

Nuveen Preferred & Income Opportunities Fund (JPC)

Marketing communication | As of 31 Dec 2025

- The Fund outperformed the JPC Blended Benchmark (the benchmark) during the quarter.
- Contributors included security selection across sectors, particularly within banking, as well as underweights to \$25 par securities and fixed-rate coupon structures.
- Detractors included an underweight to U.S. dollar-denominated contingent capital securities (USD CoCos) and an allocation to longer-duration U.S. Treasury futures.

Portfolio review

The Federal Reserve (Fed) cut rates by 25 basis points in both October and December, bringing the target federal funds rate to a range of 3.50%-3.75% by year-end. The U.S. Treasury yield curve steepened as longer-term rates rose modestly, the 10-year Treasury yield ended nearly flat at 4.18% and rates at the shorter end fell during the quarter. Lower rates across the short-to-intermediate part of the curve and tighter credit spreads fueled broadly positive returns across fixed income asset classes during the quarter.

For the quarter, \$25 par preferreds underperformed both \$1000 par preferreds and USD CoCos, with a -1.4% total return versus 1.1% and 1.8% for the other segments, respectively. Average option adjusted spread (OAS) for \$25 par preferreds increased by 34 basis points during the quarter, while the average OAS for \$1000 par preferreds and USD CoCos increased by just 6 basis points and 5 basis points, respectively.

Headlines specific to the two largest sectors in the preferred securities and USD CoCos market, banks and insurance

companies, remained relatively benign. Banks, the largest issuers of preferreds and USD CoCos, released third-quarter 2025 earnings results that generally exceeded expectations, continuing a multi-quarter trend. Third-quarter earnings from insurance companies, the second largest sector within the Fund's market, were also strong as both the property and casualty (P&C) and life subcategories performed quite well.

The Fund continued to overweight \$1000 par preferreds and non-fixed-rate coupon securities (floating-rate, fixed-to-floating rate, fixed-rate reset), while underweighting \$25 par preferreds, fixed-rate coupon securities and USD CoCos. The \$1000 par preferred segment remained comparably cheap on an OAS basis versus the \$25 par preferred and USD CoCo segments. During the quarter, the Fund increased exposure to Limited Recourse Capital Notes (LRCNs), which are similar to U.S. bank-issued preferreds except they are issued by Canadian banks and are not perpetual but have an explicit maturity date. The Fund's leverage-adjusted effective duration ended at around 6.4 years, longer than the benchmark at 4.8 years.

Contributors

Security selection contributed, particularly in the Fund's bank allocation where much of the outperformance resulted from substantial price appreciation in legacy Credit Suisse Additional Tier 1 (AT1) securities. These securities, which were written down as part of the Swiss bank regulator's arranged merger between UBS and Credit Suisse, benefited from a favorable Swiss court ruling during the quarter that is currently being appealed. The Fund's increased exposure to LRCNs also benefited results. The segment meaningfully outperformed the broader preferred market after Bloomberg Index Services decided to include these securities in an index used by several non-U.S. asset managers as a performance benchmark.

The Fund's underweight to \$25 par preferreds and fixed-rate structures contributed positively to relative performance as both segments underperformed during the quarter.

Detractors

The Fund's underweight to USD CoCos, the quarter's best-performing segment, slightly detracted from relative performance. However, security selection within the USD CoCo allocation partially offset the underweight's negative impact.

The Fund maintained a modest allocation to U.S. Treasury futures, utilizing contracts with more exposure to points farther out the yield curve, to slightly scale back its meaningful yield curve steepening bias versus its benchmark. These futures slightly detracted from performance given that longer Treasury rates rose during 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	26 Mar 03	1.30	13.90	13.50	5.33	7.06	6.18
NAV	26 Mar 03	2.05	12.04	10.08	4.61	5.51	5.70

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)	\$0.0625
Average Earnings/Share	\$0.0449
Average Earnings/Distribution Ratio	71.80%
Average UNII Per Share	-\$0.1134
Distribution Rate on NAV	9.26%
Distribution Rate on Market Price	9.25%

Distributions are currently estimated to include the following amounts from sources other than net investment income: 0% capital gains and 26% 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
AAA	0.0%
AA	0.0%
A	10.2%
BBB	68.9%
BB	16.9%
B	0.4%
NR	1.9%
Cash and Equivalents	1.8%

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 provide high current income and secondarily, total return, by investing at least 80% of its managed assets in preferred and other income producing securities, including hybrid securities such as contingent capital securities and up to 20% opportunistically in other securities, primarily income-oriented securities such as corporate and taxable municipal debt and common equity.

At least 50% is invested in securities that are rated investment grade at the time of purchase or, if unrated, judged to be of comparable quality by the Fund's portfolio team. The Fund uses leverage.

Portfolio management

Nuveen Asset Management, LLC is a 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. **Preferred securities** are subordinated to bonds and other debt instruments in a company's capital structure, and therefore are subject to greater credit risk. **Debt or fixed income securities** such as those held by the Fund, are subject to market risk, credit risk, interest rate risk, derivatives risk, liquidity risk, and income risk. As interest rates rise, bond prices fall. **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. Certain types of preferred, hybrid or debt securities with special loss absorption provisions, such as **contingent capital securities** (CoCos), may be or become so subordinated that they present risks equivalent to, or in some cases even greater than, the same company's common stock. These loss absorption features work to the benefit of the security issuer, not the investor (this fund). These and other risk considerations such as **concentration** and **foreign securities** risk are described in more detail on the Fund's web page at www.nuveen.com/JPC.

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 **JPC Blended Benchmark** consists of 60% ICE BofA U.S. All Capital Securities Index and 40% ICE USD Contingent Capital Index from 1 Apr 2022. The **ICE BofA U.S. All Capital Securities Index** is a subset of the ICE BofA U.S. Corporate Index including all fixed to floating rate, perpetual callable and capital securities. The **ICE USD Contingent Capital Index (CDLR)** tracks the performance of U.S. dollar denominated contingent capital debt publicly issued in the major domestic and Eurobond markets, including investment grade and sub-investment grade issues. Prior to 1 Apr 2022, the benchmark consisted of 50% ICE BofA Fixed Rate Preferred Securities Index, 30% ICE BofA U.S. All Capital Securities Index, and 20% ICE USD Contingent Capital Index (CDLR). **It is not possible to invest directly in an index.**

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