

## Nuveen Dividend Growth Fund

Marketing communication | As of 31 Mar 2024

- The Fund underperformed the S&P 500<sup>®</sup> Index during the quarter due to security selection and a lower overall risk profile.
- U.S. equity markets were up sharply during the first quarter as strong economic data and continued enthusiasm surrounding artificial intelligence (AI) spurred a significant rise in equities.
- Stock selection primarily detracted in the information technology and health care sectors.

### Portfolio review

U.S. equity markets rose throughout the quarter, driven by solid corporate earnings, healthy economic data and optimism that the Federal Reserve (Fed) would successfully navigate an economic soft landing. Stocks maintained momentum even as investors dialed back expectations for rate cuts in 2024 and adapted to a higher-for-longer rate environment. The S&P 500<sup>®</sup> notched 22 record highs and returned 10.56% for the quarter propelled by double-digit gains in communication services, energy, information technology, financials and industrials, while the rate-sensitive real estate sector lagged.

Overweights to higher-yielding sectors detracted from the Fund's relative performance as they lagged the broader market given the lowered odds of an imminent Fed rate cut. The

risk-on environment and strong performance of more volatile companies also created a performance headwind for the Fund given its lower risk profile and broadly diversified composition. The consumer discretionary sector contributed to relative performance driven by strong performance from holdings that primarily generate revenue in the U.S. and have limited China exposure. Information technology detracted the most due to security selection and the lack of exposure to NVIDIA.

Starbucks and Taiwan Semiconductor Manufacturing were added to the Fund's portfolio during the quarter and Fidelity National Information Services was eliminated. At quarter end, the Fund's largest sector allocations included information technology, financials, health care and industrials.

### Contributors

Eaton exceeded quarterly earnings expectations due to growth in its electrical, aerospace and e-mobility businesses, which saw strong operating margin expansion from volume growth, pricing advantages and cost management initiatives. The company also continued to benefit from mega projects in North America and Europe. Eaton maintained 2025 financial targets and announced a 9% increase to its quarterly dividend.

Broadcom's strong networking and AI performance drove quarterly earnings and revenue above consensus estimates. Management increased its AI revenue target for fiscal-year 2024 to over \$10 billion and expects AI to represent around one-third of semiconductor revenues for the fiscal year. The company's VMware business also reported strong growth and bookings.

Although American Express reported quarterly financial results slightly below expectations, investors cheered 2024 guidance that was well above consensus estimates. The company continued to benefit from its strong premium customer base while overall credit still remains healthy. The company has managed expenses well, continued to repurchase shares, and announced a 17% dividend increase.

### Detractors

Cell tower REIT (Real Estate Investment Trust) American Tower lagged along with the real estate sector as odds of an imminent rate cut fell. Management also revised the firm's dividend plan to pay even amounts each quarter. While the adjustment resulted in a one-time step down for fourth quarter 2023's dividend, management forecasts higher total dividends per share in 2024.

Animal health company Zoetis reported quarterly earnings that missed consensus estimates primarily due to currency headwinds, China weakness and an impairment charge. Management introduced 2024 revenue growth guidance in line with expectations but earnings guidance slightly below consensus. Safety concerns surrounding Librela, a monthly monoclonal antibody therapy for dogs, also weighed on shares.

UnitedHealth Group reported quarterly revenue and earnings that outpaced consensus, but its medical loss ratio was higher than expected. Investors were concerned by comments from managed care companies about elevated medical cost trends and utilization, particularly among Medicare Advantage patients. Shares came under further pressure after the Department of Justice launched an antitrust investigation and the company's technology unit experienced a cyberattack.

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## Average annualized total returns (%)

|                                | Inception date | QTD   | 1 year | 3 years | 5 years | 10 years | Since inception | SEC 30-day yield | Expense ratios |      |
|--------------------------------|----------------|-------|--------|---------|---------|----------|-----------------|------------------|----------------|------|
|                                |                |       |        |         |         |          |                 |                  | Gross          | Net  |
| Class I                        | 28 Mar 06      | 5.74  | 19.74  | 9.62    | 12.61   | 10.85    | 10.08           | 1.17             | 0.67           | 0.67 |
| Class A without sales charge   | 28 Mar 06      | 5.66  | 19.46  | 9.35    | 12.33   | 10.57    | 9.81            | 0.87             | 0.92           | 0.92 |
| Class A with max. 5.75% charge | 28 Mar 06      | -0.41 | 12.58  | 7.21    | 11.00   | 9.92     | 9.45            | 0.87             | 0.62           | 0.62 |
| S&P 500 Index                  |                | 10.56 | 29.88  | 11.48   | 15.03   | 12.96    | 10.27           |                  |                |      |

Expense ratios are based on the Fund's most recent fiscal year end. Please see the prospectus for details.

Performance data shown represents past performance and does not predict or guarantee future results. Investment returns and principal value will fluctuate so that shares redeemed may be worth more or less than their original cost. Current performance may be higher or lower than the performance shown. Total returns for a period of less than one year are cumulative. Returns without sales charges would be lower if the sales charges were included. Returns assume reinvestment of dividends and capital gains. For performance current to the most recent month-end visit [nuveen.com](http://nuveen.com). Performance shown for benchmark since inception is as of the Fund's oldest share class.

Class I shares have no sales charge and may be purchased by specified classes of investors. Class R6 shares are available to certain qualified retirement plans and other investors as set forth in the statement of additional information.

The SEC 30-day yield is computed under an SEC standardized formula and is based on the maximum offer price per share.

## Top 10 positions (%)

|                        | Fund net assets |
|------------------------|-----------------|
| Microsoft Corp         | 8.4             |
| Apple Inc              | 6.2             |
| Broadcom Inc           | 4.6             |
| Motorola Solutions Inc | 3.5             |
| Jpmorgan Chase & Co    | 3.4             |
| New Linde Plc          | 3.3             |
| Accenture Plc-CI A     | 3.0             |
| Unitedhealth Group Inc | 3.0             |
| Mastercard Inc         | 2.8             |
| Prologis Inc           | 2.8             |

Positions are subject to change. The positions listed are not recommendations to buy or sell.

## Fund description

An equity fund that focuses on high-quality, mid- to large-cap companies with the potential for sustainable dividend growth in an effort to provide attractive total return composed of income and capital appreciation while also managing risk.

## Portfolio management

**David S. Park, CFA, CPA** | 26 years industry experience

**David A. Chalupnik, CFA** | 40 years industry experience

For more information contact: 800.752.8700 or visit [nuveen.com](http://nuveen.com)

### Important information on risk

Mutual fund investing involves risk; principal loss is possible. Dividends are not guaranteed. Dividend-paying stocks, such as those held by the Fund, are subject to market risk, concentration or sector risk, preferred security risk, and common stock risk. Smaller company stocks are subject to greater volatility. Foreign investments involve additional risks including currency fluctuations, political and economic instability, and lack of liquidity.

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 500 Index** is an unmanaged index generally considered representative of the U.S. stock market. **It is not possible to invest directly in an index.**

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**Before investing, carefully consider fund investment objectives, risks, charges and expenses. For this and other information that should be read carefully, please request a prospectus or summary prospectus from your financial professional or Nuveen at 800.257.8787 or visit [nuveen.com](http://nuveen.com).**

The Fund features portfolio management by Nuveen Asset Management, LLC, an affiliate of Nuveen, LLC.

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