

NexPoint Climate Tech Fund

Class Y - HSZYX



Annual Shareholder Report - September 30, 2024

This annual shareholder report contains important information about Class Y of the NexPoint Climate Tech Fund (the "Fund") for the period from October 1, 2023 to September 30, 2024. You can find additional information about the Fund at <https://www.nexpoint.com/funds/climate-tech-fund/>. You can also request this information by contacting us at 1-877-665-1287.

What were the Fund costs for the last year?

(based on a hypothetical \$10,000 investment)

<u>Fund Name</u>	<u>Costs of a \$10,000 investment</u>	<u>Costs paid as a percentage of a \$10,000 investment</u>
NexPoint Climate Tech Fund, Class Y	\$148	1.46%

How did the Fund perform in the last year?

For the twelve-month period ended September 30, 2024, the NexPoint Climate Tech Fund (the "Fund") Class Y returned 3.09% compared to the MSCI All World Index of 32.35%. Broad-based global equity markets as represented by the MSCI All World Index generally outperformed the climate technology market, as represented by the S&P Global Clean Energy Index (ICLN) and the NASDAQ Clean Edge US Liquid Series Index (QCLN), which returned 1.97% and -14.99% over the same period, respectively. The underperformance compared to the MSCI All World Index was largely attributable to broad weakness across traditional clean energy subsectors such as Solar, EVs & Autos, Batteries & Energy Storage, and Biofuels & Natural Gas. We attribute the general underperformance of most clean energy subsectors to the continued negative impact of higher interest rates, uncertainty surrounding the 2024 US presidential election and potential impacts to the Inflation Reduction Act, widespread project delays, and investor aversion to high volatility equities. The Fund's outperformance of ICLN and QCLN was the result of active management decisions and higher diversification across subsectors.

Top contributors to performance:

- Investments in the Power Generation & Utilities subsector which benefitted from rising power demand and the Fed ending its interest rate hiking cycle.
- Investments in subsectors outside of traditional clean energy subsectors such as Paper & Packaging, Water & Wastewater, and Mining & Minerals.

Top detractors from performance:

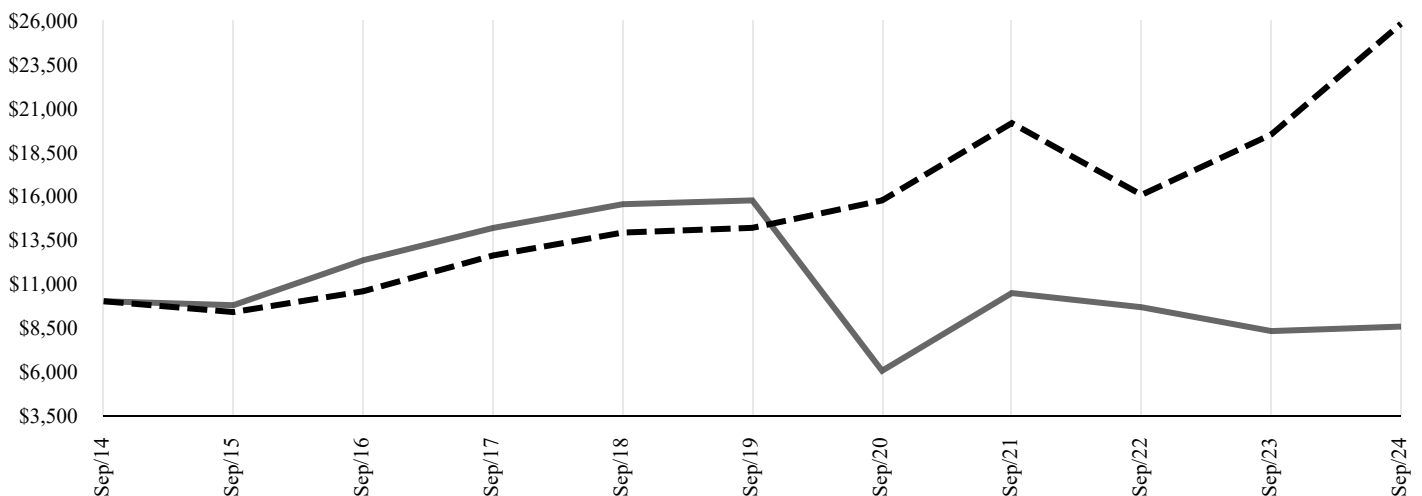
- Investments in the Biofuels & Natural Gas subsector which was negatively impacted by weak pricing and policy uncertainty.
- Investments in other traditional clean energy subsectors.
- Investments in higher beta equities.

How did the Fund perform during the last 10 years?

Total Return Based on \$10,000 Investment

NexPoint Climate Tech Fund

— Class Y - \$8,557
 - - - MSCI ACWI Index (Gross) (USD) - \$25,801



Average Annual Total Returns as of September 30, 2024

<u>Fund/Index Name</u>	<u>1 Year</u>	<u>5 Years</u>	<u>10 Years</u>
NexPoint Climate Tech Fund, Class Y *	3.09%	-11.48%	-1.55%
MSCI ACWI Index (Gross) (USD)	32.35%	12.72%	9.94%

The line graph represents historical performance of a hypothetical investment of \$10,000 in the Fund during the last 10 years. Returns shown are total returns, which assume the reinvestment of dividends and capital gains. The table and graph presented above do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund Shares. **Past performance is not indicative of future performance.** Call 1-877-665-1287 or visit <https://www.nexpoint.com/funds/climate-tech-fund/> for current month-end performance.

* Prior to September 14, 2022, the Fund was managed pursuant to a different investment strategy. As a result of the difference in investment strategy, the performance information presented for periods prior to September 14, 2022 reflects management of the Fund consistent with investment strategies in effect during those periods and might have differed materially if the Fund's investments had been managed under its current investment strategies.

Key Fund Statistics as of September 30, 2024

<u>Total Net Assets</u>	<u>Number of Holdings</u>	<u>Total Advisory Fees Paid</u>	<u>Portfolio Turnover Rate</u>
\$6,772,468	55	\$-	65%

What did the Fund invest in?

Asset/Sector Weightings*

Utilities	23.5%
Materials	16.8%
Energy	12.9%
Industrials	8.4%
Corporate Obligation	5.9%
Consumer Staples	5.1%
Convertible Bond	4.0%
Consumer Discretionary	2.1%
Information Technology	2.0%
Cash Equivalent	1.9%
Rights	0.1%
Derivative Contracts (Net)	0.0%
Warrants	0.0%
Repurchase Agreement	0.0%
Exchange-Traded Fund	-1.2%

* Percentages are calculated based on total net assets.

Top Ten Holdings

<u>Holding Name</u>	<u>Percentage of Total Net Assets^(A)</u>
Atlantica Sustainable Infrastructure PLC	5.9%
Teck Resources, Ltd., Cl B	5.8%
RWE	5.6%
Clearway Energy, Inc., Cl C	5.5%
NextEra Energy, Inc., 6.93%	4.9%
DS Smith PLC	4.4%
Jacobs Solutions, Inc.	4.3%
Brookfield Renewable Partners L.P.	4.0%
Sunnova Energy International, Inc., 0.25%, 12/1/2026	3.9%
Chart Industries, Inc.	3.7%

(A) Cash Equivalents are not shown in the top ten chart.

Material Fund Changes

There were no material changes during the reporting period.

Changes in and Disagreements with Accountants

There were no changes in or disagreements with accountants during the reporting period.

Additional Information

For additional information about the Fund, including its prospectus, financial information, holdings, and proxy voting information, call or visit:

- 1-877-665-1287
- <https://www.nexpoint.com/funds/climate-tech-fund/>

Householding

Rule 30e-1 of the Investment Company Act of 1940 permits funds to transmit only one copy of a proxy statement, annual report or semi-annual report to shareholders (who need not be related) with the same residential, commercial or electronic address, provided that the shareholders have consented in writing and the reports are addressed either to each shareholder individually or to the shareholders as a group. This process is known as “householding” and is designed to reduce the duplicate copies of materials that shareholders receive and to lower printing and mailing costs for funds. Once implemented, if you would like to discontinue householding for your accounts, please call toll-free at 1-877-665-1287 to request individual copies of these documents. Once the Fund receives notice to stop householding, we will begin sending individual copies 30 days after receiving your request.