	▲ 7,745,469
Metric 1.b	—	Total pounds of donations collected	▲ 63,733,755
Metric 1.c	—	Total pounds of donations sold and recycled	▲ 47,948,777
Metric 1.d	—	Ending donations inventory (pounds)	▲ 6,599,460
Metric 1.e	—	Total pounds sent to landfill (e.g., could not be resold or recycled)	▼ 16,930,987
Metric 1.f	—	Recycling/reuse efficiency	▲ 73%
KPI 2: Provide quality employment and a safe, equitable workplace to all employees			
Metric 2.a	—	Mean wage, hourly employees	Retail: $10.36 | Processing: $10.90 | Shipping: $11.15 | Donations: $12.44 | Driver: $16.62 | Supervisor: $15.81
Metric 2.b	—	Percentage of employees paid a living wage	15.9%
Metric 2.c	IRIS+ OI1855	Gender wage equity ratio, hourly employees	Retail: 1.00 | Processing: 0.97 | Shipping: 1.15 | Donations: 1.02 | Driver: 1.08
Metric 2.d	IRIS+ OI2362	Racial wage equity ratio, hourly employees	Retail: 0.99 | Processing: 1.03 | Shipping: 1.02 | Donations: 0.99 | Driver: 1.03 | Supervisor: 1.04
Metric 2.e	—	Employee net promoter score	▼ -1
Metric 2.f	IRIS+ OI1638	Hourly worker voluntary turnover rate	▼ 84%
Metric 2.g	—	Total reportable incident rate (TRIR)	▲ 4.8
Metric 2.h	—	Days away from work, restricted, transfers (DART)	▼ 3.6
KPI 3: Client satisfaction			
Metric 3.a	IRIS+ PI7163	Client satisfaction ratio	31

Source: Nuveen as of 31 Dec 2022

Performance relative to prior reporting period | ▲ Performance increase ▲ Performance increase worsen ▼ Performance decrease ▼ Performance decrease is improvement ▭ First reporting period

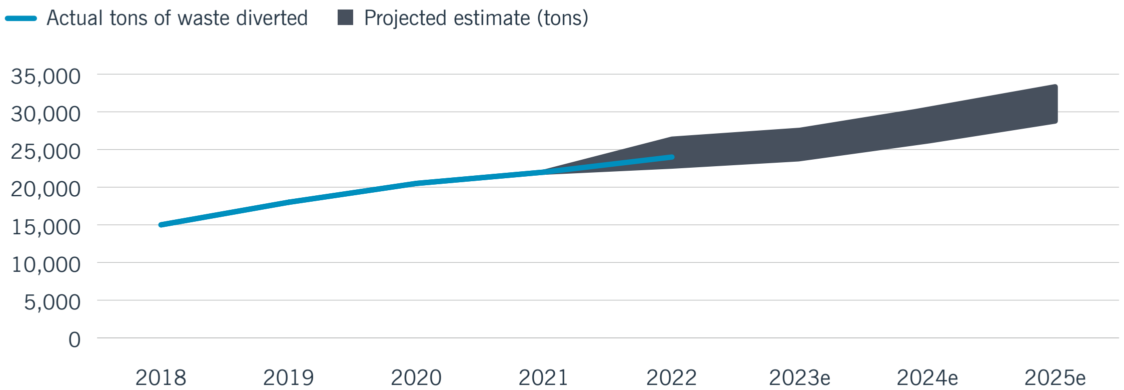
America's Thrift Stores: *2023 targets*

***Headline key performance indicator:** Tons of textile and household waste diverted from landfills and put to productive end use (including reuse for primary purpose, reuse for alternate purpose or recycling).*

Target set at underwriting

Shortly after closing our investment in ATS, we set a target range for 2022 of between 22,800 and 26,400 tons of waste diverted.

Prior year target: Tons of waste diverted



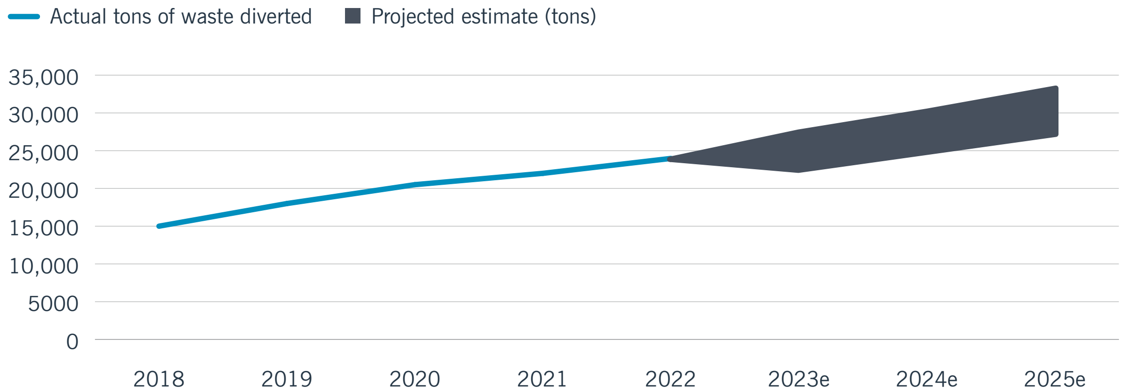
In 2022, ATS achieved within its target range for this key performance indicator — roughly 47,950,000 tons diverted, an increase over prior year.

Projected targets as of 2023

ATS has seen consistent growth in donations at roughly 10% per year but is facing headwinds as inflation and economic uncertainty constrain individuals' capacity to donate clothing and household goods. We set ATS's annual target based on the following factors:

- ATS's past performance and new year goals for new donations
- The recycling/reuse efficiency ATS has achieved in the last two years (71% and 73%, respectively).

2023 target: Tons of waste diverted



4

Impact management

Approach to impact management ▸

Target-setting protocol ▸

Climate engagement framework ▸

Inequality engagement framework ▸

Shell Foundation partnership ▸

Practice leader designation ▸

Nonprofit partnership in impact ▸

Nuveen’s approach to impact management

Each year, we update our process to continue pushing the boundaries of best practice, keeping in mind several key questions that we seek to consistently answer.

KEY QUESTIONS

1 What social and environmental problems are we investing to solve?

2 How is our investment process structured to ensure our companies address those problems?

3 How can we demonstrate outcomes and progress?

4 How can we drive industry best practice and constantly improve?

Impact objectives and governing framework

A fund-level framework governs (1) the types of impacts we seek to achieve as part of driving an inclusive transition to a low-carbon economy, (2) the minimum ESG and impact performance thresholds, and (3) the practices we engage in to ensure that these are met.

Deal screening and approval

During sourcing and diligence, all companies are evaluated for their fit with the impact thesis, achievement of minimum ESG thresholds (including SFDR), and ex-ante assessments of expected impact.

Portfolio engagement

Post-investment, we engage companies, accelerating their focus on an inclusive transition – through improved environmental and social performance management, updated practices, or new product lines.

Impact at exit

Our focus on impact after exit begins before we invest, but we also work to ensure that social and environmental performance management is embedded into the company’s processes prior to exit.

Measurement and reporting

Impact data is collected annually (more frequently where possible and appropriate), assessed relative to the targets set internally, and reported to LPs as part of standard quarterly LP reporting. Performance is compared to peers via industry benchmarks, (e.g., GIIN Impact Performance studies and benchmarks).

Structure employee incentives to allow for profit sharing

In certain instances, it may be possible to engage with portfolio companies to encourage profit sharing with a broad subset of the employee base.

COMPONENTS OF OUR APPROACH

Nuveen’s target-setting protocol

As part of our effort to continually increase the rigor with which social and environmental performance is assessed and managed, we developed a target-setting protocol to govern how we set ambitious, scientific, and achievable targets for our companies’ social and environmental performance.

Our target-setting protocol has two components:

Selecting KPIs:
Page 47 highlights how we select the most valid indicators of performance for a given portfolio company.

Setting quantitative thresholds, annually, for each of those KPIs:
Page 48 discusses how we set targets annually against those KPIs to ensure our targets are sufficiently rigorous and ambitious.

“We believe that regularly setting concrete social and environmental targets for all investments is essential practice for credible impact investors. Only by setting expectations for our companies’ social and environmental performance, alongside financial results, can we clearly manage toward our intended impacts."

Radhika Shroff
Managing Director, Private Equity Impact Investing

Selecting valid indicators of performance

We use logic models, like the one below, as a framework to understand the intended outcomes and downstream impacts to help us identify the most valid indicator of performance for each of our companies.

Things that can be controlled by the company

Things that happen as a result of factors partly beyond the company's control

Input → **Activity** → **Output** → **Outcome** → **Impact**

- **Input**: Resources needed to make the company function (capital, human capital, etc.)
- **Activity**: What the business does with inputs to create products and services.
- **Output**: The product or service delivered by completing those activities with those inputs.
- **Outcome**: The immediate results of that product or service on the intended customer of the company.
- **Impact**: The downstream effect of the product or service, and the difference between that effect and what would have happened otherwise.

We define valid indicators of performance as the output or outcome of a company that is farthest along the logic model, while still being directly measurable or measurable with easy to estimate and implement proxy values.

While we measure between 20 and 500 ESG and impact metrics across each of our companies, we identify one headline indicator for each company, and set an annual target against that indicator over the lifetime of our investment.

Country-level problem statement

Sustainable Development Goal

Setting annual targets against headline KPIs

Setting annual targets requires us to collect information from our companies, external benchmarks, and other sources, and adjust based on our deal teams' views of company performance.

1

Start with a high-quality estimate

Target set directly by company in approved budget

Where possible, we rely on targets set by our companies – these can be targets set against the impact objective, or against some other business measure against which it is possible to accurately measure impact.

Target based on external benchmark or pathway

If company targets are not directly set, where possible, we rely on publicly available datasets of impact performance, including the GIIN's performance benchmarks and the targets laid out in the Paris Agreement and underlying documentation.

Target based on linear projection of prior year impacts

Where neither company targets nor external benchmarks are available, we rely on projections of prior year performance as the starting point for targets against KPIs. This approach is only possible where at least three years of prior performance data is available.

Target based on estimate of company performance

Where none of the above inputs are attainable, we rely on estimates of the company's performance in the coming year based on our understanding of the most likely outcomes.

Less accuracy

2

Adjust to ensure that targets are

RIGOROUS and in alignment with a consistent approach

ACHIEVABLE so that companies can reasonably reach targets during the reporting period

AMBITIOUS to align with commercial growth and be challenging to achieve

Therefore, estimates from step 1 can be adjusted based on several factors, including:

- Market environment
- Company capitalization
- Changes in KPI calculation methodology
- Changes in proxy data for underlying calculations
- Change in company strategy
- Investment committee assessment of management targets
- External benchmark data relevant to portfolio company

We engage with our companies to drive an inclusive transition to a low-carbon economy

Our ***climate engagement framework*** is the qualitative tool used to help our portfolio companies better manage climate change risks and opportunities, and to drive an equitable transition to a low-carbon economy.

BASELINE ⟷ **ADVANCED**

Carbon footprinting

We require all portfolio companies to assess and report their carbon footprints.

Climate risk assessment

We complete climate risk assessments for all investments, identifying any necessary mitigants during diligence.

Physical impacts of climate change

Integration of physical climate risks into company operations

For example, supporting Fund I financial inclusion companies to access physical climate risk information about their borrowers.

Developing strategies for resilience and adaptation

For example, helping Annapurna share information with their clients about the physical climate risks they face, including around extreme weather events.

Transition impacts of climate change

Integration of transition risks into company operations

For example, supporting Advanced Battery Concepts to create a system for measuring material efficiency and wastewater treatment, in advance of climate disclosure regulations.

Developing carbon mitigation strategies and net-zero targets

For example, supporting Annapurna's development of a dedicated rooftop solar financing product for their MSME clients.

We focus every company on mitigating inequality

Our ***inequality engagement framework*** is the qualitative tool used to help portfolio companies build better solutions and manage risks from systemic inequality.

BASELINE ← → **ADVANCED**

Gender and racial inequality

Gender and racial wage equity audits

For all Fund I companies, we perform gender and (where appropriate) racial wage equity audits after closing, and report on that data annually during the holding period.

Assessment of quality jobs provided by the company

For example, with America's Thrift Stores, we assess the quality of jobs offered, and require regular reporting on the percentage of employees paid a living wage. We use this analysis to support ATS to improve the quality of the jobs provided and drive down employee turnover.

Income and wealth inequality

Income and impact studies

For example, Annapurna's participation in the microfinance index allowed us to understand the long term income and well-being impact on clients of their loan products.

Structure employee incentives to allow for profit sharing

In certain instances, it may be possible to engage with portfolio companies to encourage profit-sharing with a broad subset of the employee base.

In 2022, we announced a partnership with the Shell Foundation to accelerate our focus on climate solutions for the low-income consumer segment.

Shell Foundation

Shell Foundation is an independent UK charity that creates and scales clean energy business solutions to support people living in low-income communities to escape poverty and ease hardships.

As part of this partnership, Shell Foundation and Nuveen committed to making $100 million in investments in this sector by 2025.

Last year, we invested in Ecozen — our first deal in this sector, and a meaningful step toward our goal. As outlined in this report, ***Ecozen provides productive-use renewable energy to smallholder farmers in India and other markets in South Asia and Africa.***

We are a founding signatory of the Operating Principles for Impact Management, with verified top-decile practices

In 2020 and 2022, we engaged BlueMark, an independent provider of impact verification services, and in 2022, we received top scores for seven of eight operating principles, ***earning us the designation of practice leaders in the top 10% of verified managers.***

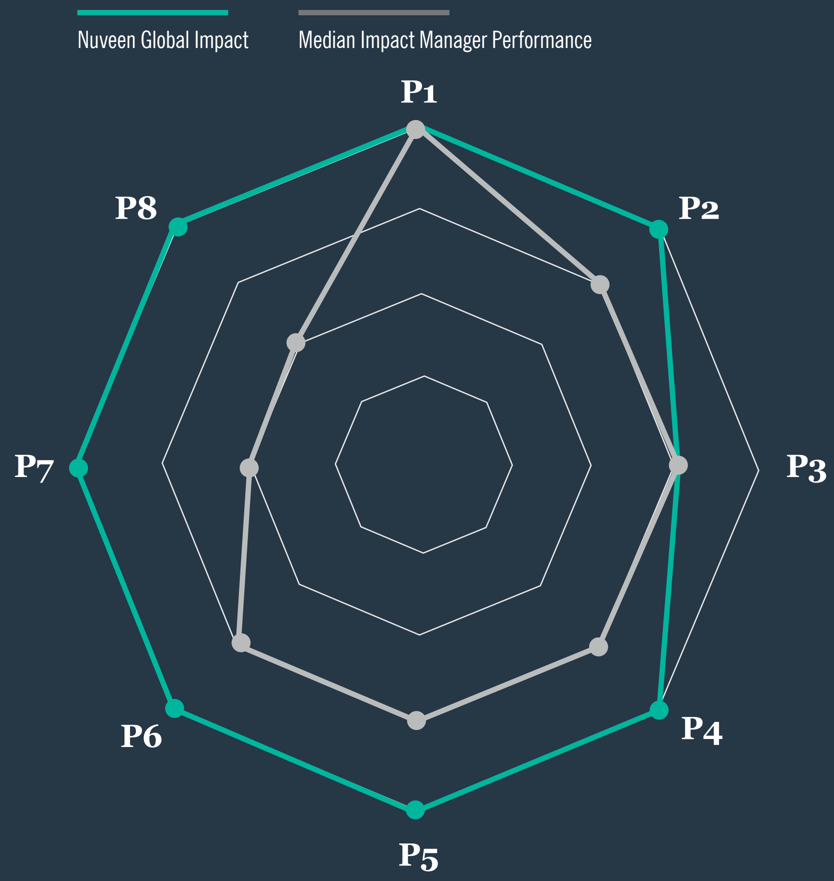
NUVEEN'S 2022 PERFORMANCE RATING

Advanced ●●●● High ●●● Moderate ●● Low ●

Operating principle	Nuveen's score
Set and manage a strategic impact intent in line with investment objectives.	P1 ●●●● P2 ●●●●
Assess the expected impacts of each investment, monitor those impacts, and contribute to growing those impacts over time.	P3 ●●● P4 ●●●● P5 ●●●●
Monitor the performance of each investment, adjust appropriately.	P6 ●●●●
Ensure impact post-exit; review, document, and improve impact processes.	P7 ●●●● P8 ●●●●

Source: Nuveen as of 31 Dec 2022

NUVEEN'S PERFORMANCE COMPARED TO BLUEMARK DATASET



We actively implement industry standards and push for their adoption

Impact management is an evolving discipline, and as investors, we leverage industry best practices. We ***actively engage*** with market builders, and generate annual impact investing reports detailing our ***process and performance.***

COMMITMENTS, NORMS, DISCLOSURE FRAMEWORKS

Principles for Responsible Investment

We are a signatory to the UNPRI, and integrate standard ESG templates and questionnaires throughout the investment process.

Operating Principles for Impact Management

Nuveen is a founding signatory and advisory board member, and has completed two verifications of our alignment.

Impact Management Project

Nuveen uses IMP in diligence and assessment; supported development as pilot testers of the framework in 2017.

TaskForce on Climate-Related Financial Disclosure

Supporter via TIAA since 2017, released our first stand-alone climate risk disclosure statement in 2021.

METRIC STANDARDS

IRIS+ Metrics Catalog and Standard

Nuveen adheres to IRIS+ metric sets, reports data to impact performance studies, and contributes to IRIS+ initiatives.

International Sustainability Standards Board (ISSB) / SASB

Nuveen uses the SASB standards, part of the ISSB, to assess material ESG factors in our investments during diligence.

INTERNATIONAL GOALS

UN Sustainable Development Goals

Nuveen aligns our approach to the SDGs at the investment level.

INDUSTRY LEADERSHIP GROUPS

Global Impact Investing Network

Nuveen is a founding member of the Investors' Council, an industry-leading, invitation-only group of impact investors.

Impact Capital Managers

Nuveen is a member of Impact Capital Managers, a network of U.S.-based, market-rate private fund managers

Endnotes

1 Nuveen Global Impact Fund I is closed for investments.
2 'Physical risks' are those 'related to risks arising from climate change impacts and climate-related hazards, while 'transition risks' typically refer to risks associated with transition to a low-carbon economy.
3 https://www.weforum.org/agenda/2021/06/agri-tech-innovation-can-improve-value-capture-and-transform-ecosystem-for-india-s-small-farmers/
https://www.mdpi.com/2071-1050/12/9/3751)
4 https://www.niti.gov.in/sites/default/files/2022-04/StateEnergy-and-ClimateIndexRoundI-10-04-2022.pdf)
5 https://www.mckinsey.com/capabilities/sustainability/our-insights/decarbonising-india-charting-a-pathway-for-sustainable-growth
6 Source: https://www.bbvaresearch.com/wp-content/uploads/mult/WP_1409_tcm348-426338.pdf
7 Source: https://iris.thegiin.org/glossary/
8 https://newsroom.transunioncibil.com/more-than-160-million-indians-are-credit-underserved/
9 Source: GIIN Financial Inclusion Benchmark.
10 https://www.cas.org/resources/cas-insights/sustainability/lithium-ion-battery-recycling#:~:text=Today%2C%20only%205%25%20of%20the,8%20million%20tons%20of%20waste.
11 https://www.iea.org/energy-system/electricity/grid-scale-storage
12 https://bfsi.economictimes.indiatimes.com/news/financial-services/msmes-growth-doubles-in-last-2-years-credit-gap-remains-report/96221758
13 https://www.epa.gov/facts-and-figures-about-materials-waste-and-recycling/textiles-material-specific-data

nuveen
A TIAA Company

For more information, please visit us at nuveen.com

PRE-3374140PG-E0124X 645557