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A TIAA Company

Closed-End Fund | XNPCX 67080D103 | Inception Date 4/27/2021

Nuveen Core Plus Impact Fund (NPCT)

Marketing communication | As of 31 Dec 2023

- The Fund outperformed the Bloomberg U.S. Aggregate Bond Index during the quarter.
- Sector allocations contributed including a material overweight to corporates and near-zero allocation to U.S. Treasuries, along with a longer leverage-adjusted effective duration versus the index.
- Security selection in the commercial mortgage-backed securities (CMBS) sector and year-end pricing anomalies detracted.

Portfolio review

The Federal Reserve's higher-for-longer narrative and uncertainty surrounding more Treasury supply drove rates sharply higher through late October before a string of lower inflation readings led investors to begin anticipating a soft-landing scenario for the U.S. economy. In December, Fed policymakers surprised the market with a dovish pivot indicating three potential rate cuts in 2024. The market aggressively priced in even more cuts for the coming year, fueling a rally in rates and spreads that continued through year end. The rally boosted the return of the broad fixed income market into positive territory for the quarter and year, following two prior years of declines. The Bloomberg U.S. Aggregate Bond Index returned 6.82% during the quarter.

The team continued to seek out attractively valued, yield-producing securities with a focus on expanding impact exposure. Approximately 62% of the Fund was invested in impact investments, and 38% in best-in-class environmental, social and governance (ESG) leaders. The Fund remained diversified across impact categories with around 34% in renewable energy and climate change, 18% in natural resources, 9% in community and economic development, and 1% in affordable housing. The Fund remained heavily invested in corporates, including investment grade, below investment grade and emerging market bonds. It also owned preferred securities, government-related agency and credit paper, and CMBS, with small allocations to taxable municipals, asset-backed securities, and senior loans.

Contributors

Sector allocations contributed during November and December as corporate bonds generated material excess returns over Treasuries. Increased risk taking continued driven by improved inflation data, which led Fed policymakers to indicate they had reached the end of their rate hiking cycle. Specifically, the Fund benefited from an overweight to the corporate sector, including exposures in both investment grade and below investment grade securities. The Fund holds only a small allocation to Treasuries for liquidity management purposes between relative value trades. The Fund also benefited from no exposure to agency mortgage-backed securities (MBS), which lagged corporates during the quarter and represent a meaningful allocation in the index.

The Fund's much longer leverage-adjusted effective duration versus the index contributed as rates moved sharply lower, but particularly across the belly and long end of the Treasury yield curve. In the quest to provide high current income to shareholders, the Fund has been intentionally positioned with a longer duration since inception. Longer duration assets are also a logical choice for sustainable investors given that the solutions to the problems they are investing for are typically longer term in nature.

Detractors

Security selection in the CMBS sector detracted as the Fund targets very high-quality single asset single borrower (SASB) pools, rather than the multi-loan conduit pools prevalent in the index. While diversified conduit CMBS rallied in the final two months of the year, office SASB pools lagged as the market's outlook toward office space remained negative. However, this view of office properties ignores the location-specific and high-quality attributes of the Fund's CMBS properties. The team's focus is on energy-efficient office buildings in central business districts that have strong tenants and low vacancy rates. The leading-edge energy efficiency of these properties helps tenants minimize their heating and cooling costs, while also providing clean drinking water, common area green spaces, and other desirable amenities for companies seeking to manage operating expenses and attract and retain employees.

Year-end pricing anomalies negatively impacted relative performance, given that the index provider prices the index before the bond and futures markets close on the final trading day of the year. Since the bond market sold off after the index pricing, this timing difference had an outsized impact on the Fund's relative performance; however, these pricing differences corrected on the first trading day of 2024.

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As of 31 Dec 2023

Average annualized total returns (%)

	Inception date	QTD	1 year	Since inception
Share price	27 Apr 21	12.93	7.79	-15.30
NAV	27 Apr 21	11.05	6.21	-10.76

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.

Credit quality (%)

	% of portfolio
U.S. Treasury/Agency	2.7%
AAA	0.1%
AA	2.3%
A	7.2%
BBB	36.4%
BB	31.8%
B or Lower	7.9%
Not Rated	9.4%
Short Term Investments, Other Assets & Liabilities, Net	2.2%

Ratings shown are given by one of the following national rating agencies: S&P, Moody's or Fitch. Credit ratings are subject to change. If there are multiple ratings for a security, the lowest rating is used unless ratings are provided by all three agencies, in which case the middle rating is used. AAA, AA, A, and BBB are investment grade ratings; BB, B, CCC/CC/C and D are below-investment grade ratings. U.S. government and agency mortgage-backed securities, if owned by the Fund, are included in the U.S. Treasury/Agency category (included only if applicable). Holdings designated NR are not rated by these national rating agencies and, where applicable, include net derivative positions.

Fund description

The Fund seeks total return through high current income and capital appreciation, investing primarily in fixed income investments while giving special consideration to certain impact and environmental, social and governance ("ESG") criteria.

The Fund may invest up to 50% of Managed Assets in below investment-grade investments (rated BB+/Ba1 or lower at the time of investment or unrated but judged to be of comparable quality) but no more than 10% in investments rated CCC/Caa or lower at the time of investment (or unrated but judged to be of comparable quality). The Fund can invest without limitation in investments of foreign issuers, with no more than 30% of Managed Assets in investments of foreign issuers located in emerging market (EM) countries.

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. Because the **Impact Criteria** and/or **Nuveen's Environmental Social Governance (ESG)** investment criteria may exclude investments of certain issuers for non-financial reasons, the Fund may forgo some market opportunities available to funds that do not use these criteria. This may cause the Fund to underperform the market as a whole or other funds that do not use an Impact Criteria or ESG investment strategy or that use a different methodology or different factors to determine an investment's impact and/or ESG investment criteria. Issuers of **debt instruments** in which the Fund may invest may default on their obligations to pay principal or interest when due. Investments of **below investment grade** quality are regarded as having speculative characteristics with respect to the issuer's capacity to pay interest and repay principal, and may be subject to higher price volatility and default risk than investment grade investments of comparable terms and duration. **Non-U.S. investments** involve risks such as currency fluctuation, political and economic instability, lack of liquidity and differing legal and accounting standards. These risks are magnified in **emerging markets**. The values of **municipal securities** held by the Fund may be adversely affected by local political and economic conditions and developments. **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 are described in more detail in the Shareholder Update section of the Fund's annual report at www.nuveen.com/NPCT-annual-report. Responsible investing incorporates Environmental Social Governance (ESG) factors that may affect exposure to issuers, sectors, industries, limiting the type and number of investment opportunities available, which could result in excluding investments that perform well.

Distribution Rates represent the latest declared regular distribution, annualized, relative to the market price and NAV. Special distributions, including special capital gains distributions, are not included in the calculation.

For the percentage of the portfolio in debt, preferred and other hybrid securities, including CoCos (if any). Percentages reflect the percentage of the Fund's investment exposure callable in the timeframe relative to the "as of" date shown. The "Next 12 months" figure (if shown) includes investments that are currently callable, as well as callable in the next 12 months. Securities subject to call may not be called.

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 **Bloomberg U.S. Aggregate Bond Index** is a broad-based flagship benchmark that measures the investment grade, U.S. dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS and CMBS (agency and nonagency). ESG Leaders are companies Nuveen's internal ESG ratings are assigned by the credit research team, tightly embedding ESG views with credit views. The ESG Leaders ratings are on a leader, neutral, laggard scale. **It is not possible to invest directly in an index.**

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