

INVESTMENT MANAGEMENT

Morgan Stanley Investment Funds

Europe Opportunity Fund - BR Shares (Discretionary Distributing Share Class)

Investment Objective

Long term growth of your investment.

Investment Approach

The fund seeks to maximize capital appreciation by investing primarily in high quality established and emerging companies located in Europe that the investment team believes are undervalued at the time of purchase. To achieve its objective, the investment team typically favors companies it believes have sustainable competitive advantages that can be monetized through growth. The investment process integrates analysis of sustainability with respect to disruptive change, financial strength, environmental and social externalities and governance (also referred to as ESG).

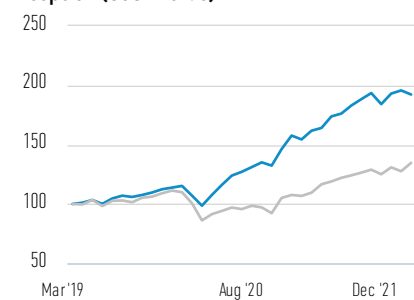
Investment Team

	JOINED FIRM	YEARS OF INVESTMENT EXPERIENCE
Kristian Heugh, Managing Director	2001	21
Wendy Wang, Managing Director	2012	14

Team members may be subject to change at any time without notice.

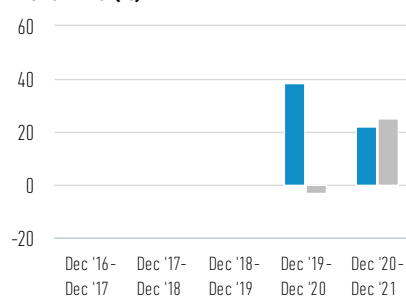
Class BR Shares (% net of fees) vs. Index in EUR

Performance of 100 EUR Invested Since Inception (Cash Value)



— Class BR Shares
— MSCI Europe Index

12 Month Performance Periods to Latest Month End (%)



■ Class BR Shares
■ MSCI Europe Index

Investment Performance (% net of fees) in EUR

	Cumulative (%)				Annualised (% p.a.)			
	1 M	3 M	YTD	1 YR	3 YR	5 YR	10 YR	INCEPTION
Class BR Shares	-1.76	4.41	21.95	21.95	--	--	--	26.33
MSCI Europe Index	5.52	7.68	25.13	25.13	--	--	--	11.22

Calendar Year Returns (%)

	2021	2020	2019	2018	2017	2016	2015
Class BR Shares	21.95	38.52	--	--	--	--	--
MSCI Europe Index	25.13	-3.32	--	--	--	--	--

Past performance is not a reliable indicator of future results. All performance data is calculated NAV to NAV, net of fees, and does not take account of commissions and costs incurred on the issue and redemption of units. The sources for all performance and index data is Morgan Stanley Investment Management.

The value of the investments and the income from them can go down as well as up and an investor may not get back the amount invested.

Please refer to the additional information and definitions section at the end of this document.

Share Class

	CLASS BR
Currency	Euro
ISIN	LU1961133391
Bloomberg	MSTBREU LX
Inception date	15 March 2019
Net asset value	€ 46.91

Fund Facts

Launch date	08 April 2016
Team inception date	21 April 2020
Base currency	Euro
Index	MSCI Europe Index
Total net assets	€ 2.3 billion
Structure	Luxembourg SICAV

Charges (%)

	CLASS BR
Max Entry Charge	0.00
Ongoing Charges	2.74
Management Fee	1.50

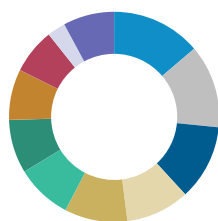
Entry Charge is a maximum possible figure. In some cases you might pay less, you can find this out from your financial adviser. Ongoing Charges reflect the payments and expenses incurred during the fund's operation and are deducted from the assets of the fund over the period. It includes fees paid for investment management (Management Fee), trustee/custodian, and administration charges. For more information please see the Charges and Expenses section of the prospectus.

Subscriptions (USD)

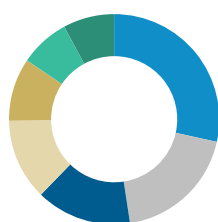
	CLASS BR
Minimum initial investment	0
Minimum subsequent investment	0

Characteristics

	FUND	INDEX
Active share (%)	92.06	--
Return on invested capital (%)	26.29	15.34
Return on assets (%)	6.77	4.47
5 year free cash flow growth (%)	13.98	8.65
5 year sales growth (%)	9.41	2.20
Net cash to equity (%)	3	-42
Weighted average market capitalization (\$B)	54.87	86.00
Number of holdings	27	432

Top Countries (% of Total Net Assets)¹

	FUND	INDEX
United Kingdom	13.76	22.26
Germany	12.78	13.51
United States	11.58	--
Switzerland	9.77	15.95
Italy	9.66	3.79
France	8.61	17.84
Netherlands	8.24	7.46
Denmark	7.79	4.12
Sweden	6.97	6.04
Norway	2.80	1.00
Cash	7.85	--

Sector Allocation (% of Total Net Assets)^{1,2}

	FUND	INDEX
Consumer	28.42	11.39
Discretionary		
Consumer Staples	19.08	12.75
Information Technology	14.66	8.50
Industrials	12.47	15.43
Communication Services	9.66	3.53
Health Care	7.67	14.71
Cash	7.85	--

Top Holdings (% of Total Net Assets)³

	FUND	INDEX
Dsv A/S	7.79	0.42
Evolution AB	5.63	0.22
Moncler SPA	5.29	0.13
Hellofresh Se	5.15	0.11
Epam Systems Inc	4.68	--
Hermes International	4.42	0.49
Davide Campari-Milano NV	4.37	0.07
Spotify Technology S.A.	4.31	--
Rightmove plc	4.21	--
Asml Holding NV	4.15	2.93
Total	50.00	--

¹ May not sum to 100% due to the exclusion of other assets and liabilities.

² For additional information regarding sector classification/definitions please visit www.msci.com/gics and the glossary at www.morganstanley.com/im.

³ These securities and percentage allocations are only for illustrative purposes and do not constitute, and should not be construed as, investment advice or recommendations with respect to the securities or investments mentioned.

Please refer to the Prospectus for full risk disclosures, available at www.morganstanleyinvestmentfunds.com. All data as of 31.12.2021 and subject to change daily.

Share Class BR Risk and Reward Profile

Potentially Lower Rewards

Potentially Higher Rewards

The risk and reward category shown is based on historic data.

- Historic figures are only a guide and may not be a reliable indicator of what may happen in the future.
- As such this category may change in the future.
- The higher the category, the greater the potential reward, but also the greater the risk of losing the investment. Category 1 does not indicate a risk free investment.
- The fund is in this category because it invests in company shares and the fund's simulated and/or realised return has experienced high rises and falls historically.
- The fund may be impacted by movements in the exchange rates between the fund's currency and the currencies of the fund's investments.

This rating does not take into account other risk factors which should be considered before investing, these include:

- The fund relies on other parties to fulfill certain services, investments or transactions. If these parties become insolvent, it may expose the fund to financial loss.
- There may be an insufficient number of buyers or sellers which may affect the fund's ability to buy or sell securities.
- Investments in China involves a risk of a total loss due to factors such as government action or inaction, market volatility and reliance on primary trading partners.
- Past performance is not a reliable indicator of future results. Returns may increase or decrease as a result of currency fluctuations. The value of investments and the income from them can go down as well as up and investors may lose all or a substantial portion of his or her investment.
- The value of the investments and the income from them will vary and there can be no assurance that the Fund will achieve its investment objectives.
- Investments may be in a variety of currencies and therefore changes in rates of exchange between currencies may cause the value of investments to decrease or increase. Furthermore, the value of investments may be adversely affected by fluctuations in exchange rates between the investor's reference currency and the base currency of the investments.

Additional B Share Classes

	CURRENCY	LAUNCH	ISIN	BLOOMBERG
B	EUR	15.04.2016	LU1394890559	MSTEUCLX

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DEFINITIONS

5 year free cash flow growth is the compound annual growth rate of Free Cash Flow over a 5-year period. It is calculated by $[\text{Free Cash Flow}(0) / \text{Free Cash Flow}(-5)]^{1/5} - 1$. **5 year sales growth** is the compound annual growth rate of Sales over the last 5 years. It is calculated by $[\text{Sales}(0) / \text{Sales}(-5)]^{1/5} - 1$. **Active Share** is a measure of the percentage of stock holdings in a managers portfolio that differ from the benchmark index (based on

holdings and weight of holdings). Active Share scores range from 0%-100%. A score of 100% means you are completely different from the benchmark. Active Share calculation may consolidate holdings with the same economic exposure. **Bloomberg** stands for 'Bloomberg Global Identifier (BBGID)'. This is a unique 12 digit alphanumeric code designed to enable the identification of securities, such as the Morgan Stanley Investment Funds sub-funds at share class level, on a Bloomberg Terminal. The Bloomberg Terminal, a system provided by Bloomberg L.P., enables analysts to access and analyse real-time financial market data. Each Bloomberg code starts with the same BBG prefix, followed by nine further characters that we list here in this guide for each share class of each fund. **ISIN** is the international securities identification number (ISIN), a 12 digit code consisting of numbers and letters that distinctly identifies securities. **NAV** is the Net Asset Value per share of the Fund (NAV), which represents the value of the assets of a fund less its liabilities. **Net cash to equity** is the ratio of a company's cash on hand against the total net worth of the company. It is calculated by $[(\text{Total Cash and cash equivalents} - \text{Total Liabilities}) / \text{Shareholder's Equity}]$. **Number of holdings** provided are a typical range, not a maximum number. The portfolio may exceed this from time to time due to market conditions and outstanding trades. **Return on assets (ROA)** is a measure of a company's profitability, equal to a fiscal

year's earnings divided by its total assets, expressed as a percentage. **Return on invested capital (ROIC)** represents the performance ratio measuring a company's percentage return on its invested capital. Income statement items as of latest reported fiscal period, and Balance Sheet items from one period earlier. ROIC is calculated by dividing Net Income by (Property, Plant & Equipment + Working Capital + Short Term Debt - Cash & Equivalents). ROIC has a cap of 200% and a floor of 0%, ex Financials and Real Estate Sectors. **Weighted average market capitalization** is an average of the market capitalization of stocks comprising a portfolio or index, adjusted by each stock's weight in the portfolio or index.

INDEX INFORMATION

The **MSCI Europe (Net) Index** is a free float-adjusted market capitalization index that is designed to measure developed market equity performance in Europe. As of September 2002, the MSCI Europe Index consisted of the following 16 developed market country indices: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, and the United Kingdom.

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