



FINANCIAL SERVICES
FOR THE GREATER GOOD®

Roger W. Ferguson, Jr.

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December 5, 2012

Ray Rogers, Director
Corporate Campaign, Inc.
Cooper Station, P.O. Box 10004
New York, New York 10276

Re: NYCDCC

Dear Ray:

Thank you for your letter, dated November 9, 2012, concerning a building in New York City where a subsidiary of TIAA is an equity investor. In your letter you request that TIAA-CREF schedule a meeting with you and the New York City & Vicinity District Council of Carpenters ("NYCDCC") concerning this project in order to prevent TIAA-CREF from becoming the "first target of the Campaign to Stop Construction Sweatshops." This threat is unnecessary and unfairly directed at TIAA-CREF.

First, thank you for acknowledging TIAA-CREF's commitment to socially responsible investing and our nearly 100 year, not-for-profit heritage serving those in the academic, research, medical and cultural fields plan for their retirement. We have a long history, based on our diverse participant base, of soliciting opinions, listening to diverse stakeholder views, and making the best possible decisions as guardians of the financial future for so many.

Second, as you know, we have had many constructive conversations over the last few years on a variety of issues related to TIAA-CREF investments. In those conversations, I and/or my staff have listened attentively to you in an effort to understand your concerns. This approach is consistent with TIAA-CREF's practice of engaging in constructive dialogues on many matters of importance to our participants. The key to those dialogues was that they were in the genuine interest of sharing new information and were conducted in a professional manner.

These elements are not present in this case. Despite explanations informing NYCDCC representatives of TIAA-CREF's limited role in this particular project and our contractually defined position therein, there has been no new evidence that any further discussion would benefit either party. Further, while we all can appreciate customary practices of protest and the right of freedom of expression generally, the tactics deployed by NYCDCC have neither been collegial nor professional.

To reiterate our position, we are not the lender on this project, only an equity investor. As an equity investor in the project, the contract does not provide TIAA-CREF the right unilaterally to change any construction management agreements. The general contractor of the project, McGowan, has control over building labor contracts and it is my understanding they conducted a full and open bidding for this project (with both union and non-union contractors competing). McGowan ultimately chose the contractors they did, after this full and deliberative process.

Beyond this specific project, it may be helpful to describe how we at TIAA-CREF think about these issues regarding our investments, generally. In making our investment decisions, we keep in mind that our primary responsibility is to obtain the best value and performance for the 3.7 million individuals who entrust their retirement savings to TIAA-CREF. As always, TIAA-CREF's partners, developers, and general contractors are selected through a competitive bidding process including a review of legal, labor and safety records. We look for the right firms to provide us with the best quality, execution and adherence to all applicable laws. We are committed to conducting our business in a manner that complies with all applicable laws and regulations. We work with best-in-class developers and property managers and we have a long-held position of neutrality on the use or non-use of unionized labor. This policy is designed to ensure that our potential partners seek terms and conditions that are in the best of interest of the individuals who invest in TIAA-CREF.

I further note that union labor is supporting a number of other TIAA-CREF investment properties, retrofitting and making capital improvement in at least five projects in midtown Manhattan including at our headquarter office. Indeed, where we are owners and/or have discretion over contractual terms we often engage union labor.

Once again, I thank you for sharing your opinion with us and trust that you respect our obligations regarding existing contracts and our policies related to evaluating investment opportunities. Of course, if you would like to discuss this matter further, my staff is willing to meet with you.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Roger".

Roger W. Ferguson, Jr.