

INVESTMENT MANAGEMENT

Morgan Stanley Investment Funds

Global Balanced Sustainable Fund - C Shares (Accumulation Share Class)

Investment Objective

To generate income and the long term growth of your investment, whilst incorporating ESG considerations and taking into account the long-term global warming objectives of the Paris Agreement. The Fund is in scope of Article 9 of the European Sustainable Finance Disclosure Regulation.

Investment Approach

Seeks an attractive level of total return by managing a broad asset mix within a targeted risk range of 4-10%. The fund invests primarily in equity securities, fixed income securities, money market instruments and cash. Environmental, social and governance (ESG) factors are integrated into its process and, through screening, it excludes companies associated with severe ESG controversies or involved in certain activities, such as coal, oil sands, tobacco, gambling, controversial weapons and civilian firearms. It is expected that 5-30% of assets will be invested with managers who explicitly aim for positive environmental and social outcomes. By aligning itself to a 1.5°C global warming target, the Global Balanced Sustainable Fund seeks to contribute to the realisation of a low-carbon economy. The investment team engages with companies on ESG issues they deem material in terms of risk, return or impact.

Investment Team

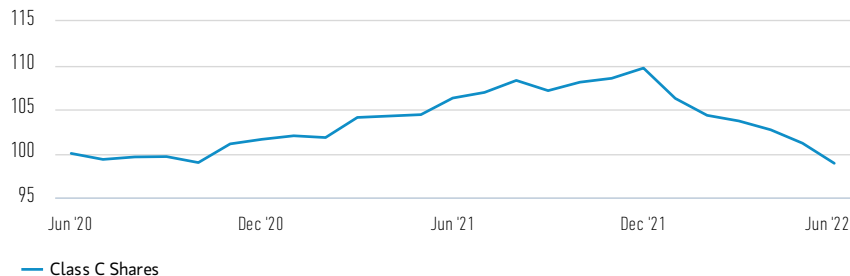
| | JOINED FIRM | YEARS OF INVESTMENT EXPERIENCE |
|--|-------------|--------------------------------|
| Andrew Harmstone, Managing Director | 2008 | 41 |
| Li Zhang, Head of ESG, Global Balanced Risk Control team | 2011 | 14 |

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

Class C Shares (% net of fees) in EUR

Performance of 100 EUR Invested Since Inception (Cash Value)

Past performance is not a reliable indicator of future results.



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 C Shares | -2.25 | -4.63 | -9.85 | -6.96 | -- | -- | -- | -0.56 |

Calendar Year Returns (%)

| | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 |
|----------------|------|------|------|------|------|------|------|------|------|------|
| Class C Shares | 7.95 | -- | -- | -- | -- | -- | -- | -- | -- | -- |

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.

Share Class

| | CLASS C |
|-----------------|--------------|
| Currency | Euro |
| ISIN | LU2135297492 |
| Bloomberg | MSGBSCE LX |
| Inception date | 30 June 2020 |
| Net asset value | € 24.72 |

Fund Facts

| | |
|----------------------------------|------------------|
| Launch date | 30 June 2020 |
| Base currency | Euro |
| Total net assets | € 24.88 million |
| Structure | Luxembourg SICAV |
| SFDR Classification [†] | Article 9 |

Charges (%)

| | CLASS C |
|------------------------|-------------|
| Max Entry Charge | 3.00 |
| Ongoing Charges | 2.24 |
| Management Fee | 2.00 |

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 C |
|-------------------------------|---------|
| Minimum initial investment | 0 |
| Minimum subsequent Investment | 0 |

Characteristics

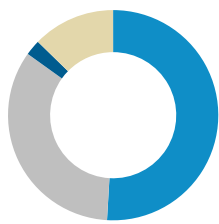
| | FUND |
|------------------|------|
| Duration (years) | 3.65 |

Sustainability Statistics

| | FUND | INDEX |
|--|------|-------|
| ESG Rating | AAA | AA |
| Carbon Risk (t CO ₂ /\$M Sales) | 74 | 169.2 |

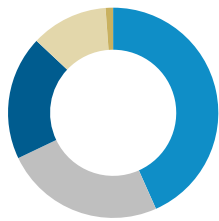
Source: Morgan Stanley Investment Management and MSCI ESG research, as of 30 June 2022. ESG ratings are on a scale of AAA to CCC. ESG ratings and Carbon Risk refer to the core equity portion of the Fund only.

Asset Breakdown (% of Total Net Assets)¹



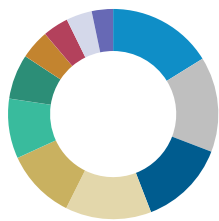
| | FUND |
|--------------------|-------|
| Fixed Income | 50.95 |
| Equity | 33.95 |
| Commodities | 2.41 |
| Cash & equivalents | 12.69 |

Regional Exposure (% of Equity)¹



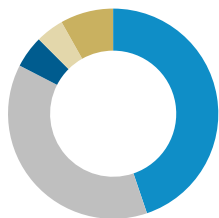
| | FUND |
|-----------------|-------|
| North America | 43.33 |
| Europe | 24.58 |
| Emerging Market | 19.09 |
| Japan | 11.84 |
| Asia ex Japan | 1.16 |

Sector Distribution (% of Equity)^{1,2}



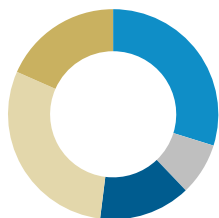
| | FUND |
|------------------------|-------|
| Financials | 16.18 |
| Information Technology | 14.64 |
| Health Care | 13.32 |
| Industrials | 13.22 |
| Consumer Discretionary | 10.80 |
| Consumer Staples | 9.20 |
| Communication Services | 6.90 |
| Materials | 4.52 |
| Utilities | 3.97 |
| Energy | 3.95 |
| Real Estate | 3.29 |

Currency Exposure (% of Total Net Assets)¹



| | FUND |
|------------|-------|
| EUR | 44.80 |
| USD | 37.77 |
| GBP | 4.95 |
| JPY | 4.33 |
| All Others | 8.16 |

Quality Distribution (% of Fixed Income)^{1,3}



| | FUND |
|------------|-------|
| AAA | 29.82 |
| AA | 8.05 |
| A | 14.12 |
| BBB | 29.62 |
| B or Below | 18.38 |

Share Class C 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 a range of assets with different levels of risk and the fund's simulated and/or realised return has experienced medium 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 value of bonds are likely to decrease if interest rates rise and vice versa.
- The value of financial derivative instruments are highly sensitive and may result in losses in excess of the amount invested by the Sub-Fund.
- Issuers may not be able to repay their debts, if this happens the value of your investment will decrease. This risk is higher where the fund invests in a bond with a lower credit rating.
- 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.
- Sustainability factors can pose risks to investments, for example: impact asset values, increased operational costs.
- There may be an insufficient number of buyers or sellers which may affect the funds ability to buy or sell securities.
- Commodity investments can change significantly and quickly in value as a large variety of factors affect them.
- There are increased risks of investing in emerging markets as political, legal and operational systems may be less developed than in developed markets.
- 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.

[†] This Fund is classified as an Article 9 product under the Sustainable Finance Disclosure Regulation. Article 9 products are those which have a sustainable investment objective and which integrate sustainability into the investment process in a binding manner.

¹ May not sum to 100% due to rounding.

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

³ Quality distribution data for securities is sourced from Fitch, Moody's and S&P. Where the credit ratings for individual securities differ between the three ratings agencies, the 'highest' rating is applied. The rating of credit default swaps is based on the 'highest' rating of the underlying reference bond. 'Cash' includes investments in short term instruments, including investments in Morgan Stanley liquidity funds.

Please refer to the Prospectus for full risk disclosures, available at www.morganstanleyinvestmentfunds.com. All data as of 30.06.2022 and subject to change daily.

Applications for shares in the Fund should not be made without first consulting the current Prospectus and the Key Investor Information Document ("KIID"), which are available in English and in the official language of your local jurisdiction at morganstanleyinvestmentfunds.com or free of charge from the Registered Office of Morgan Stanley Investment Funds, European Bank and Business Centre, 6B route de Trèves, L-2633 Senningerberg, R.C.S. Luxembourg B 29 192. A summary of investor rights is available in English at the same website.

Information in relation to sustainability aspects of the Fund and the summary of investor rights is available at the aforementioned website.

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DEFINITIONS

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The use of leverage increases risks, such that a relatively small movement in the value of an investment may result in a disproportionately large movement, unfavourable as well as favourable, in the value of that investment and, in turn, the value of the Fund.

Investment in the Fund concerns the acquisition of units or shares in a fund, and not in a given underlying asset such as building or shares of a company, as these are only the underlying assets owned.

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