

Nuveen Floating Rate Income Fund (JFR)

Marketing communication | As of 30 Sep 2025

Effective 30 Dec 2024, Coale Mechlin joined Scott Caraher as portfolio manager of the Fund. This update is not expected to impact the overall investment strategy.

- The Fund outperformed its benchmark, the S&P UBS Leveraged Loan Index, during the quarter.
- The U.S. economy continued to slow amid a softening labor market, but overall growth and consumption held steady, while inflation stayed elevated due to tariffs. The Federal Reserve cut rates by 25 basis points in September, to 4.0%-4.25%, and signaled two more rate reductions in 2025 to prop up flagging job creation. U.S. Treasury yields fell across the yield curve and credit spreads tightened, driving positive returns for the broad fixed income market.
- The leveraged loan market was active in the third quarter, and technicals remained strong. Issuance was healthy (\$400 billion), with repricings and refinancings making up 75% of the volume. Robust formation of collateralized loan obligations (CLOs) continued, with \$54 billion during the period and \$151 billion net priced for the year to date, up from \$14 billion as of Q3 2024. Meanwhile, retail fund flows (+\$4.4 billion) in the quarter were positive. The second-quarter earnings season, which wound down toward the end of the period, showed improving year-over-year revenue and earnings before interest, taxes, depreciation and amortization (EBITDA), better interest coverage and only slightly higher leverage. For the quarter, loans rated B (+1.9%) bested BBs (+1.6%) and CCCs (-0.4%).

Portfolio review

We maintained the portfolio's overweight in communication services, as select issuers continued to benefit from artificial intelligence-related (AI) tailwinds and ongoing consolidation. We also modestly increased exposure to construction-related companies as the Fed's rate cuts materialized, since these firms often benefit from lower borrowing costs.

In contrast, we increased the portfolio's underweight in the materials sector, particularly within chemicals given the secular headwinds in that segment. Within consumer

discretionary, particularly leisure, the portfolio remained underweight considering the sector's sensitivity to slower growth and inflation pressures. On the liability management front, we continued to avoid most exchange transactions, instead focusing on amendments that improved lender protections and created attractive risk-adjusted entry points. As always, we focused on large, liquid issuers, a key aspect of our approach that allows us to act quickly as opportunities emerge.

Contributors

Strong security selection within consumer discretionary and communication services added the most to the Fund's third-quarter relative results. Most notably in consumer discretionary, avoiding exposure to an automobile component issuer that filed for bankruptcy provided the biggest lift. Our team initially passed on the new issue in 2020 after identifying structural governance flaws and questionable accounting practices, and later declined participation in the refinancing attempt during the summer of 2025 as our additional due diligence uncovered further inconsistencies in the company's public filings.

Detractors

Unfavorable security selections within the consumer staples and industrials sectors detracted. In particular, loans from a household products company in the consumer staples traded lower as the market was concerned about potential governance risks amid business underperformance and potential liquidity shortfalls. The portfolio's allocation to equities obtained from debt restructuring also modestly detracted from relative results.

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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	-0.46	4.45	12.64	10.04	6.71	5.20
NAV	25 Mar 04	2.35	6.44	10.34	7.90	5.34	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	\$0.0624
Distribution Rate on NAV	11.63%
Distribution Rate on Market Price	12.47%

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	8.9%
BB	27.3%
B	56.5%
CCC	6.4%
Not Rated	1.0%

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.**

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