

Nuveen Floating Rate Income Fund (JFR)

Marketing communication | As of 31 Mar 2025

Effective 11 Feb 2025, Kevin Lorenz announced his retirement and will remain on the Fund until 01 Jul 2025. Effective 30 Dec 2024, Coale Mechlin joined Scott Caraher and Kevin Lorenz as portfolio managers of the Fund. These updates are not expected to impact the overall investment strategy.

- The fund underperformed its benchmark, the S&P UBS Leveraged Loan Index, during the quarter.
- Although U.S. economic activity generally remained strong in the first quarter, signs of slowing began to emerge. Tariff uncertainty fueled volatility in late February and March, with markets caught between upside inflation pressure and downside growth fears. Although inflation continued to run above the Federal Reserve's 2% target, the central bank held firm on rates in the period, emphasizing its data dependent approach while looking to cool consumer prices without derailing the labor market.
- Senior loans posted a positive total return for the period, with CCC rated loans (+1.51% total return) topping their higher-rated counterparts (BBs, +0.88% and Bs, +0.22%). CCCs saw their lead shrink in March, as risk appetites waned amid concerns over U.S. trade policy. For the first quarter overall, loans lagged longer-duration fixed income assets as rates fell during the period.

Portfolio review

During the quarter, the Fund reduced exposure to issuers overly reliant on government spending and vulnerable to budget cuts driven by the Department of Government Efficiency (DOGE) in addition to those likely to face pressure from tariffs. At the same time, we continued to favor issuers poised to benefit from the ongoing buildout of artificial

intelligence (AI) infrastructure. As always, we favored larger companies with strong balance sheets while remaining cautious on names more susceptible to downside risk in the current environment. This strategy aligned with our goal of maximizing total return through active management, supported by a rigorous credit underwriting framework.

Contributors

An underweight and strong security selection in industrials — especially within the capital goods and professional services subsectors — contributed significantly for the period.

Our single B selection in loans also added value. Even with a slight underweight in that cohort, the Fund's focus on higher quality names drove positive results.

Defensive positioning — notably, avoiding issuers more exposed to tariffs and trade tensions — contributed as well.

Detractors

Security selection detracted. In particular, the loans of a U.S.-based cloud services company hurt by tariff headlines and concerns about a broader economic slowdown weighed on relative returns.

Equity received through a restructuring also hindered performance, with U.S. stocks declining for the quarter.

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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	-2.18	8.95	5.59	12.43	5.54	5.20
NAV	25 Mar 04	-1.93	5.22	5.06	9.80	4.36	5.09

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	\$0.0643
Distribution Rate on NAV	11.60%
Distribution Rate on Market Price	12.04%

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](https://www.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
A	0.2%
BBB	8.7%
BB	30.3%
B	53.2%
CCC	4.8%
CC	0.0%
Not Rated	2.7%

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](https://www.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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