

Teachers Insurance and Annuity Association of America

EXECUTIVE COMPENSATION POLICY

Issued by the TIAA Human Resources Committee
of the TIAA Board of Trustees

May 2011



**FINANCIAL SERVICES
FOR THE GREATER GOODSM**

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Introduction

The following Compensation Discussion and Analysis (CD&A and compensation disclosure) describes the executive compensation policy of Teachers Insurance and Annuity Association of America (TIAA or the Company). TIAA and the College Retirement Equities Fund (CREF) are companion organizations with a shared common mission. However, TIAA and CREF are separate legal entities, each with its own board of trustees whose responsibility is to assure that its respective organization is managed properly. CREF has no employees and is serviced by TIAA and certain TIAA subsidiaries.

The CD&A has been reviewed and approved by the TIAA Human Resources Committee (the Committee). The Committee has been delegated by the TIAA Board of Trustees (the Board) the responsibilities for guiding and overseeing the formulation and application of compensation and other human resources policies and programs for the Company (the Committee's charter is available under "Committee Charters" at: <http://www.tiaa-cref.org/about/governance/index.html>). These policies and programs are designed to enable the Company to attract, retain, motivate, and reward employees who possess the knowledge and experience we need to conduct our business. Furthermore, the Committee also ensures that these policies and programs are designed and administered in a manner that aligns executive and employee pay with the interests of the Company's individual customers and institutional clients (collectively referred to in this document as participants).

Although TIAA is not subject to the Securities and Exchange Commission (SEC) rules governing executive compensation disclosure, the Committee voluntarily publishes this document for the benefit of the Company's participants. This disclosure, which embodies the principles of these rules, has been designed to provide to participants a comprehensive picture of both the rationale behind executive compensation decisions and the manner in which those decisions are made.

For the past several years, individual participants have been invited to express their views on TIAA's overall compensation policies, including whether the Company had clearly explained the basis for its compensation decisions. Participants have also had the opportunity to provide an advisory vote on those policies. Feedback received from this process has been taken into account in evaluating compensation programs and drafting this report. In early June, individual participants will again be given the opportunity to provide written comment on our compensation process. In addition, beginning this year, the advisory vote will shift from one limited to our overall compensation policy to one that covers the compensation decisions made for the named executive officers in this document. This vote will continue to occur on an annual basis.

Respectfully submitted,

TIAA Human Resources Committee

Sidney A. Ribeau, Chair
Robert C. Clark
Edward M. Hundert
Dorothy K. Robinson
Ronald L. Thompson

Compensation Discussion and Analysis

Compensation and Benefits Philosophy

Compensation and benefits programs for TIAA executives are designed with the goal of providing remuneration that is fair, reasonable, and competitive. The programs are intended to help the Company recruit and retain qualified executives. The programs are also intended to motivate such executives by linking rewards to performance, while also aligning their interests with those of the Company's individual customers and institutional clients.

These programs are designed based on the following guiding principles:

Performance

The Company believes that the best way to align compensation with the interests of its participants is to link pay directly to individual, business area, and Company performance.

Competitiveness

Compensation and benefits programs are intended to be competitive with those provided by companies with whom we compete for talent. In general, programs are considered competitive when they are targeted at the competitive median of these competitor companies.

Cost

Compensation and benefits programs are designed to be cost-effective and affordable, ensuring that the interests of the Company's participants are considered.

Consistency

These guiding principles are intended to apply consistently to all employees of TIAA, regardless of their level. As such, other than the limited availability of a Company car and driver for business use by a limited number of senior executives, there are no special programs or perquisites available exclusively to the Company's senior executives. The Company believes that this is an important element in creating an environment of trust and teamwork that furthers the long-term interests of the organization.

Components of Total Rewards

TIAA's compensation and benefits package consists of direct compensation and Company-sponsored benefit plans. Each component is designed to achieve a specific purpose and to contribute to a total package that is appropriately performance-based, competitive, and valued by the Company's employees.

TOTAL COMPENSATION

Direct compensation consists of base salary and variable compensation (which includes an Annual Cash Award and a Long Term Performance Plan Award). All elements of compensation are targeted at the competitive median of the relevant peer group. Variable compensation is linked to individual, business area, and Company performance. When performance exceeds expectations, pay levels are likely to be above the competitive median. When performance falls below expectations, pay levels are likely to fall below the competitive median. By creating these links, the Company seeks to achieve its objective of having performance-based, cost-effective compensation programs.

Compensation Discussion and Analysis

Base Salary

Base salary is determined with reference to competitive pay practices and is aligned with the individual's relative role and responsibilities.

Variable Compensation

Variable compensation, comprised of Annual Cash Awards and Long Term Performance Plan Awards, is designed to place a significant portion of Total Compensation at risk – that is, linked directly to performance. Each employee's aggregate variable compensation award is derived from the Total Compensation amount that is determined annually for each employee on a discretionary basis based on individual, business area and Company performance and with reference to the competitive market. Variable compensation is equal to the difference between the Total Compensation amount and the employee's base salary rate. The variable compensation award is then split between an Annual Cash Award and a Long Term Performance Plan (LTPP) Award based on a progressive rate scale. The proportion of variable compensation that is awarded as long-term units increases as Total Compensation increases. Our annual variable compensation process is designed to ensure that it does not create any risks that are reasonably likely to have a material adverse effect on the Company.

Annual Cash Award

Annual Cash Awards are lump sum cash payments. The portion of an individual variable compensation award that is not awarded as long-term units is the Annual Cash Award amount. Annual Cash Awards and base salary comprise the annual total cash compensation payable to employees.

Long Term Performance Plan (LTPP) Award

Awards under the LTPP are determined as dollar amounts and granted as plan units that vest at the end of the specified performance period. Units awarded to management prior to 2008 vest in three equal annual installments on the third, fourth, and fifth anniversaries of the grant date. Beginning with the February 2008 awards, units awarded to all employees vest on the third anniversary of the grant date. The cash value of the units is payable upon vesting and, in general, individuals must be employed on the applicable anniversary of the grant date in order to receive a payment.

The LTPP was designed to substitute for equity-based plans offered by most of the organizations with which the Company competes for talent. The plan aligns the interests of employees with those of participants and enables employees to participate in the long-term success of the enterprise. LTPP awards are subject to forfeiture in the event of misconduct or other serious violation of Company policy by the recipient. In 2010, the Company undertook an extensive review of the plan's valuation methodology to ensure better alignment of LTPP results with long-term Company performance (as discussed on page 8).

EMPLOYEE BENEFIT PLANS

TIAA provides Company-sponsored health, welfare, and retirement benefit plans to employees. This benefits package is designed to assist employees in providing for their own financial security in a manner that recognizes individual needs and preferences. Employee benefits, in aggregate, are reviewed periodically to ensure that the plans and programs provided are generally competitive and cost-effective for TIAA and support the Company's human capital needs. Benefit levels are not directly tied to Company, business area, or individual performance.

Insurance Plans

The core insurance package includes health, dental, disability, and basic group life insurance coverage. Executives are eligible to participate in these benefits on the same basis as other TIAA employees.

Compensation Discussion and Analysis

Retirement & Deferred Compensation Plans

TIAA provides qualified and non-qualified retirement and deferred compensation benefits to employees.

Retirement Plan and Retirement Benefit Equalization Plan

The Retirement Plan is a tax-qualified defined contribution (money purchase) plan. The plan is intended to help provide for an employee's financial security in retirement through Company contributions of a percentage of base salary (which are based on the employee's age). Starting in 2011, age and service requirements for participation in the plan were eliminated. Contributions to the plan are directed by participants into select TIAA and/or CREF retirement annuities and TIAA-CREF mutual funds.

The Retirement Benefit Equalization Plan is an unfunded, non-qualified plan that works together with the Retirement Plan to provide for an employee's financial security in retirement. It covers all employees eligible for the Retirement Plan for whom contributions to that plan are limited under federal tax law. The Company contributes an amount equal to the excess of what otherwise would have been provided under the Retirement Plan if those limits did not apply. Deferrals are credited to participant's notional accounts until distribution. Participating employees may allocate their accounts among notional investment options that generally match those under the Retirement Plan. The Company has set aside amounts that are invested in parallel to the notional investments to cover its obligations under this plan.

Benefits are payable under the Retirement Plan following termination of employment as elected by the participant under the plan. Benefits under the Equalization Plan are payable on the later of termination or the participant's 60th birthday. All amounts deferred under the plans are fully vested after three years of service.

401(k) Plan and 401(k) Excess Plan

TIAA's 401(k) plan provides employees the opportunity to save for retirement on a tax-favored basis. Executives may elect to participate in the 401(k) plan on the same basis as all other TIAA employees. Starting in 2011, the Company added a matching contribution equal to 100% of the first 3% of the employee's base salary contributed to the 401(k) plan and the 401(k) Excess Plan.

Employees whose deferrals or matching contributions are subject to federal tax limits may defer additional amounts under the non-qualified 401(k) Excess Plan. Deferrals under this plan are credited to participating employees' notional accounts and may be allocated by employees to notional investment options that generally match those under the 401(k) plan. As with the Retirement Benefit Equalization Plan, the Company has set aside amounts that are invested in parallel to the notional investments to cover its obligations under this plan.

Benefits under the 401(k) plan are generally payable following termination of employment as elected by the employee. Benefits under the 401(k) Excess Plan are paid at termination. All employee contributions under the plans are fully vested at all times. The Company's matching contributions under the plans are fully vested after three years of service.

Voluntary Executive Deferred Compensation Plan

The Voluntary Executive Deferred Compensation Plan provides executives with the opportunity to defer all or a portion of their Annual Cash Award and vested LTPP payout.

Deferrals are credited to participating employees' notional accounts. Employees in the plan may allocate their accounts among the notional investment options that generally match those under the Retirement Plan and 401(k) plan. All amounts deferred under the plan are fully vested at all times. Payments under the plan may be made in a single lump sum or in annual installments. Eligibility is limited to employees with an annual base salary of \$150,000 or more. As with the

Compensation Discussion and Analysis

other nonqualified deferred compensation plans, the Company has set aside amounts that are invested in parallel to the notional investments to cover its obligations under this plan.

SEVERANCE ARRANGEMENTS

Employees who are terminated involuntarily because their positions are eliminated or relocated, or their job duties change due to Company reorganization, qualify for severance benefits under the TIAA 2004 Severance Plan (Severance Plan). Executives participate in the Severance Plan on the same basis as other employees at the Company. In general, the severance benefit is based on the number of years of completed service and is tiered as follows:

Base Salary	Benefit Per Year of Service	Minimum Benefit	Maximum Benefit
< \$100,000	2 weeks	6 weeks	52 weeks
\$100,000 – 149,999	3 weeks	9 weeks	52 weeks
\$150,000 – 199,999	3.5 weeks	10.5 weeks	52 weeks
\$200,000 +	4 weeks	12 weeks	52 weeks

In addition, employees who are eligible for benefits under the Severance Plan are also eligible to receive a prorated portion of their prior-year Annual Cash Award. Also, any outstanding performance units awarded under the LTPP will continue to vest in accordance with the original vesting schedule applicable to the awards. Severance benefits are contingent on the employee signing a release agreement.

PERQUISITES

The Company generally does not provide any perquisites to its executives. Currently, the CEO and other members of the executive management team have limited access to the Company car and driver. The cost of the personal use of this benefit, if any, is shown in the All Other Compensation Table on page 18.

Establishing Compensation Levels

Total Compensation levels (base salary, Annual Cash Award, and LTPP Award) are established based on several factors: competitive benchmarking and Company, business area, and individual performance.

VARIABLE COMPENSATION FUNDING

The actual amount of total funding available for the Annual Cash and LTPP Awards for all employees is dependent on overall Company performance (see page 7). Final funding levels are ultimately subject to a discretionary adjustment by the Committee and the Board based on their judgment of affordability and to ensure appropriate alignment with the interests of the Company's participants.

The CEO, in consultation with the EVP, Human Resources, allocates the aggregate variable compensation pool to the Company's business and support areas based on their respective relative contributions to the Company's overall performance.

DETERMINING INDIVIDUAL COMPENSATION LEVELS

Within the confines of the funding allocated to the respective area, individual variable compensation awards are determined discretionarily by managers on the basis of individual performance and in the context of market pay levels for a given position. Individual performance is measured through a formal annual performance evaluation process, which includes year-end performance assessments. Once the individual Total Compensation decision has been made, the amount of variable compensation to be awarded as Annual Cash and LTPP awards is determined based on a formula that provides for a greater proportion of long-term incentives at higher levels of Total Compensation. For the Named Executive Officers (NEOs), the Company follows a similar decision-making process in determining appropriate executive pay levels. However, discretion is used in determining the portion allocated to annual and long-term incentives in order to ensure that there is sufficient alignment with the long-term success of the

Compensation Discussion and Analysis

organization. For the last three performance years, half of the NEO variable compensation awards were long-term incentives.

Chief Executive Officer

Compensation for the CEO is determined by the Committee based on its assessment of the Company's overall performance, the CEO's individual contributions against the achievement of the corporate goals and other priorities agreed to by the Board and the CEO, and market competitive compensation packages for chief executive officers among firms in the asset management and insurance industries of similar size (e.g., Assets Under Management greater than \$100 billion) and complexity (e.g., multiple product lines and channels of distribution).

Using the authority under its charter, the Committee directly engaged Johnson Associates, Inc. as independent outside compensation consultants to provide advice on all matters related to CEO compensation. Johnson Associates assisted the Committee by providing market compensation pay ranges, recommendations regarding the appropriate peer group, and other general advice. (As discussed on page 8, the firm also provided advice in connection with the redesign of the LTPP). Since being engaged by the Committee, Johnson Associates has not provided services to management and has received no other compensation from the Company.

Based on recommendations from Johnson Associates, the companies included in the 2010 market competitive analysis were:

- Affiliated Managers Group
- AllianceBernstein
- Ameriprise Financial
- BlackRock Financial
- Charles Schwab
- Invesco
- JP Morgan Asset Management
- Legg Mason
- MassMutual Financial
- MetLife
- MFS Investment Management
- New York Life
- Northern Trust
- Oppenheimer Funds
- Principal Financial
- Prudential Financial
- Putnam Investments
- T. Rowe Price
- Vanguard Group

Executive Vice Presidents

Compensation for Executive Vice Presidents is approved by the Board (at the recommendation of the CEO and supported by the HR Committee) based on the performance evaluations described above and by reference to competitive pay data of similar-sized asset management firms, insurance companies, and mid-sized financial institutions, as applicable.

With reference to the appropriate market compensation data, the CEO formulates his recommendations to the Committee based on the overall funding available for variable compensation and the executive's performance. Discretion is exercised in determining the overall Total Compensation to be awarded to the executive and the proportion of that total that will be recommended in the form of an Annual Cash Award and LTPP Award. As a result, the amounts delivered in the forms of Annual Cash and LTPP Awards are designed to work in conjunction with base salary in order to deliver an appropriate Total Compensation level to the executive. As mentioned above, for the last three years the CEO has recommended, and the Committee has approved, awarding half of NEO variable compensation as LTPP Awards.

The Company believes that the discretionary design of its variable compensation program supports its overall compensation objectives by allowing for significant differentiation of pay based on performance. Moreover, it provides the flexibility necessary to ensure that pay packages for the executive group are competitive relative to the external market, to link compensation to results that benefit the Company's participants, and to provide internal equity that appropriately reflects the contributions of each executive to the short and long-term success of the organization and to their efforts in reinforcing risk controls and the risk culture of the organization.

Compensation Discussion and Analysis

The key components of the CEO's decision process in determining compensation levels for the other NEOs are as follows:

- *Establish goals:* identify appropriate performance measures and set targets that are used to evaluate NEO performance when determining year-end Total Compensation.
- *Review benchmark data:* reference information gathered from compensation surveys conducted by independent third-party compensation consulting firms.
- *Evaluate performance:* assess NEO performance against established goals and other relevant criteria.
- *Recommend award levels:* propose Total Compensation amounts based on benchmark data and Company, business area, and individual performance. The CEO's recommendations are subject to the review and approval of the Committee and the Board, who then make the final determination in the best interests of the Company's participants.

The key members of management who assisted the CEO in determining compensation actions for the NEOs were the Executive Vice President, Human Resources (except with respect to his own compensation) and the Senior Vice President, HR Policy, Rewards & Operations.

Measuring Performance

2010 QUALITY SCORECARD

The Quality Scorecard is a key measure of the combined performance of the Company and CREF (TIAA-CREF) and impacts the variable compensation funding. The 2010 Quality Scorecard measures performance in three components: *Customer Impact*, *Investment Performance*, and *Service Quality*. Specific strategic objectives, performance measures, and targets were established for each component. The strategic objectives and measures are described below; however, specific targets are regarded as confidential and are not disclosed for competitive reasons.

Customer Impact

This component measures how TIAA-CREF is performing on behalf of its participants as measured by the net promoter score, which indicates individual and institutional client satisfaction. This metric aligns with core customer outcome measures – satisfaction, loyalty, retention, and acquisition of targeted customers and market segments.

Investment Performance

This component measures the company's investment performance against both benchmark and peer group performance as applicable.

Service Quality

This component identifies the processes that are most critical to achieving established customer objectives. It includes measures that enable TIAA-CREF to appropriately evaluate its ability to ensure regulatory compliance within its operations, while delivering the service levels customers expect.

The aggregate annual quality performance result – called the Quality Scorecard factor – is determined by comparing the performance of each measure to the targets established at the beginning of each performance year. Performance at target levels would yield neutral (0%) impact to the variable compensation funding. For 2010, each of the three components was weighted equally.

2010 Quality Scorecard

Customer Impact	<i>Weighting: 33.3% of total</i>
Strategic Objectives	Performance Measures
Be the best financial services provider for the institutions and individuals we serve.	Net promoter score <ul style="list-style-type: none"> ▪ Total Individual Clients ▪ Total Institutional Clients
Investment Performance	<i>Weighting: 33.3% of total</i>
Strategic Objectives	Performance Measures
Achieve risk adjusted investment performance exceeding peer groups and benchmarks.	<ul style="list-style-type: none"> ▪ Investment Performance
Service Quality	<i>Weighting: 33.3% of total</i>
Strategic Objectives	Performance Measures
Achieve and sustain regulatory and industry performance levels.	<ul style="list-style-type: none"> ▪ Accuracy (Pay in and Pay Out) ▪ Timeliness (Pay in, Pay out, and First Call Resolution) ▪ Complaints (Total written complaints received by TIAA-CREF and total written complaints received by regulatory agencies)

2010 LTPP SCORECARD

In December 2009, the TIAA Board approved a management proposal to redesign the LTPP Scorecard. Since this redesign effort would not be completed in time for the 2010 performance year, an interim valuation methodology was put in place. The 2009 LTPP Scorecard design was utilized in the interim plan, except that, in general, each metric would be measured by year-over-year performance rather than performance against targets.

The 2010 interim design used the following four LTPP Scorecard metrics with equal weighting:

- Investment Performance
- Net Clients Flows Growth (before benefit payments)
- Revenue Growth (before incurred dividends)
- TIAA Capital Growth (before incurred dividends)

The annual LTPP Scorecard result - called the LTPP Scorecard factor - was determined by comparing each metric's performance in 2010 against performance in 2009 except for investment performance, which was measured against benchmark, and other indices.

REDESIGNED 2011 LTPP SCORECARD

For the 2011 performance year, management worked with the Committee and its independent adviser, Johnson Associates, to redesign the LTPP Scorecard to better align the value of plan units with the Company's performance against the following key strategic and operational priorities:

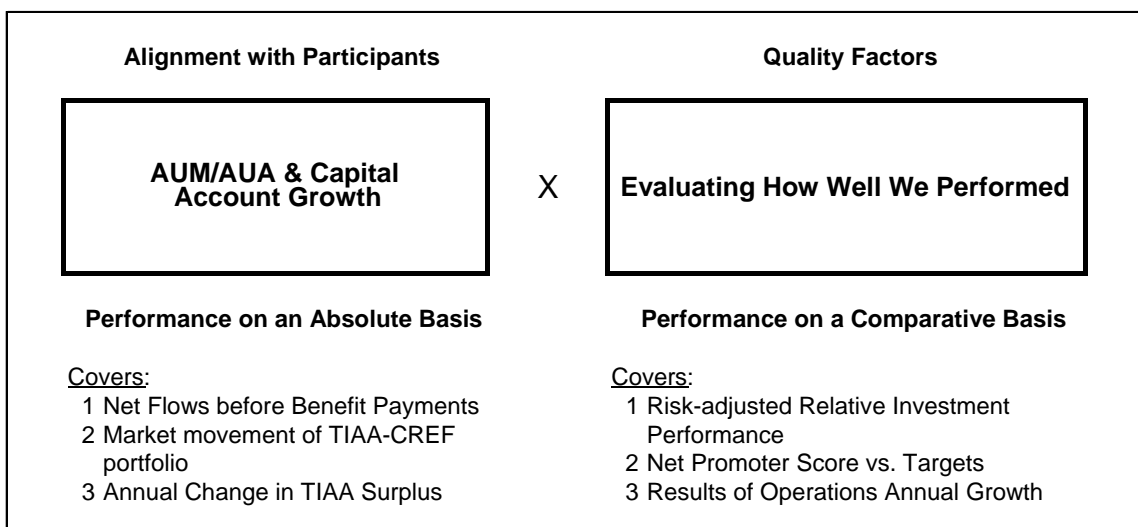
- Grow the Company in a healthy and sustainable manner
- Maximize risk-adjusted investment performance on a relative basis
- Manage expenses tightly
- Build and sustain high loyalty from institutions and individual participants

Compensation Discussion and Analysis

This new design was intended to better align employee interests with those of our participants both in terms of what we accomplish and how well we perform. It also provides greater transparency for both participants and employees. The design provides a balanced solution that will enable the Company to attract, retain, and properly motivate employees to act in the best interests of our participants.

Below is an illustration of the new design:

2011 LTPP Scorecard Design



Key Components

The key metrics used in the new model best address our strategic and operational priorities for the updated methodology:

AUM/AUA & TIAA Capital Account Growth

This combined metric measures the annual growth of all assets under management and administration by TIAA-CREF, as well as the Company's Capital Account. The metric captures both our absolute annual investment performance and our annual net client flow performance, before benefit payouts to participants.

We chose this metric as a key feature of our design to provide an incentive to grow assets which leads to lower unit costs. This will increase participants' investment returns. The metric serves to align employee interests with our participants' investment experience by directly impacting unit values.

Evaluating How Well We Performed

This portion of the formula focuses on qualitative aspects of our operations and is based on three separate metrics:

Relative Investment Performance – This metric, which is based on risk-adjusted returns, will use a similar calculation as used in the current Quality Scorecard.

The metric is set to highly-detailed measurement criteria, including that with respect to the General Account. The intent is to align the Company's investment strategy with outcomes to be clearly measured against this standard. The calculation measures investment performance against

Compensation Discussion and Analysis

benchmarks and applicable indices. This measure also is consistent with one of our participants' key objectives - generating superior investment returns on a risk-adjusted basis.

Net Promoter Score – This metric represents how our participants regard our products and services, which is an important factor regarding the long-term success of the franchise. The calculation measures the Net Promoter Score performance against targets.

Results of Operations Growth – This metric underscores the importance of growing the Company in a healthy and sustainable manner by providing an incentive to grow net revenue while controlling operational expenses. Since capital gains and losses are reflected in TIAA's Capital Account (and included in the growth metric described above), they are excluded from this calculation. In addition, we have removed dividends paid to participants also excluded from this calculation in order to insulate this metric from our annual dividend decision.

Board Discretion

Over the three-year vesting period, payouts under this new formula are expected to range from one-half to two times the value of the original award. However, the Board will retain overall discretion to adjust award values beyond these limits, if necessary, to properly fulfill its responsibility to our participants to ensure payout levels are appropriate in light of all relevant considerations. This may involve factors such as institutional health, capital adequacy, cost effectiveness, and any extreme external events or situations.

2010 QUALITY AND LTPP SCORECARD RESULTS

The 2010 Quality Scorecard factor was 0.9785 or 2.15% below target. We saw favorable results in the Investment Performance and Net Promoter components of the Quality Scorecard but they were offset by unfavorable results in the Service Quality measure.

The LTPP Scorecard factor was 12.95%. This result was based on the Company's strong investment performance and considerable growth in net client flows. This increased the unit value as of December 31, 2010 to \$1,302.6046.

Variable Compensation Funding

The Company's approach to determining appropriate annual variable compensation funding is intended to better drive the Company's business strategy, accurately reflect Company performance, and balance the interests of our participants with those of our employees. It ensures that variable compensation continues to remain affordable, while providing payouts clearly aligned with actual performance and consistent with an acceptable risk profile.

The chart below illustrates key components of the Company's funding methodology:

Step	Action	Calculation
1	The Initial range of affordable variable compensation funding is calculated based on annual results of operations.	This calculation is: <ul style="list-style-type: none">• based on normalized set aside rates• excludes all capital gains & losses (other than excess losses as discretionarily determined by TIAA Board).
2	The funding range is adjusted for Quality Scorecard Performance	This adjustment factors in qualitative performance aspects. The adjustment may be +/-20%.

Compensation Discussion and Analysis

Step	Action	Calculation
3	The funding range next undergoes Expense Ratio Tests	The adjusted range is reduced to the extent that it exceeds the lower of two ratios – total TIAA-CREF Expense ratio or CREF expense ratio.
4	The CEO provides a recommendation to the HR Committee of the TIAA Board for a variable compensation funding amount within the range	The recommendation is based on prior year's spend, relative performance of Company, competitive compensation levels, and actual staff expansions.
5	The HR Committee reviews and recommends a funding level to the TIAA Board for final approval	Assessment is made on the overall appropriateness of the recommendation to insure balance between the interests of employees and those of the participants.

The initial funding level is determined based on the Company's annual results of operations. Results of operations metrics effectively capture revenue and expense performance, which are directly tied to two key business priorities: growth and cost control. This calculation includes both positive operating performance of our core pension business, as well as financial contributions of our emerging non-pension businesses.

All capital gains are excluded from results of operations in order to avoid creating incentives for management to generate gains that may provide short-term returns but do not build long-term value and are not aligned with the best interests of our participants. Although capital gains are excluded from the calculation, capital losses in excess of normal levels may be taken into account at the Committee's discretion in its determination of appropriate funding levels. In addition, in order to avoid any conflicts of interest with decisions on dividends and capital growth, the calculation uses fixed set-aside rates based on historical standards.

The initial funding level determined above is then subject to adjustment. To cover a third key business priority – ensuring the highest standard of quality in connection with products and services for participants – the initial funding level is subject to adjustment based on a Quality Scorecard, as described above. Such qualitative metrics include Net Promoter scores, investment performance, and service quality indices. As a check on the appropriateness of funding amounts in light of overall expense levels, initial funding is also subject to reduction if either the total TIAA-CREF expense ratio or the CREF expense ratio exceed predefined limits.

The above funding levels are expressed as a range in order to provide the Committee with the necessary flexibility to take into account all relevant factors in arriving at appropriate award pool size. Such factors include market competitiveness (both as projected for the current year and in the context of actual pay levels over a multi-year period) and, perhaps most importantly, balancing the interests of participants and employees to arrive at the appropriate level of compensation. The range was designed to be adequately wide to protect against both under and over payment for a given level of Company performance, but sufficiently narrow as to not undermine the alignment of pay to performance.

The Board will retain the right to adjust the final award pool beyond the range, in either direction, in order to take into account major unforeseen events that have a material impact on the appropriateness of the funding level.

Compensation Discussion and Analysis

Compensation for the Named Executive Officers in the Last Fiscal Year

CHIEF EXECUTIVE OFFICER

TIAA-CREF continued to deliver strong performance in 2010, the second full calendar year of Roger Ferguson's tenure as CEO.

Combined assets under management reached an all-time high of more than \$453 billion as of December 31, 2010, surpassing the previous mark of \$435 billion reached in December 2007. At Mr. Ferguson's direction, and through a relentless focus on long-term performance and stability, the Company helped its clients navigate one of the most challenging economic environments in decades.

Financial strength improved significantly over 2009 levels, with TIAA's total adjusted capital at year-end 2010 exceeding \$28 billion. Further, the Company achieved solid investment results and continued to expand its asset management capabilities. At the same time, the Company managed expenses prudently in order to pass greater savings to clients.

Guided by Mr. Ferguson's vision, TIAA-CREF continues to become more nimble, efficient, and customer-focused. In 2010, the Company reorganized several business areas to better serve client needs, and invested in enterprise-wide technology, infrastructure, and process improvements.

TIAA-CREF further strengthened its management ranks, overall talent pool and unique, mission-driven culture, and developed a long-term strategic plan to ensure that the organization continues to meet the evolving needs of an increasingly diverse client base.

Through Mr. Ferguson's leadership, public communications, and advisory activities with senior policy makers, TIAA-CREF has emerged as America's leading voice on lifetime financial security. In Washington, D.C. and at the state level, the Company advocated on behalf of participants and plan sponsors in support of sound retirement practices and financial regulatory reform.

In 2010, TIAA-CREF earned praise from customers and industry observers for its progress in areas such as investment performance, plan recordkeeping, quality, diversity and inclusion, and trust.

In light of the above, based on Mr. Ferguson's 2009 compensation and relevant market data, the Committee recommended, and the Board approved, variable compensation of \$9,500,000 for the 2010 performance year, consisting of an Annual Cash Award of \$4,750,000 and an LTPP Award with a grant date value of \$4,750,000. This represented a 11.8% increase in variable compensation over that for 2009. Mr. Ferguson's base salary remained unchanged.

OTHER NAMED EXECUTIVE OFFICERS

Compensation recommendations for the NEOs were developed by the CEO through his assessment of each executive's performance, along with relevant compensation guidelines. As described on page 7, the CEO's recommendations were designed to deliver appropriate levels of Total Compensation based on Company, business area, and individual performance.

In 2010, TIAA-CREF continued to meet the evolving needs of clients throughout the nonprofit community, providing top-rated financial strength, long-term investment performance, prudent risk management, and unique value.

Management continued to work diligently to enhance the Company's historic financial stability, diversified product offerings, and competitive profile while controlling costs.

Importantly, TIAA-CREF continued to develop and refine its operational capabilities, enhancing its technology infrastructure and digital presence, and implementing Lean methodologies and other process improvement techniques across the enterprise to make it easier for customers to do business with TIAA-CREF.

Compensation Discussion and Analysis

The Company further strengthened relationships with customers and prospects, providing expertise and resources to promote lifetime financial security.

Recognizing the company's performance, nearly 240,000 people opened or expanded a savings or retirement plan with TIAA-CREF in 2010.

Virginia Wilson, EVP and Chief Financial Officer

Ms. Wilson joined TIAA in July 2010 and oversees TIAA-CREF's financial management and planning, actuarial, tax, accounting, and financial reporting functions. She and her team work across the organization to strengthen financial processes, manage costs diligently, and maximize the value of the Company's assets for the benefit of clients.

Her leadership as CFO enabled the company to achieve its 2010 budget targets. As of December 31, 2010 the CREF expense ratio was 44.4 basis points, down from 47.1 bps at year-end 2009, and fees on TIAA-CREF mutual funds and variable annuity accounts were generally half the mutual fund industry average.¹

Ms. Wilson is chair of the Asset Liability Committee (ALCO), a cross-functional oversight body responsible for safeguarding the Company's capital position and investment holdings.

She also supports the Company's high standards of quality and transparency that fostered productive working relationships with the major rating agencies, all of which have affirmed TIAA's "triple-A" rating for insurance financial strength over the past year.

Scott Evans, EVP, Asset Management

Under the leadership of Mr. Evans, TIAA-CREF's overall investment results exceeded benchmarks in 2010. Over 70% of the company's actively managed funds and VA accounts outperformed their benchmark for the year ending 12/31/2010. As indicated by the corporate quality scorecard, which measures investment performance for 31 actively managed products over 1, 3 and 5 years, Mr. Evans' organization exceeded its benchmark targets by 12% overall.

The Company performed well relative to peers, as confirmed by Morningstar, with 100% of TIAA-CREF mutual funds and variable annuity accounts rated 3+ stars as of December 31, 2010. Against on-campus competitors, a collection of over 250 actively managed funds that we commonly compete with in our core market, the company's Morningstar percentile rankings for actively managed products have generally been in line with this group over 1, 3 and 5 years, many of which are considered "best of breed" funds in the industry.

TIAA-CREF is now one of the fastest-growing mutual fund companies among those with \$30 billion or more in net assets.² In 2010, TIAA-CREF Mutual Funds produced a growth rate of 22% when calculated as annual net flows divided by the net assets as of the beginning of 2010. TIAA-CREF Mutual Funds ranked as the 48th largest mutual fund company at the end of 2010, up from 80th at the end of 2006. In that time period, TIAA-CREF's compound annual growth rate in net assets was 35% and its compound annual growth rate of flows divided by net assets was 26%. In addition, as part of the overall growth goals of the company, Asset Management significantly exceeded plan on Third Party Sales with over \$1.1 billion in net flows versus \$600 million for the plan.

Mr. Evans heads an accomplished, experienced team of more than 300 investment professionals focused on adding lasting value to participant portfolios. The team employs a fundamental, bottom-up, disciplined

¹ Morningstar Direct (December 2010) based on Morningstar expense comparisons by category.

² TIAA-CREF Mutual Funds had the 3rd highest growth rate in 2010 out of the 48 fund families that have at least \$30 billion in Net Assets as of 12/31/2010. Source: Morningstar Direct. The "growth rate" is defined by Morningstar as the cumulative 2010 net fund flows divided by the total net assets at the beginning of the year (01/01/2010). Also, to avoid double counting the Fund of Fund net assets and net flows are not incorporated in these numbers, however their net assets and net flows are reflected in the total assets and total flows in the underlying funds. The data represents all Open End Fund flows and was grouped by Fund Families.

Compensation Discussion and Analysis

process of security selection and portfolio construction to achieve favorable, long-term, risk-adjusted returns.

In 2010, TIAA-CREF continued to strengthen its investment menu, build out its third-party asset management platform, and expand its capabilities in alternative asset classes such as real estate, agriculture, timber, infrastructure and energy.

The Company's acquisition of the Westchester Group, one of the nation's premier agricultural asset managers, extends its leadership position in agricultural investing through the TIAA General Account.

TIAA-CREF also maintained its leadership in socially responsible investing, seeking to deliver competitive returns and create positive social impacts through global microfinance, corporate social real estate, green building technology, and community bank deposit programs.

In 2010, Mr. Evans also oversaw development of the Company's long-term strategic plan, positioning the Company to continue to meet a growing range of client needs.

Ed Van Dolsen, EVP, Chief Operating Officer

Mr. Van Dolsen was appointed Chief Operating Officer in June 2010 with a mandate to enhance customer focus, responsiveness, and service quality. As a 29-year veteran of TIAA-CREF, he leads the Company's institutional and individual client services, product, sales and distribution teams.

Under his direction, the Company has broadened and enhanced its offerings to meet the needs of clients in the higher education, healthcare, K-14, government, and education savings markets.

Mr. Van Dolsen has also strengthened the Company's relationships with the pension consultant and registered investment advisor (RIA) communities.

TIAA-CREF continued to develop and improve products and services for individuals, such as the Company's award-winning advice and managed account offerings, as well as a new stable value annuity product created to meet a critical need in the hospital market.

The Company also continued to expand its institutional offer – the new Signature-Ready Form 5500 Preparation Service, launched in 2010, is the latest addition to a suite of services designed to help 403(b) plan sponsors meet their financial reporting obligations more efficiently and cost-effectively.

In 2010, the Company received the American Society of Pension Professionals (ASPPA) Recordkeeper Certification, which recognizes excellence in retirement plan recordkeeping.

The Company also developed a new endowment management business, launching in 2011, to provide investment advisory and integrated risk management capabilities to institutions with endowments of \$100 million and above.

Dermot O'Brien, EVP, Human Resources

Mr. O'Brien leads the comprehensive effort to attract, develop, engage, and retain talented employees that is integral to TIAA-CREF's competitive effectiveness and cultural vibrancy.

Under Mr. O'Brien's leadership, TIAA launched a multi-year, company-wide program centered on a growth culture that continually evolves and creates opportunities for employees to grow and develop as an integral part of sustainable Company growth.

In 2010, Mr. O'Brien's team extended the Company's new leadership assessment and support framework, L.E.A.D. (Leadership Effectiveness and Development), to the majority of managers, helping to build a culture of growth that draws upon the power of diversity and inclusion to achieve shared goals.

Compensation Discussion and Analysis

Human Resources enhanced the TIAA employee retirement program to provide employees with more options to save and more control over their retirement security. The program is now a model for the best practices TIAA-CREF advocates in the marketplace. The team also redesigned the TIAA Long-Term Performance Plan (LTPP) Scorecard for the 2011 performance year, further aligning compensation of the Company's top 1,000 managers with long-term participant interests.

As a mission-driven organization, TIAA-CREF is consistently recognized for the unique strengths of its workforce and corporate culture. In 2010, the Company's continued progress garnered industry-wide praise. Among the highlights:

- *Black Enterprise* magazine named TIAA-CREF one of the "40 Best Companies for Diversity" for the fourth consecutive year.
- *LATINA Style* magazine named TIAA-CREF to its list of the 50 best U.S. companies for Latinas to work for, citing our commitment to diversity and financial education outreach to the Hispanic and Latino community.
- The Human Rights Campaign (HRC) awarded TIAA-CREF a top rating of 100% on its Corporate Equality Index for the second consecutive year. The HRC survey evaluates companies on policies and practices such as domestic partner benefits for Lesbian, Gay, Bisexual and Transgender (LGBT) employees.

2010 PERFORMANCE YEAR COMPENSATION

Although the Summary Compensation Table on page 17 shows compensation for the CEO and NEOs as provided for under the SEC disclosure rules, it does not fully reflect the compensation decisions made for the 2010 performance year. The Summary Compensation Table lists prior year LTPP awards that were *paid out* in 2010 rather than the value of the LTPP award *granted for the 2010 performance year*. For greater transparency regarding salary and variable compensation directly attributable to the 2010 performance year, we list below the 2010 compensation decisions compared with those for 2009.

Name and Principal Position	Year	Salary ¹ (\$)	Cash Bonus ² (\$)	Long-Term Performance Plan Award ³ (\$)	Total Compensation (\$)
Roger W. Ferguson, Jr. President & Chief Executive Officer	2010	1,000,000	4,750,000	4,750,000	10,500,000
	2009	1,000,000	4,250,000	4,250,000	9,500,000
	% Change	0.0%	11.8%	11.8%	10.5%
Virginia M. Wilson⁴ Executive Vice President & Chief Financial Officer	2010	225,379	565,000	565,000	1,355,379
	2009	--	--	--	--
	% Change	n/a	n/a	n/a	n/a
Georganne Proctor⁵ Executive Vice President & Chief Financial Officer	2010	416,667	--	--	416,667
	2009	500,000	1,150,000	1,150,000	2,800,000
	% Change	n/a	n/a	n/a	n/a
Scott C. Evans Executive Vice President, Asset Management	2010	500,000	2,250,000	2,250,000	5,000,000
	2009	500,000	1,650,000	1,650,000	3,800,000
	% Change	0.0%	36.4%	36.4%	31.6%
Dermot J. O'Brien Executive Vice President, Human Resources	2010	350,000	925,000	925,000	2,200,000
	2009	350,000	825,000	825,000	2,000,000
	% Change	0.0%	12.1%	12.1%	10.0%
Edward D. Van Dolsen Executive Vice President & Chief Operating Officer	2010	400,000	1,550,000	1,550,000	3,500,000
	2009	400,000	1,100,000	1,100,000	2,600,000
	% Change	0.0%	40.9%	40.9%	34.6%

Footnotes

1. The amounts shown represent the base salary paid during the year.

Compensation Discussion and Analysis

2. The amounts shown represent the Annual Cash Award earned for the respective performance year and payable in the following February under the Company's Annual Cash Award program.
3. The amounts shown represent the LTPP awards for the respective performance year and made in the following February under the LTPP.
4. Ms. Wilson joined the Company as the Chief Financial Officer in July 2010.
5. Ms. Proctor moved from her role as the Company's CFO to head up the Enterprise Integration team in July 2010 and then left the Company in October 2010.

Based on the above-named executives who have been with the Company for a full year in both 2009 and 2010, on average, year-over-year variable and Total Compensation increased by approximately 18% and on average, base salary represented 11.7% of Total Compensation in 2010. For this group, 89.4% of Total Compensation was delivered as variable compensation.

Employment Contracts and Guarantees

ROGER W. FERGUSON, JR.

Mr. Ferguson entered into an employment agreement with TIAA on April 2, 2008 (with his employment beginning on April 14, 2008). The agreement has an indefinite term. Under the agreement, Mr. Ferguson's base salary will not be less than \$1,000,000 per year. Mr. Ferguson is eligible for an Annual Cash Award and LTPP Award in the sole discretion of the Board and in accordance with TIAA's Executive Compensation Policy, based on corporate and individual performance and competitive pay information.

VIRGINIA M. WILSON

Ms. Wilson joined TIAA on July 20, 2011 as Executive Vice President and Chief Financial Officer. In connection with her hire, she entered into an offer letter agreement with the Company providing for an initial annual base salary of \$500,000 and a minimum annualized variable compensation award for the 2010 performance year of \$2,300,000, which amounts will be prorated for 2010 based on her start date. Ms. Wilson's employment is at-will and the agreement does not provide for a specified employment term nor does it guarantee a minimum level of variable compensation in any future performance years.

Summary Compensation Table

Summary Compensation Table

Name and Principal Position	Year	Salary ¹ (\$)	Bonus ² (\$)	Non-Stock Incentive Plan Compensation ³ (\$)	All Other Compensation ⁴ (\$)	Total (\$)
Roger W. Ferguson, Jr. ⁵ President & Chief Executive Officer	2010	1,000,000	4,750,000	2,689,916	156,271	8,596,187
	2009	1,000,000	4,250,000	--	185,272	5,435,272
	2008	715,909	3,750,000	--	38,633	4,504,542
Virginia M. Wilson ⁶ Executive Vice President & Chief Financial Officer	2010	225,379	565,000	--	--	790,379
	2009	--	--	--	--	--
	2008	--	--	--	--	--
Georganne Proctor ⁷ Executive Vice President & Chief Financial Officer	2010	416,667	--	595,081	928,846	1,940,594
	2009	500,000	1,150,000	--	80,625	1,730,625
	2008	500,000	1,000,000	--	90,000	1,590,000
Scott C. Evans Executive Vice President, Asset Management	2010	500,000	2,250,000	1,776,401	67,500	4,593,901
	2009	500,000	1,650,000	1,445,829	80,625	3,676,454
	2008	500,000	2,125,000	1,145,609	90,000	3,860,609
Dermot J. O'Brien ⁸ Executive Vice President, Human Resources	2010	350,000	925,000	640,442	39,375	1,954,817
	2009	350,000	825,000	545,875	47,032	1,767,907
	2008	350,000	700,000	457,245	52,500	1,559,745
Edward D. Van Dolsen ⁹ Executive Vice President & Chief Operating Officer	2010	400,000	1,550,000	663,123	54,000	2,667,123
	2009	400,000	1,100,000	275,568	64,500	1,840,068
	2008	400,000	950,000	152,801	72,000	1,574,801

Footnotes

- The amounts shown represent the base salary paid during the year.
- The amounts shown represent the Annual Cash Award earned with respect to each performance year listed, payable in the following year under the Company's Annual Cash Award program.
- The amounts shown represent the payout made during each performance year listed for prior year long-term awards that vested in that year, based on the performance unit value as of December 31 of the preceding year.
- Details regarding components included in this column are provided in the following table entitled "All Other Compensation Table."
- Mr. Ferguson joined the Company on April 14, 2008. Pursuant to his employment agreement, he received LTTP grants at the time of hire in consideration of his forfeiture of equity awards from his former employer. The Non-Stock Incentive Plan Compensation reflects the first of two payouts of those awards.
- Ms. Wilson joined the Company as the Chief Financial Officer in July 2010.
- Ms. Proctor moved from her role as the Company's CFO to head the Enterprise Integration team in July 2010. She subsequently left the Company in October 2010.
- Mr. O'Brien's salary was increased from \$350,000 to \$400,000 on March 1, 2011.
- Mr. Van Dolsen's salary was increased from \$400,000 to \$500,000 on March 1, 2011.

Supplemental Tables and Information

All Other Compensation

The components of the amounts shown in the “All Other Compensation” column of the Summary Compensation Table are displayed in detail in the following table. The Company believes that this tabular disclosure presents a clearer, more effective means of displaying the elements contained in other compensation than the footnote disclosure specified by the SEC.

All Other Compensation Table

Name and Principal Position	Year	Contributions to Retirement & Equalization Plans ¹ (\$)	Car & Driver (\$)	Payments Related to Termination (\$)	Total (\$)
Roger W. Ferguson, Jr. President & Chief Executive Officer	2010	150,000	6,271	--	156,271
	2009	179,167	6,105	--	185,272
	2008	33,333	5,300	--	38,633
Virginia M. Wilson Executive Vice President & Chief Financial Officer	2010	--	--	--	--
	2009	--	--	--	--
	2008	--	--	--	--
Georganne Proctor ² Executive Vice President & Chief Financial Officer	2010	56,250	--	872,596	928,846
	2009	80,625	--	--	80,625
	2008	90,000	--	--	90,000
Scott C. Evans Executive Vice President, Asset Management	2010	67,500	--	--	67,500
	2009	80,625	--	--	80,625
	2008	90,000	--	--	90,000
Dermot J. O'Brien Executive Vice President, Human Resources	2010	39,375	--	--	39,375
	2009	47,032	--	--	47,032
	2008	52,500	--	--	52,500
Edward D. Van Dolsen Executive Vice President & Chief Operating Officer	2010	54,000	--	--	54,000
	2009	64,500	--	--	64,500
	2008	72,000	--	--	72,000

Footnotes

1. The amounts shown reflect Company contributions made to two plans: the Retirement Plan and the Retirement Benefit Equalization Plan. The contributions for each Named Executive Officer for 2010 are detailed as follows:

	<u>Retirement Plan</u>	<u>Equalization Plan</u>
Mr. Ferguson	\$36,750	\$113,250
Ms. Wilson	--	--
Ms. Proctor	\$35,887	\$20,362
Mr. Evans	\$35,887	\$31,612
Mr. O'Brien	\$27,562	\$11,812
Mr. Van Dolsen	\$33,075	\$20,925

2. Amounts listed under “Payments Related to Termination” for Ms. Proctor represent actual payments made in conjunction with her termination in October 2010.

Supplemental Tables and Information

2010 Grants of Plan-Based Awards

Awards under the LTPP were granted to executives on February 26, 2010 for the three-year performance period beginning January 1, 2010 and ending December 31, 2012. These grants were based on each recipient's 2009 annual performance. The number of units awarded was calculated by dividing the each long-term award by the performance unit value as of December 31, 2009 of \$1,153.2577.

Awards granted to executives in February 2010, including all NEOs, vest and are distributable in February 2013. Executives may further defer vested LTPP Awards under the Voluntary Executive Deferred Compensation Plan.

2010 Grants of Plan-Based Awards Table¹

Name and Principal Position	Grant Date	Non-Stock Incentive Plan Awards ³ (# of units)	Estimated Future Payouts ²		
			Threshold (\$)	Target (\$)	Maximum (\$)
Roger W. Ferguson, Jr. President & Chief Executive Officer	February 26, 2010	3,685.2128	--	4,250,000	--
Virginia M. Wilson Executive Vice President & Chief Financial Officer	February 26, 2010	--	--	--	--
Georganne Proctor Executive Vice President & Chief Financial Officer	February 26, 2010	997.1752	--	1,150,000	--
Scott C. Evans Executive Vice President, Asset Management	February 26, 2010	1,430.7297	--	1,650,000	--
Dermot J. O'Brien Executive Vice President, Human Resources	February 26, 2010	715.3648	--	825,000	--
Edward D. Van Dolsen Executive Vice President & Chief Operating Officer	February 26, 2010	953.8198	--	1,100,000	--

Footnotes

- Awards shown on this table were made with respect to 2009 are not reflected in the Summary Compensation Table.
- The target payout for LTPP awards is equal to the grant date dollar value of the award. The target payout reflects the value of the award based on the performance unit value as of December 31, 2009 of \$1,153.2577. The awards are not subject to threshold or maximum payout values and therefore no amounts have been listed in these columns. Payouts under the plan could theoretically be zero if minimum performance targets are not met and if the performance unit value declined to zero. However, a more likely result, based on historical experience, is an increase in payout value.
- The award units listed are performance units under the LTPP. The number of units awarded was determined based on Company, business area, and individual performance for 2009. The total value of the performance units that will be realized by the Named Executive Officer will depend on the Company's performance during the performance period (January 1, 2010 through December 31, 2012).

Supplemental Tables and Information

Outstanding Performance-Based Awards

The table below shows the current value of unvested performance units awarded to each NEO under the Company's LTTP. As the data in this table indicates, a significant portion of executive compensation is linked to the future success of the organization, thus illustrating the link between compensation plan design and the overall objective of aligning pay with performance. The awards detailed on the following table reflect all unvested units awarded through December 31, 2010.

Outstanding Performance-Based Awards Table¹

As of the fiscal year ended December 31, 2010

Name and Principal Position	Unvested Units as of 12/31/09 (#, \$)	Units Vesting During 2010 ² (#, \$)	Units Awarded in 2010 ² (#, \$)	Unvested Units as of 12/31/10 ³ (#, \$)
Roger W. Ferguson, Jr. President & Chief Executive Officer	7,581.2006 \$8,743,078	2,332.4501 \$2,689,916	3,685.2128 \$4,250,000	8,933.9633 \$11,637,422
Virginia M. Wilson Executive Vice President & Chief Financial Officer	-- --	-- --	-- --	-- --
Georganne Proctor Executive Vice President & Chief Financial Officer	3,667.5584 \$4,229,640	516.0000 \$595,081	997.1752 \$1,150,000	4,148.7336 \$5,404,160
Scott C. Evans Executive Vice President, Asset Management	8,054.6880 \$9,289,131	1,540.3331 \$1,776,401	1,430.7297 \$1,650,000	7,945.0846 \$10,349,304
Dermot J. O'Brien Executive Vice President, Human Resources	2,516.9171 \$2,902,654	555.3329 \$640,442	715.3648 \$825,000	2,676.9490 \$3,487,006
Edward D. Van Dolsen Executive Vice President & Chief Operating Officer	3,289.5432 \$3,793,691	574.9998 \$663,123	953.8198 \$1,100,000	3,668.3631 \$4,778,427

Footnotes

1. Awards made prior to 2008 are based on a five-year performance cycle; these awards vest and are distributed in three equal installments, beginning on the third anniversary of the grant date. Performance unit awards awarded beginning in 2008 are subject to a three-year performance cycle and vest on the third anniversary of the grant date. The grant date in both cases is normally the last business day of February each year.
2. The value of all units that were unvested through December 31, 2009, or awarded or vested during 2010, are calculated based on the December 31, 2009 performance unit value of \$1,153.2577.
3. The value of the unvested units as of December 31, 2010 is calculated based on the December 31, 2010 performance unit value of \$1,302.6046.

Supplemental Tables and Information

Non-Qualified Defined Contribution and Other Deferred Compensation Plans

The amounts in the table below result from the NEOs' participation in the following plans: Voluntary Executive Deferred Compensation Plan, Retirement Benefit Equalization Plan, and 401(k) Excess Plan.

Non-Qualified Defined Contribution and Other Deferred Compensation Plans

As of the fiscal year ended December 31, 2010

Name	Executive Contributions in Last FY ¹ (\$)	Company Contributions in Last FY ² (\$)	Aggregate Earnings in Last FY (\$)	Aggregate Withdrawals/ Distributions (\$)	Aggregate balance at Last FYE (\$)
Roger W. Ferguson, Jr. President & Chief Executive Officer	5,381,700	113,250	639,243	--	6,306,488
Virginia M. Wilson Executive Vice President & Chief Financial Officer	--	--	--	--	--
Georganne Proctor Executive Vice President & Chief Financial Officer	--	20,362	24,304	--	438,517
Scott C. Evans Executive Vice President, Asset Management	4,125	31,612	1,079,329	--	9,616,943
Dermot J. O'Brien Executive Vice President, Human Resources	--	11,812	30,544	--	264,769
Edward D. Van Dolsen Executive Vice President & Chief Operating Officer	--	20,925	84,669	--	685,592

Footnotes

- Executive contributions consist of amounts deferred by the NEOs into the Voluntary Executive Deferred Compensation Plan and 401(k) Excess Plan.
- Company contributions consist of Company-provided amounts credited to the Retirement Benefit Equalization Plan on behalf of the NEOs.

Post-Employment Compensation

Payments and Benefits Triggered by Termination

The amount of compensation (if any) that is payable to the NEOs upon termination of employment depends on the nature and circumstances under which employment is ended. All such NEOs are eligible for severance benefits under the Severance Plan under the same terms as are applicable to all TIAA employees.

Resignation

If an NEO voluntarily resigns from the Company, no Annual Cash Award is payable and no amounts under the LTPP will be payable unless the NEO meets the retirement requirements under that plan at the time of termination. The NEO may be entitled to receive benefits from the Retirement Plan and the Retirement Benefit Equalization Plan to the extent those benefits have been earned under the provisions of the plan and he or she has met the vesting requirements. In addition, the NEO would be entitled to receive any amounts deferred (and the earnings thereon) under the Voluntary Executive Deferred Compensation Plan, the 401(k) plan, and the 401(k) Excess Plan.

Termination by the Company Meeting Severance Plan Eligibility

If an NEO's employment is involuntarily terminated by the Company under circumstances that meet the eligibility provisions of the Severance Plan described on page 5 of the CD&A (generally an involuntary termination due to their position being eliminated or relocated or a change in their job duties due to Company reorganization), he or she will be entitled to receive the following:

- Earned and vested amounts under the Retirement Plan and the Retirement Benefit Equalization Plan
- Deferred amounts (and earnings) under the Voluntary Executive Deferred Compensation Plan, the 401(k) plan, and the 401(k) Excess Plan
- Severance benefits based on salary and years of service
- A prorated payment of the NEO's Annual Cash Award for the preceding year, depending on his or her Termination Date. If the Termination Date occurs before Annual Cash Awards have been paid for the prior year, the amount of payment will be equal to 100% of the Annual Cash Award that the NEO was paid in the prior year, plus 75% of the amount of the prior year's Annual Cash Award, prorated based on completed months of service from January 1 of the year of termination through his or her Termination Date. If the Termination Date occurs after the Annual Cash Awards have been paid for the prior year, the executive will receive 75% of the Annual Cash Award that he or she was paid in the year of termination, prorated based on completed months of service from January 1 of the year of termination through his or her Termination Date
- All outstanding LTPP awards will continue to vest and be paid based on the terms under which the award was granted

Termination by the Company Not Meeting Severance Plan Eligibility

If an NEO's employment is involuntarily terminated by the Company under circumstances that do not meet the eligibility provisions of the Severance Plan, the NEO is entitled to the same payments described above in the event of a resignation. However, if the NEO is terminated for misconduct or other serious infraction of Company policy, all outstanding LTPP Awards will be forfeited regardless of whether the NEO qualifies for retirement under such plan.

Post-Employment Compensation

Change in Control

The Company has no post-employment compensation programs designed to provide benefits upon the change in control of the Company. In addition, none of the Company's compensation and benefit plans contain provisions for payments in connection with a change in control. As such, no separate column is shown for this category on the Payments and Benefits Triggered by Termination table on page 24.

DISCUSSION OF POTENTIAL PAYMENTS TRIGGERED BY TERMINATION

The values set forth on the Payments and Benefits Triggered by Termination table on page 24 list the additional compensation that would have been payable to each of the NEOs if employment had been terminated as of December 31, 2010 under various scenarios (generally corresponding to those described above).

The amounts listed in the table on page 24 are exclusive of any compensation that was vested as of the termination date. The NEOs participate in the Voluntary Executive Deferred Compensation Plan and will receive payouts of their respective vested account balances according to their elections. These amounts are not listed in the table.

The NEOs are generally eligible for benefits under the Severance Plan in the event of an applicable termination. With respect to payments shown for "Severance Plan Eligible" terminations:

- amounts listed under "Severance" reflect the portion of the Severance Plan benefit that is based on salary level and years of service,
- amounts listed under "Annual Cash Award" are based on a pro-rata portion of any unpaid bonus attributable to NEO's employment in the year in which such termination occurs, and
- amounts listed under "Long Term Performance Plan Awards" represent the value of previously-granted LTPP Awards held by the NEOs as of December 31, 2010 that become vested due to the termination and which would otherwise have been forfeited upon termination of employment (other than due to death or disability).

In the event of termination due to death or disability, all previously granted LTPP Awards held as of December 31, 2010 would vest in accordance with LTPP, as listed in the "Long Term Performance Plan Awards" column.

Post-Employment Compensation

Payments and Benefits Triggered by Termination

As of December 31, 2010 (except as otherwise noted)

Name and Reason for Termination	Vesting of Previously Granted LTPP Awards ¹ \$	Severance		TOTAL \$
		Salary ² \$	Annual Cash Award ³ \$	
Roger W. Ferguson, Jr.				
By Executive - Voluntary Resignation	--	--	--	--
By TIAA - Severance Benefits Eligible	11,637,422	230,769	3,187,500	15,055,691
By TIAA - Not Severance Benefits Eligible	--	--	--	--
Death or Disability	11,637,422	--	--	11,637,422
Virginia M. Wilson				
By Executive - Voluntary Resignation	--	--	--	--
By TIAA - Severance Plan Eligible	--	115,385	--	115,385
By TIAA - Not Severance Eligible	--	--	--	--
Death or Disability	--	--	--	--
Georganne Proctor⁴				
By Executive - Voluntary Resignation	--	--	--	--
By TIAA - Severance Plan Eligible	5,404,160	153,846	718,750	6,276,756
By TIAA - Not Severance Eligible	--	--	--	--
Death or Disability	--	--	--	--
Scott C. Evans⁵				
By Executive - Voluntary Resignation	--	--	--	--
By TIAA - Severance Plan Eligible	--	500,000	1,237,500	12,086,804
By TIAA - Not Severance Eligible	--	--	--	--
Death or Disability	--	--	--	10,349,304
Dermot J. O'Brien				
By Executive - Voluntary Resignation	--	--	--	--
By TIAA - Severance Plan Eligible	3,487,006	188,462	618,750	4,294,218
By TIAA - Not Severance Eligible	--	--	--	--
Death or Disability	3,487,006	--	--	3,487,006
Edward D. Van Dolsen⁵				
By Executive - Voluntary Resignation	--	--	--	--
By TIAA - Severance Plan Eligible	--	400,000	825,000	6,003,427
By TIAA - Not Severance Eligible	--	--	--	--
Death or Disability	--	--	--	4,778,427

Footnotes

1. "Vesting of Previously Granted LTPP Awards" reflects the value of previously-granted LTPP awards held by the NEOs that are payable following a termination that is (a) Severance Plan eligible or (b) not Severance Plan eligible (not including misconduct), in each case, pursuant to the terms of the LTPP, and which otherwise would have been forfeited upon termination of employment. These values corresponding to Severance Plan eligible terminations represent the unvested portion of LTPP Awards previously granted during the period of 2006 – 2010 and are not increased due to termination.
2. "Severance – Salary" reflects the portion of the amounts payable under the Severance Plan that are based on each NEO's years of service and salary level.
3. "Severance – Annual Cash Award" reflect the pro-rated Annual Cash Award payable under the Severance Plan based on 75% of the prior Annual Cash Award paid in February 2010.
4. Amounts listed for Georganne Proctor represent actual payments made in conjunction with her termination in October 2010.
5. Under the terms of the LTPP, due to their meeting certain age and years of service thresholds, Messrs. Evans and Van Dolsen are eligible to continue vesting in their outstanding LTPP units following a voluntary termination from the Company. If each executive had terminated on December 31, 2009, Mr. Evans' outstanding LTPP units would have a current value of \$10,349,304 and Mr. Van Dolsen's outstanding units would have a current value of \$4,778,427.

Trustee Compensation

Trustee Compensation

Compensation for Trustees of TIAA is designed to align pay with the interests of the Company's participants and to attract individuals who have the required background, experience, and functional expertise to provide strategic direction and oversight to TIAA. These compensation plans are recommended by the TIAA Nominating and Governance Committee and approved by the Board. Compensation levels are benchmarked against comparable companies in the insurance, asset management, and diversified financial services institutions. The components of compensation consist of a combination of current cash compensation and long-term deferred compensation. The long-term component is designed to align the interests of Trustees with those of participants by linking the value of the long-term award to the same investment options provided to participants.

Trustees may elect to defer up to 100% of their fees under a voluntary non-qualified deferred compensation plan. They also receive automatic contributions from TIAA into a long-term compensation plan designed to align the interests of Trustees with those of the Company's participants by linking a portion of Trustee compensation directly to the performance of the Company's investment products. Amounts under both plans may be allocated by the Trustee to notional investments whose performances parallel that of the options in the Company's qualified retirement plans; the actual value of these accounts may increase or decrease, depending on the investment performance of the corresponding investments. Trustee members receive no preferential earning opportunity on their deferred compensation balances. As is the case with the executive deferred compensation plans, all earnings are based on market rates.

COMPONENTS OF TRUSTEE COMPENSATION

Compensation Component	Annual Amount
Basic Annual Retainer	\$75,000
Long-Term Compensation Plan Award	\$100,000
Audit Committee Chair Annual Retainer	\$15,000
Other Committee Chair Annual Retainer	\$10,000
Per Meeting Fee	See Footnote 1
Audit Committee Annual Meeting Retainer	\$21,000
Human Resources Committee Annual Meeting Retainer	\$21,000
Executive Committee Annual Meeting Retainer	\$5,000
Other Committee Annual Meeting Retainer	\$16,000
TIAA Chairman Annual Retainer	\$175,000

Footnotes

1. Trustees are not ordinarily paid separate fees for attending Board and Committee meetings. However, meeting fees, in the amount of \$2,000 per meeting, are paid to Trustees (excluding the TIAA Chairman) only under the following circumstances: Ad hoc committee meetings (chair retainers would also be payable under this circumstance); request to attend a committee meeting of which they are not a member; and request to attend meetings of other affiliated boards.

Trustee Compensation

Trustee Compensation Table

For the fiscal year ending December 31, 2010

Name	Tenure ¹	Fees Earned ² (\$)	Long-term Deferred Compensation ³ (\$)	All Other Compensation ⁴ (\$)	Total (\$)
Jeffrey R. Brown	2009	128,000	100,000	14,995	242,995
Robert C. Clark	1988	143,000	100,000	91,277	334,277
Lisa W. Hess	2009	123,000	100,000	41,743	264,743
Edward M. Hundert	2005	143,000	100,000	41,821	284,821
Lawrence H. Linden	2010	118,080	92,250	21,888	232,218
Maureen O'Hara	2009	123,000	100,000	42,613	265,613
Donald K. Peterson	2004	143,000	100,000	156,495	399,495
Sidney A. Ribeau	2004	127,000	100,000	25,710	252,710
Dorothy K. Robinson	2007	128,000	100,000	115,818	343,818
David L. Shedlarz	2007	144,000	100,000	51,557	295,557
David F. Swensen	2003	138,000	100,000	148,049	386,049
Ronald L. Thompson	1995	308,000	100,000	92,460	500,460
Marta Tienda	2005	138,000	100,000	42,968	280,968
Rosalie J. Wolf	1996	148,000	100,000	134,204	382,204

Footnotes

1. Tenure reflects the year in which service as a TIAA (and, where applicable, CREF) Trustee began.
2. These amounts include fees earned during the fiscal year that were either paid in cash or voluntarily deferred at the election of the Trustee.
3. These amounts reflect awards made under the Long Term Compensation Plan in 2010.
4. These amounts represent earnings on cumulative amounts that have been voluntarily deferred by the Trustee and/or awarded under the Long Term Compensation Plan through December 31, 2010.

Trustee Compensation

TIAA Board of Trustee and Committee Meetings

For the fiscal year ended December 31, 2010

Board / Committee	Committee Members	Number of Meetings
Board of Trustees		9
Nominating & Governance Committee	Robert C. Clark, Chair Maureen O'Hara Sidney A. Ribeau David L. Shedlarz	5
Audit Committee	Rosalie J. Wolf, Chair Jeffrey R. Brown Lawrence H. Linden (as of January 26, 2010) Donald K. Peterson David L. Shedlarz	10
Human Resources Committee	Sidney A. Ribeau, Chair Robert C. Clark Edward M. Hundert Dorothy K. Robinson Ronald L. Thompson	9
Corporate Governance & Social Responsibility Committee	Marta Tienda, Chair Robert C. Clark Lisa W. Hess Edward M. Hundert Maureen O'Hara	6
Investment Committee	David F. Swensen, Chair Lisa W. Hess Maureen O'Hara Donald K. Peterson David L. Shedlarz Marta Tienda Rosalie J. Wolf	6
Executive Committee	Ronald L. Thompson, Chair Robert C. Clark Roger W. Ferguson, Jr. Edward M. Hundert Donald K. Peterson Sidney A. Ribeau David F. Swensen Marta Tienda Rosalie J. Wolf	0
Customers & Products Committee	Edward M. Hundert, Chair Jeffrey R. Brown Lisa W. Hess Lawrence H. Linden (as of January 26, 2010) Dorothy K. Robinson David F. Swensen Ronald L. Thompson Marta Tienda Rosalie J. Wolf (As of September 16, 2010)	5

Trustee Compensation

Board / Committee	Committee Members	Number of Meetings
Finance and Risk Management Committee	Donald K. Peterson, Chair Jeffrey R. Brown Roger W. Ferguson, Jr. Lawrence H. Linden (as of January 26, 2010) Dorothy K. Robinson David L. Shedlarz David F. Swensen Ronald L. Thompson Rosalie J. Wolf (Through September 15, 2010)	5
Real Estate Separate Account Subcommittee	Lisa W. Hess (Through February 17, 2010) Maureen O'Hara (Through February 17, 2010) Donald K. Peterson David L. Shedlarz David F. Swensen Marta Tienda Rosalie J. Wolf	1

Trustee Compensation

Trustee Deferred Compensation Balances and Earnings

The Company believes that more contextual information is needed to fully understand the earnings amounts disclosed in the All Other Compensation column of the Trustee Compensation Table. As a result, an additional table has been provided – the Trustee Deferred Compensation Balances and Earnings Table. This table provides information on the underlying deferred compensation balances that generated the earnings reported in the Trustee Compensation Table.

Trustee Deferred Compensation Balances and Earnings Table

As of the fiscal year ended December 31, 2010

Name	2010 Beginning Balance ¹ (\$)	All Amounts Deferred in 2010 ² (\$)	2010 Earnings on Deferred Compensation ³ (\$)	Distributions in 2010 (\$)	Total Deferred Compensation Balance (\$)
Jeffrey R. Brown	50,668	100,000	14,995	--	165,663
Robert C. Clark	857,962	100,000	91,277	--	1,049,239
Lisa W. Hess	114,516	223,000	41,743	--	379,259
Edward M. Hundert	477,622	100,000	41,821	--	619,443
Lawrence H. Linden	--	210,330	21,888	--	232,218
Maureen O'Hara	111,443	223,000	42,613	--	377,057
Donald K. Peterson	620,008	243,000	156,495	--	1,019,504
Sidney A. Ribeau	1,089,500	227,000	25,710	--	1,342,210
Dorothy K. Robinson	606,712	228,000	115,818	--	950,529
David L. Shedlarz	466,868	100,000	51,557	--	618,424
David F. Swensen	1,204,944	100,000	148,049	--	1,452,993
Ronald L. Thompson	675,113	100,000	92,460	--	867,573
Marta Tienda	366,752	100,000	42,968	--	509,720
Rosalie J. Wolf	1,966,864	248,000	134,204	--	2,349,068

Footnotes

1. The amounts shown are the December 31, 2009 year-end balance for each Trustee.
2. The amounts shown reflect all amounts voluntarily deferred by the Trustee, as well as amounts deferred under the Long Term Compensation Plan in 2010.
3. The amounts shown reflect earnings in 2010 on amounts voluntarily deferred by the Trustee and on awards deferred under the Long Term Compensation Plan.

Human Resources Committee Processes and Procedures

The Committee is a standing committee of the Board, established to provide oversight of the Company's compensation programs and human resources policies. The Committee's authority, structure and responsibilities are set forth in its charter (available on the Company's website at <http://www.tiaa-cref.org/about/governance/index.html>).

Scope of Authority

The Committee's specific responsibilities include the following:

- Recommending the election of the CEO, President, Chief Financial Officer, and the other executive and principal officers;
- Reviewing succession plans for the executive and principal officers;
- Reviewing the Company's executive compensation policies and programs, and recommending changes;
- Approving the annual goals, evaluating the performance of the CEO, and recommending the CEO's annual compensation;
- Recommending the compensation for the other executive and principal officers and any salaried employee if the compensation to be paid to such employee is equal to, or greater than, the compensation received by any executive or principal;
- Approving the annual TIAA Executive Compensation Policy report;
- Reviewing the standards used in performance evaluation of the Company officers and managers;
- Reviewing the Company's compensation (including incentive and severance), pension and benefit policies, and plans that relate to employees other than executive and principal officers;
- Reviewing the Company's recruitment, development, promotion, and retention programs and the composition of the Company's workforce in terms of diversity and equal opportunity;
- Appointing officers other than executive and principal officers and recommending the compensation of other appointed officers; and
- Approving memberships on outside boards.

Role of Management

Management's role in the process of determining the amount and/or form of compensation is described in detail in the CD&A. The key elements of management's role are to develop and recommend an overall compensation philosophy, propose detailed plans and programs that constitute the organization's compensation and benefits package, propose appropriate performance measures and targets to be used to establish overall and individual compensation levels, and compile competitive benchmark data to assess the Company's programs against the competitive labor market.

Independent Consultant

Under the authority granted by its charter, in 2010 the Committee engaged Johnson Associates as its independent compensation consultant. Consistent with best practices, Johnson Associates will not provide any services to management during its engagement with the Committee.

In carrying out its responsibilities, the Committee evaluates the information and recommendations put forth by management and its independent advisor in making its decisions regarding executive compensation. The Committee's decisions are made with the objective of providing fair, equitable, and performance-based compensation to executives in a manner that is affordable and cost-effective for the Company's participants.