

Nuveen Floating Rate Income Fund (JFR)

Marketing communication | As of 31 Dec 2025

- The Fund outperformed its benchmark, the S&P UBS Leveraged Loan Index, during the quarter.
- Senior loans, as represented by the Fund's benchmark, returned +1.19% in the fourth quarter, driven entirely by income as the market absorbed robust new issuance and sustained formation of collateralized loan obligations (CLOs). Loan prices fell to \$95.92 from \$96.42 quarter over quarter but improved late in the period as secondary prices started to recover, especially in the BB and B cohorts. Reflecting investor demand for higher quality loans, BBs (+1.47%) topped Bs (+1.40%) and especially CCCs (-0.63%). BBs (+6.42%) also led for 2025 as a whole, besting Bs (+5.86%) and CCCs (+3.08%).
- Among higher-rated issuers (B-plus and above), 71% of loans traded at par or better at year-end, up from roughly 20% in mid-October. In contrast, as of year-end, loans priced below 80 made up just 4.5% of the market (up from 3% in January) with only an additional 4.4% trading between 80 and 90. These low totals underscored investors' ongoing concerns around the riskiest borrowers. Institutional loan issuance of \$155.5 billion in the fourth quarter lifted year-to-date issuance to \$1.03 trillion, representing the second-largest annual total on record. CLO formation remained exceptionally strong at \$55.34 billion during the period, capping a record year of \$208 billion. This CLO formation more than offset retail loan fund outflows of \$3.97 billion for the quarter and \$10.7 billion for 2025. According to JPMorgan, the 12-month par-weighted default rate, including distressed exchanges, declined to 2.87% as of 31 December 2025. Excluding distressed exchanges, the default rate eased further to 1.46%, reflecting improving credit conditions amid continued economic growth and supportive refinancing activity.

Portfolio review

During the quarter, the Fund focused on selectively adding to discount opportunities from our ongoing watchlist of credits, which we continued to monitor for improved entry points, fundamental inflections or structural enhancements. While we continued to source opportunistic names in lower-quality loans offering compelling risk-adjusted value, the Fund's CCC exposure declined organically to an underweight, as select issuers experienced catalysts such as upgrades and refinancings.

We maintained the Fund's materials sector underweight,

specifically avoiding issuers in the chemicals space due to oversupply concerns from China. This positioning contributed to strong sector outperformance relative to the benchmark. From a thematic perspective, we remained focused on evaluating potential artificial intelligence disruption risks across the portfolio, particularly in people-based and claims-processing companies, reflecting our ongoing assessment of how technological change may impact certain business models. Overall, our active approach continued to emphasize credit selection and bottom-up fundamental analysis across market conditions.

Contributors

Regarding sectors, consumer discretionary and materials contributed the most to the Fund's fourth-quarter performance. Most notably in consumer discretionary, avoiding the loans of an automobile component manufacturer, which filed for bankruptcy in October, continued to add value as the securities have further declined post-filing.

Detractors

On a sector basis, industrials and health care hindered relative results. In particular, holding the loans of a building products manufacturer was a key detractor within industrials, as operational challenges and seasonal demand weakness were compounded by structural headwinds facing the broader building materials industry.

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Average annualized total returns (%)

	Inception date	QTD	1 year	3 years	5 years	10 years	Since inception
Share price	25 Mar 04	-1.16	-0.76	12.11	8.31	6.20	5.08
NAV	25 Mar 04	1.33	5.05	9.92	6.63	5.92	5.24

Performance data shown represents past performance and does not predict or guarantee future results. Current performance may be higher or lower than the data shown. NAV returns are net of fund expenses, and assume reinvestment of distributions.

Distribution information

Current Distribution (Monthly)	\$0.0850
Average Earnings/Share	\$0.0622
Distribution Rate on NAV	11.82%
Distribution Rate on Market Price	13.03%

Distributions are currently estimated to include the following amounts from sources other than net investment income: 0% capital gains and 21% return of capital. If a distribution is estimated to include anything other than net investment income, the Fund provides a Section 19(a) notice of the best estimate of its distribution sources at that time which may be viewed at nuveen.com/CEFDistributions or within the Fund's literature section under 19(a) notices. These estimates may not match the final tax characterization (for the full year's distributions) contained in shareholders' 1099-DIV forms after the end of the year. The distribution rate should not be confused with yield or performance.

Credit quality (%)

	% of portfolio
BBB	9.2%
BB	25.6%
B	58.3%
CCC	4.9%
D	0.5%
Not Rated	1.6%

Ratings shown are the highest rating given by one of the following national rating agencies: S&P, Moody's or Fitch. Credit ratings are subject to change. AAA, AA, A, and BBB are investment grade ratings; BB, B, CCC/CC/C and D are below-investment grade ratings. Holdings designated NR are not rated by these national rating agencies.

Fund description

The Fund seeks to achieve a high level of current income by investing in a portfolio of adjustable rate senior loans and other debt instruments.

At least 80% of its managed assets will consist of adjustable rate loans; at least 65% of these must be senior loans secured by specific collateral. Other loans may include unsecured senior loans and secured and unsecured subordinated loans. The Fund uses leverage.

Portfolio management

Nuveen Asset Management LLC is the subadviser to the Fund and an affiliate of Nuveen, LLC.

All characteristics as a percentage of the fund's managed assets (total assets of the fund, minus the sum of its accrued liabilities other than fund liabilities incurred for the express purpose of creating leverage). Holdings and ratings are subject to change. Totals may not add up to 100% due to rounding.

For more information contact: 800.752.8700 or visit nuveen.com

Important information on risk

Investing in closed-end funds involves risk; principal loss is possible. There is no guarantee the Fund's investment objectives will be achieved. Closed-end fund shares may frequently trade at a discount or premium to their net asset value. **Adjustable Rate Senior Loans** may not be fully secured by collateral, generally do not trade on exchanges, and are typically issued by unrated or below-investment grade companies, and therefore are subject to greater liquidity and credit risk. **Lower credit** debt securities may be more likely to fail to make timely interest or principal payments. **Leverage** increases return volatility and magnifies the Fund's potential return and its risks; there is no guarantee a fund's leverage strategy will be successful. These and other risk considerations such as **interest rate risk** are described in more detail on the Fund's web page at www.nuveen.com/JFR.

Average earnings per share and **average undistributed net investment income (UNII) per share** are estimates, using an average of the last three months, except for preferred securities funds, mortgage-backed securities funds and floating rate funds, which use an average of the last six months.

Distribution Rate at market price and NAV is calculated by annualizing the most recent declared regular distribution and dividing by the fund's market price or NAV, respectively. Special distributions, including special capital gains distributions, are not included in the calculation.

This material is not intended to be a recommendation or investment advice, does not constitute a solicitation to buy, sell or hold a security or an investment strategy, and is not provided in a fiduciary capacity. The information provided does not take into account the specific objectives or circumstances of any particular investor, or suggest any specific course of action. Investment decisions should be made based on an investor's objectives and circumstances and in consultation with his or her financial professional.

Glossary

The **S&P UBS Leveraged Loan Index** is designed to mirror the investable universe of the U.S. dollar denominated leveraged loan market. Loans are added to the index if they qualify according to the following criteria: The highest Moody's/S&P ratings are Ba1/BBB+, only funded term loans are included, and the tenor must be at least one year. **It is not possible to invest directly in an index.**

Nuveen Securities, LLC, member FINRA and SIPC.