Welcome

Environmental, Social and Governance (ESG) Investing: Better for You and Your World
PERI ANN APTAKER, ESQ., CPA/PFS, CFP®
SHAREHOLDER, DIRECTOR WEALTH MANAGEMENT

I look for new and innovative ways to help my clients navigate through their financial choices.
paptaker@klrwealth.com
Exceptional client service is about going beyond what the client expects. To be successful, you must always put your clients' best interest first.

dwray@klrwealth.com
The Classic Economic Cycle

2018-2019
Volatility Picks Up
Inflationary Pressures Begin
Fed Tightens
Long Rates Rise
Abundant Fiscal Stimulus

2015-2017
Volatility Contained
Yield Curve Flattens
ECB/BOJ Easing
Fed Normalizes
Employment Rises

2009-2014
Volatility Slows
Dollar Strengthens
Analyst Upgrades
Earnings Per Up

2018 - 2019
World Growth Ranging From 3.0% to 4.0%
Consumption “Wobbles”
Earnings Rollover
Capital Spending Falters
Employment Falls
Inflation Declines
Long Rates Fall
Analyst Downgrades
Fed Loosens
Yield Curve Steepens

Trough

2020-2021 - Peak
Volatility Picks Up
Inflationary Pressures Begin
Fed Tightens
Long Rates Rise

The Classic Economic Cycle
Real Standard & Poor's 500 vs. Trend Line Growth

- Real Standard & Poor's 500 (2020-01-31 = 176.08)
- Trendline = 2.8% Gain Per Annum (2020-01-31 = 109.39)

% Real S&P 500 is Over Or Under Trendline Growth (2020-01-31 = 61.0%)

Trendlinebased on linear regression – average growth weighted for extreme observations (mode statistics may change slightly with each update as historical trendline shifts).

<table>
<thead>
<tr>
<th>% Over/Under Trend</th>
<th>% Gain Annum</th>
<th>% of Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Above 200%</td>
<td>-1.62</td>
<td>25.59</td>
</tr>
<tr>
<td>-30.0-30.0</td>
<td>2.53</td>
<td>56.34</td>
</tr>
<tr>
<td>Below -30.0</td>
<td>12.05</td>
<td>18.07</td>
</tr>
</tbody>
</table>

Buy/Hold = 3.09% G.1% Annum
S&P 500 Median Price/Earnings Ratio N DR Calculation

S&P Monthly Close (2020-01-31 = 3225.52)

S&P 500 Median Price/earnings Ratio (2020-01-31 = 23.8)

Price Move Of:
-5.5% to Overvalued (+15D) = S&P 500 Level of 3048.12
-27.8% to Median Fair Value = S&P 500 Level of 2328.83
-50.0% to Undervalued (-15D) = S&P 500 Level of 1612.76

Source: S&P Dow Jones Indices

Source: S&P CapitalIQ/Compustat

S&P Monthly Close (2020-01-31 = 3225.52)

Source: S&P Dow Jones Indices

1964-03-31 to 2020-01-31

DAVIS100

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All Mutual Funds' and ETF Asset Allocation

Monthly Data 1980-01-31 to 2019-12-31

Domestic & Global Equity Mutual Fund and ETF Assets Less Cash (Share of Total) (2019-12-31 = 61.10)

ETF Data Starts 1993

Assets = $14.6 Trillion
Source: Investment Company Institute, www.ici.org

Domestic & Global Bond Mutual Fund and ETF Assets Less Cash (Share of Total) (2019-12-31 = 21.97)

Mean = 19.9%

Money Market Assets Plus Stock and Bond Fund Cash (Share of Total) (2019-12-31 = 16.92)

Mean = 34.8%

Assets = $4.0 Trillion
Source: Investment Company Institute, www.ici.org

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NDR Total Market Value vs. Money Market Fund Assets / NOR Total Market Value

NDR Total Market Value (2020-01-31 = $33247.2 Billion)

- Market Fund Assets (2020-01-31 = $3621.1 Billion)

Money Market Fund Assets / NDR Total Market Value (2020-01-31 = 10.9%)

Linear Regression Trendline (2020-01-31 = 20.0%)

Source: Ned Davis Research, Inc.

Source: Investment Company Institute, www.ici.org

Upper/lower brackets are a constant percentage above/below the linear regression trendline.

NDR Total Market Value Performance
Full History: 1980-10-31 to 2020-01-31

<table>
<thead>
<tr>
<th>Money Market Fund Assets</th>
<th>Gain/Annum</th>
<th>Out of Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Above upper bracket</td>
<td>13.81</td>
<td>16.77</td>
</tr>
<tr>
<td>Between brackets</td>
<td>9.61</td>
<td>58.18</td>
</tr>
<tr>
<td>Below lower bracket</td>
<td>3.70</td>
<td>25.06</td>
</tr>
</tbody>
</table>

Buy/Hold = 8.78% Gain/Annum

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**DJIA vs. BULLS/ BULLS+ BEARS**

- **Dow Jones Industrial Average** (2020-01-31 = 28,256.03)

**Weekly Data** 1970-09-04 to 2020-02-07

### BULLS / (BULLS + BEARS) (10-Week Smoothing) (2020-02-07 = 75.6%)

- **Extreme Optimism**
- **Extreme Pessimism**

### Excess Liquidity Growth

<table>
<thead>
<tr>
<th>Excess Liquidity Growth</th>
<th>% Gain/Annun</th>
<th>% of Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Above 69.0</td>
<td>1.67</td>
<td>28.34</td>
</tr>
<tr>
<td>53.0 - 69.0</td>
<td>8.43</td>
<td>45.35</td>
</tr>
<tr>
<td>Below 53.0</td>
<td>12.69</td>
<td>26.30</td>
</tr>
</tbody>
</table>

**Buy/Hold = 7.56% Gain/Annun**

**Strategy Performance**

**Long Only: 1970-09-18 to 2020-01-31**

<table>
<thead>
<tr>
<th>Signals</th>
<th>% Gain/Annun</th>
<th>% Profitable</th>
<th>% Gain/Trade</th>
<th>% Trades/Annun</th>
<th>% of Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>All</td>
<td>9.1</td>
<td>97.1</td>
<td>16.7</td>
<td>0.7</td>
<td>100.0</td>
</tr>
<tr>
<td>Buy</td>
<td>13.8</td>
<td>94.1</td>
<td>27.4</td>
<td>0.3</td>
<td>55.3</td>
</tr>
<tr>
<td>Neutral</td>
<td>4.4</td>
<td>100.0</td>
<td>5.9</td>
<td>0.3</td>
<td>44.7</td>
</tr>
<tr>
<td>Buy/Hold</td>
<td>7.5</td>
<td>--</td>
<td>--</td>
<td>--</td>
<td>--</td>
</tr>
</tbody>
</table>

**Last Signal: Neutral (2016-11-11 = 1721.80)**

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MSCI All Countries World Index vs. Breadth of Central Bank Rate Changes

- **MSCI ACWI (Local Currency) (2020-02-03 = 656.46)**
  - Source: MSCI

- **Percent of central banks whose last rate change was a decrease (2020-02-03 = 85.29)**
  - Source: Haver Analytics

<table>
<thead>
<tr>
<th>Share of Central Banks Easing is</th>
<th>% Gain/Annum</th>
<th>% of Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Above 50.0</td>
<td>8.20</td>
<td>66.00</td>
</tr>
<tr>
<td>Below 50.0</td>
<td>-0.29</td>
<td>34.00</td>
</tr>
</tbody>
</table>

*Buy/Hold = 5.23% Gain/Annum*
Dow Industrials -- Presidential Election Year Cycle I

- All Elections
- Republican Party Wins
- Democratic Party Wins
- Incumbent Party Wins
- Incumbent Party Loses

All Elections
Republican Party Wins
Democratic Party Wins
Incumbent Party Wins
Incumbent Party Loses

Source: S&P Dow Jones Indices

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Environmental, Social and Governance (ESG) Investing: Better for You and Your World
Evolution of ESG Investing: 
Nuveen’s ETF Approach

Visit us online
www.nuveen.com/etf

Jordan Farris, Managing Director, Nuveen
Head of ETF Product Development
What comes to mind when you think about “ESG”?
ESG defined: environmental, social & governance

Examines exposure to ESG-related risks and opportunities and focuses on those likely to have a material impact

ESG in action by sector

**Consumer staples sector** (Food products industry)
- Product carbon footprint (E)
- Water stress (E)
- Raw material sourcing (E)
- Supply chain labor standards (S)
- Product safety and quality (S)
- Corporate governance (G)

**Information technology sector** (Technology hardware industry)
- Supply chain standards (E)
- Labor management (S)
- Human capital development (S)
- Health and safety (S)
- Privacy and data security (S)
- Anti-competitive practices (G)
- Corporate governance (G)

**Financials sector** (Banking & brokerage industry)
- Financing environmental impact (E)
- Human capital development (S)
- Financial system instability (G)
- Corporate governance (G)

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# Evolving Values of Our Culture

<table>
<thead>
<tr>
<th>All Investors</th>
<th>2018</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>I want my investments to make a <strong>positive impact</strong> on environmental sustainability</td>
<td>81%</td>
<td>73%</td>
</tr>
<tr>
<td>My investments should try to make a <strong>positive impact</strong> on society</td>
<td>80%</td>
<td>75%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total Investors</th>
<th>Millennials</th>
<th>Non-Millennials</th>
</tr>
</thead>
<tbody>
<tr>
<td>I tend to <strong>recycle everyday</strong></td>
<td>88%</td>
<td>93%</td>
</tr>
<tr>
<td>I’d like to work for an employer that makes a positive <strong>social impact</strong> on the world</td>
<td>76%</td>
<td>91%</td>
</tr>
<tr>
<td>I’d like to work for an employer that makes a positive <strong>environmental impact</strong> on the world</td>
<td>76%</td>
<td>92%</td>
</tr>
<tr>
<td>I prefer to shop for brands that have <strong>environmentally sustainable</strong> business practices</td>
<td>72%</td>
<td>90%</td>
</tr>
</tbody>
</table>

Source: Nuveen. Fourth annual responsible investment survey, 2018
Myths about ESG integration

**Myth:** Integrating ESG criteria means sacrificing performance

**Myth:** ESG integration means only excluding controversial companies from portfolios

**Myth:** For the average investor, large-cap equities are the only asset class available
ESG has evolved over the decades

<table>
<thead>
<tr>
<th>1970s</th>
<th>1980s</th>
<th>1990s</th>
<th>2000s</th>
<th>2010s</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exclusions-based investing (socially responsible investing or SRI)</td>
<td>Dedicated industry networks are formed, e.g., The Forum for Sustainable and Responsible Investment (US SIF)</td>
<td>First social indexes launched and universe of SRI funds expands</td>
<td>Investor convergence on climate issues</td>
<td>Products expand across asset classes</td>
</tr>
<tr>
<td>Investors align around key social concerns, e.g., South Africa, Vietnam War</td>
<td></td>
<td>Investors advance business case for sustainability and reporting, e.g., Global Reporting Initiative (GRI)</td>
<td>Global investor networks formed, e.g., Principles for Responsible Investing (PRI), Global Impact Investing Network</td>
<td>“Mainstreaming” of ESG data and reporting</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Greater focus on outcomes, e.g., UN Sustainable Development Goals</td>
<td></td>
</tr>
</tbody>
</table>
# ESG integration defined

## ESG integration – what is it?

The **systematic and explicit** inclusion of **material** environmental, social and governance (ESG) factors into investment analysis, portfolio construction and ongoing monitoring.

**ESG Factors:**

- **Environmental**: Climate change, greenhouse gas emissions, Resource depletion, including water, waste and pollution, deforestation
- **Social**: Working conditions, including child labor, community & indigenous populations, operations in conflict zones, health and safety, employee relations and diversity
- **Governance**: Executive pay, bribery and corruption, political lobbying and donations, board diversity and structure, tax strategy

## ESG integration – what is it not?

- Prescriptive
- The “only” or “deciding” factor in decision-making
- Focused on exclusionary approaches by sector/industry
- Undertaken to intentionally sacrifice performance or lower returns for the sake of ESG goals
- Limited to ESG products or strategies
**ESG criteria**

- The improvement in the quality and availability of ESG data has increased the number of areas in which companies can be evaluated
- Exclusionary-only approaches are no longer a limiting factor in strategy construction
- Reliability of data allows more flexibility for product development

<table>
<thead>
<tr>
<th>ESG Rating</th>
<th>Controversy Score</th>
<th>Controversial Business Involvement</th>
<th>Low Carbon Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Definition</strong></td>
<td>Captures an issuer’s performance on key ESG risks relative to peers</td>
<td>Captures an issuer’s exposure and response to event-driven controversies</td>
<td>Captures an issuer’s activity in industries that may cause significant social harm (e.g., tobacco)</td>
</tr>
<tr>
<td><strong>Range</strong></td>
<td>AAA (best) to CCC (worst)</td>
<td>10 (best) to 0 (worst)</td>
<td>Nature of activity (e.g., producer) and % revenue from that activity</td>
</tr>
</tbody>
</table>

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Allocate to Companies – High ESG Rating

New York Times Co

- ESG Rating: A
- Strengths Relative to Peers
  - Raw Material Sourcing
  - Human Capital Development
  - Corporate Governance

Areas for Improvement Relative to Peers
- Privacy and Data Security

Dunkin Brands Group Inc

- ESG Rating: A
- Strengths Relative to Peers
  - Raw Material Sourcing
  - Carbon Footprint Management
  - Labor Management
  - Product Safety & Quality

Areas for Improvement Relative to Peers
- Opportunities in Nutrition
- Supply Chain

The above is for illustrative purposes only and is not intended to be a recommendation or investment advice. The information provided is subject to change.

Source: MSCI; Bloomberg 9.30.2019
Avoid Companies – Low ESG Score

**Stamps.Com**

- **ESG Rating:** B
- **Strengths Relative to Peers**
  - Privacy and Data Security

**Areas for Improvement Relative to Peers**

- Human Capital Development
- Corporate Governance
- Carbon Footprint Management

**Papa John’s International, Inc**

- **ESG Rating:** B
- **Strengths Relative to Peers**
  - Labor Management
  - Product Safety & Quality

**Areas for Improvement Relative to Peers**

- Corporate Governance
- Opportunities in Nutrition
- Raw Material Sourcing
- Carbon Footprint Management

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Source: MSCI; Bloomberg 9.30.2019
More Difficult Examples – Include or Exclude?

Valero Energy Corp

- **ESG Rating:** BBB
- **Strengths Relative to Peers**
  - Health and Safety
  - Opportunities in Clean Tech
  - Corporate Governance

**Areas for Improvement Relative to Peers**
- Toxic Emissions Disclosure

Dick’s Sporting Goods

- **ESG Rating:** BB
- **Strengths Relative to Peers**
  - None

**Areas for Improvement Relative to Peers**
- Corporate Governance
- Carbon Footprint
- Privacy and Data Security

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Source: MSCI; Bloomberg 9.30.2019
# Growth of ESG ETF Access

## Morningstar categories

<table>
<thead>
<tr>
<th>Before 2016</th>
<th>End of 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Large blend</td>
<td>• Large Blend</td>
</tr>
<tr>
<td>• World Large Stock</td>
<td>• World Large Stock</td>
</tr>
<tr>
<td>• Industrials</td>
<td>• Industrials</td>
</tr>
<tr>
<td>• Energy</td>
<td>• Energy</td>
</tr>
<tr>
<td>• Miscellaneous sector</td>
<td>• Miscellaneous sector</td>
</tr>
<tr>
<td></td>
<td>• Diversified Emerging Markets</td>
</tr>
<tr>
<td></td>
<td>• Foreign Large Blend</td>
</tr>
<tr>
<td></td>
<td>• World Bond</td>
</tr>
<tr>
<td></td>
<td>• Large Growth</td>
</tr>
<tr>
<td></td>
<td>• Large Value</td>
</tr>
<tr>
<td></td>
<td>• Mid Growth</td>
</tr>
<tr>
<td></td>
<td>• Mid Value</td>
</tr>
<tr>
<td></td>
<td>• Small Blend</td>
</tr>
<tr>
<td></td>
<td>• Intermediate Core Bond</td>
</tr>
<tr>
<td></td>
<td>• Intermediate Core-Plus Bond</td>
</tr>
<tr>
<td></td>
<td>• Corporate Bond</td>
</tr>
<tr>
<td></td>
<td>• Short Term Bond</td>
</tr>
</tbody>
</table>

Source: Morningstar 5/31/2019

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## ESG improvement

- Objectives of Nuveen’s suite of ESG ETFs
  - Increase ESG Score
  - Decrease Carbon Footprint
  - Provide return and risk profile of non-ESG parent benchmark over time

<table>
<thead>
<tr>
<th>Ticker</th>
<th>ETF Name</th>
<th>ESG Score</th>
<th>ESG Improvement</th>
<th>Carbon Intensity Emissions Reduction</th>
</tr>
</thead>
<tbody>
<tr>
<td>NULG</td>
<td>Nuveen ESG Large-Cap Growth ETF</td>
<td>7.80</td>
<td>46%</td>
<td>-71%</td>
</tr>
<tr>
<td>NULV</td>
<td>Nuveen ESG Large-Cap Value ETF</td>
<td>6.45</td>
<td>27%</td>
<td>-64%</td>
</tr>
<tr>
<td>NUMG</td>
<td>Nuveen ESG Mid-Cap Growth ETF</td>
<td>7.19</td>
<td>56%</td>
<td>-58%</td>
</tr>
<tr>
<td>NUMV</td>
<td>Nuveen ESG Mid-Cap Value ETF</td>
<td>6.75</td>
<td>52%</td>
<td>-25%</td>
</tr>
<tr>
<td>NUSC</td>
<td>Nuveen ESG Small-Cap ETF</td>
<td>5.87</td>
<td>62%</td>
<td>-62%</td>
</tr>
<tr>
<td>NUDM</td>
<td>Nuveen ESG International Developed Markets Equity ETF</td>
<td>7.86</td>
<td>18%</td>
<td>-69%</td>
</tr>
<tr>
<td>NUEM</td>
<td>Nuveen ESG Emerging Markets Equity ETF</td>
<td>5.64</td>
<td>53%</td>
<td>-51%</td>
</tr>
<tr>
<td>NUBD</td>
<td>Nuveen ESG US Aggregate Bond ETF</td>
<td>6.69</td>
<td>13%</td>
<td>-27%</td>
</tr>
</tbody>
</table>

Source: Factset; ESG Score and Carbon Emissions are measured against Morningstar category averages 9/30/2019
# ESG Index Performance

<table>
<thead>
<tr>
<th>Index Name</th>
<th>Inception date</th>
<th>YTD</th>
<th>1-yr</th>
<th>3-yr</th>
<th>5-yr</th>
<th>Since inception</th>
</tr>
</thead>
<tbody>
<tr>
<td>TIAA ESG USA Large-Cap Index</td>
<td>31-May-12</td>
<td>20.68</td>
<td>5.36</td>
<td>13.72</td>
<td>10.27</td>
<td>13.94</td>
</tr>
<tr>
<td>MSCI USA Index</td>
<td></td>
<td>20.63</td>
<td>4.14</td>
<td>13.29</td>
<td>10.73</td>
<td>14.11</td>
</tr>
<tr>
<td>TIAA ESG USA Large-Cap Value Index</td>
<td>31-May-12</td>
<td>19.27</td>
<td>7.61</td>
<td>12.71</td>
<td>10.42</td>
<td>13.93</td>
</tr>
<tr>
<td>MSCI USA Value Index</td>
<td></td>
<td>17.07</td>
<td>4.71</td>
<td>10.04</td>
<td>8.30</td>
<td>12.55</td>
</tr>
<tr>
<td>TIAA ESG USA Large-Cap Growth Index</td>
<td>31-May-12</td>
<td>26.92</td>
<td>6.21</td>
<td>17.90</td>
<td>12.40</td>
<td>14.87</td>
</tr>
<tr>
<td>MSCI USA Growth Index</td>
<td></td>
<td>24.24</td>
<td>3.66</td>
<td>16.46</td>
<td>13.06</td>
<td>15.58</td>
</tr>
<tr>
<td>TIAA ESG USA Mid-Cap Value Index</td>
<td>31-May-12</td>
<td>21.65</td>
<td>5.48</td>
<td>10.70</td>
<td>9.47</td>
<td>14.47</td>
</tr>
<tr>
<td>MSCI USA Mid-Cap Value Index</td>
<td></td>
<td>20.13</td>
<td>4.22</td>
<td>9.85</td>
<td>8.90</td>
<td>13.56</td>
</tr>
<tr>
<td>TIAA ESG USA Mid-Cap Growth Index</td>
<td>31-May-12</td>
<td>24.70</td>
<td>0.94</td>
<td>13.20</td>
<td>10.55</td>
<td>14.51</td>
</tr>
<tr>
<td>MSCI USA Mid-Cap Growth Index</td>
<td></td>
<td>24.66</td>
<td>1.88</td>
<td>12.02</td>
<td>9.47</td>
<td>13.23</td>
</tr>
<tr>
<td>TIAA ESG USA Small-Cap Index</td>
<td>31-May-13</td>
<td>18.21</td>
<td>-3.37</td>
<td>9.98</td>
<td>9.09</td>
<td>9.90</td>
</tr>
<tr>
<td>MSCI USA Small Cap Index</td>
<td></td>
<td>17.22</td>
<td>-4.79</td>
<td>9.8</td>
<td>8.88</td>
<td>9.87</td>
</tr>
<tr>
<td>TIAA ESG International Developed Markets Equity Index</td>
<td>31-May-12</td>
<td>14.91</td>
<td>0.38</td>
<td>6.85</td>
<td>4.01</td>
<td>8.44</td>
</tr>
<tr>
<td>MSCI EAFE Index</td>
<td></td>
<td>12.80</td>
<td>-1.34</td>
<td>6.48</td>
<td>3.27</td>
<td>7.79</td>
</tr>
<tr>
<td>TIAA ESG Emerging Markets Equity Index</td>
<td>30-Nov-12</td>
<td>4.01</td>
<td>-3.09</td>
<td>5.79</td>
<td>2.45</td>
<td>2.54</td>
</tr>
<tr>
<td>MSCI Emerging Markets Index</td>
<td></td>
<td>5.89</td>
<td>-2.02</td>
<td>5.97</td>
<td>2.33</td>
<td>2.37</td>
</tr>
<tr>
<td>Bloomberg Barclays MSCI US Aggregate ESG Select Index</td>
<td>31-Dec-07</td>
<td>8.25</td>
<td>10.31</td>
<td>2.87</td>
<td>3.34</td>
<td>3.92</td>
</tr>
<tr>
<td>Bloomberg Barclays MSCI U.S. HY Very Liquid ESG Select Index</td>
<td>30-Apr-19</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2.85</td>
</tr>
<tr>
<td>Bloomberg Barclays U.S. High Yield Very Liquid Index</td>
<td></td>
<td>12.17</td>
<td>6.60</td>
<td>5.70</td>
<td>4.69</td>
<td>2.27</td>
</tr>
</tbody>
</table>

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Questions?
Risk and other important considerations

Bloomberg Barclays U.S. High Yield Very Liquid Index is a component of the Bloomberg Barclays U.S. Corporate High Yield Index that is designed to track a more liquid component of the USD-denominated, high yield, fixed-rate corporate bond market. Bloomberg Barclays U.S. Corporate High Yield Index measures the USD-denominated, high yield, fixed-rate corporate bond market. Bloomberg Barclays MSCI U.S. High Yield Very Liquid ESG Select Index utilizes certain environmental, social, and governance (“ESG”) criteria to select from the securities included in the Bloomberg Barclays Capital High Yield Very Liquid Index (the “Base Index”), which is designed to broadly capture the U.S. dollar-denominated, high yield, fixed-rate corporate bond market. Bloomberg Barclays MSCI US Aggregate ESG Select Index is a custom index that is owned and calculated by MSCI, based on the Bloomberg Barclays U.S. Aggregate Bond Index, and aims to increase exposure to positive environmental, social and governance (ESG) factors and exhibit lower carbon exposure as compared to the Bloomberg Barclays U.S. Aggregate Bond Index. Bloomberg Barclays U.S. Aggregate Bond Index represents securities that are SEC-registered and dollar denominated and covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities and asset-backed securities. MSCI EAFE (Europe, Australasia and Far East) Index is a free float-adjusted market capitalization weighted index designed to measure developed market equity performance, excluding the U.S. and Canada. MSCI Emerging Markets Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets. MSCI USA Index generally consists of large- and mid-capitalization U.S. equity securities. MSCI USA Growth Index generally consists of large- and mid-capitalization U.S. equity securities that exhibit overall growth style characteristics. MSCI USA Mid-Cap Growth Index generally consists of mid-capitalization U.S. equity securities that exhibit overall growth style characteristics. MSCI USA Small-Cap Index generally consists of equity securities that comprise the small-cap segment of the U.S. market. MSCI USA Value Index generally consists of large- and mid-capitalization U.S. equity securities that exhibit overall value style characteristics. TIAA ESG Emerging Markets Equity Index is composed of equity securities issued by developed markets companies, excluding the U.S and Canada, listed on U.S. exchanges that meet certain ESG criteria. TIAA ESG USA Large-Cap Growth Index is composed of equity securities issued by large capitalization companies listed on U.S. exchanges that meet certain environment, social and governance (“ESG”) criteria. TIAA ESG USA Large-Cap Value Index is composed of equity securities issued by large capitalization companies listed on U.S. exchanges that meet certain ESG criteria. TIAA ESG USA Large-Cap Index is composed of equity securities issued by large capitalization companies listed on U.S. exchanges that meet certain environment, social and governance (“ESG”) criteria. TIAA ESG USA Mid-Cap Growth Index is composed of equity securities issued by mid-capitalization companies listed on U.S. exchanges that meet certain ESG criteria. TIAA ESG USA Mid-Cap Value Index is composed of equity securities issued by mid-capitalization companies listed on U.S. exchanges that meet certain ESG criteria. TIAA ESG USA Small-Cap Index is composed of equity securities issued by small-capitalization companies listed on U.S. exchanges that meet certain ESG criteria.

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Before investing, please advise your clients to carefully consider fund investment objectives, risks, charges and expenses. For this and other information that should be read carefully, please request a prospectus or summary prospectus from your Nuveen Advisor Consultant at 800.752.8700 or visit nuveen.com.

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Is ESG right for you?