

Morgan Stanley Investment Funds

Global Convertible Bond Fund - ZHX (EUR) Shares

(Distributing NAV Hedged Share Class)

Investment Objective

To generate income and the long term growth of your investment.

Investment Approach

Seeks long-term capital appreciation, measured in U.S. dollars, through investment primarily in convertible bonds issued by companies organised or operating in either the developed or emerging markets which will be denominated in global currencies.

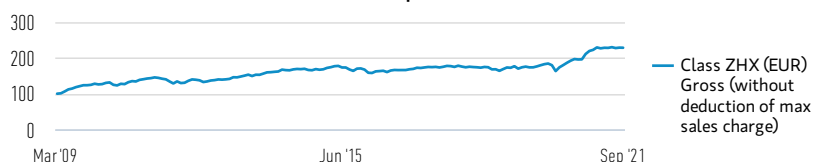
Investment Team

| | JOINED FIRM | YEARS OF INVESTMENT EXPERIENCE |
|--------------------------------------|-------------|--------------------------------|
| Tom D. Wills, Managing Director | 2010 | 23 |
| Christian G. Roth, Managing Director | 1991 | 34 |
| Richard Class, Managing Director | 2009 | 21 |

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

Class ZHX (EUR) Shares (% net of fees) in EUR

Performance of 100 EUR Invested Since Inception (Cash Value)



12 Month Performance Periods to Latest Month End (%)^{1,2†}

| | SEP '20 - SEP '21 | SEP '19 - SEP '20 | SEP '18 - SEP '19 | SEP '17 - SEP '18 | SEP '16 - SEP '17 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| Class ZHX (EUR) Gross (without deduction of max sales charge) ¹ | 16.79 | 12.66 | -0.16 | -0.71 | 5.58 |
| Class ZHX (EUR) Net (with the deduction of max sales charge) ² | 15.62 | 11.54 | -1.16 | -1.70 | 4.52 |

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 ZHX (EUR) Gross (without deduction of max sales charge) ¹ | -0.12 | -0.67 | 4.12 | 16.79 | 9.52 | 6.61 | 5.92 | 6.82 |
| Class ZHX (EUR) Net (with the deduction of max sales charge) ² | -1.12 | -1.66 | 3.08 | 15.62 | 9.15 | 6.39 | 5.82 | 6.74 |

Calendar Year Returns (%)

| | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|--|-------|-------|-------|------|------|------|------|
| Class ZHX (EUR) Gross (without deduction of max sales charge) ¹ | 20.23 | 11.38 | -6.28 | 3.98 | 0.46 | 0.26 | 3.60 |

Past performance is not a reliable indicator of future results. Returns may increase or decrease as a result of currency fluctuations. All performance data is calculated NAV to NAV. The sources for all performance and Index data is Morgan Stanley Investment Management.

[†] Example: An investor wishes to purchase shares of USD 100. At the maximum sales charge of 5.75% the investor has to expend USD 106.10. The sales charge is only incurred upon subscription.

¹ Figure shown assumes reinvestment of all distributions and deduction of fund level costs, but does not reflect the deduction of any sales charge applicable at investor level.



MORNINGSTAR OVERALL RATING*

EAA FUND CONVERTIBLE BOND - GLOBAL, EUR HEDGED

CLASS ZHX (EUR) SHARES

Out of 383 Funds. Based on Risk Adjusted Return. Class ZHX (EUR) Shares: 3yr. rating 5 Stars; 5yr. rating 4 Stars; 10yr. rating 4 Stars.

Share Class

| | CLASS ZHX (EUR) |
|-----------------|-----------------|
| Currency | Euro |
| ISIN | LU0410169147 |
| Bloomberg | MRSZGZHX LX |
| Inception date | 20 March 2009 |
| Net asset value | € 49.20 |

Fund Facts

| | |
|-------------------|---|
| Launch date | 17 July 2002 |
| Base currency | U.S. dollars |
| Primary benchmark | Refinitiv Convertible Global Focus (USD Hedged) Index |
| Custom benchmark | Blended Benchmark |
| Total net assets | \$ 628.55 million |
| Structure | Luxembourg SICAV |

Charges (%)

| | CLASS ZHX (EUR) |
|------------------|-----------------|
| Max Entry Charge | 1.00 |
| Ongoing Charges | 0.78 |
| Management Fee | 0.60 |

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 ZHX (EUR) |
|-------------------------------|-----------------|
| Minimum initial investment | 0 |
| Minimum subsequent investment | 0 |

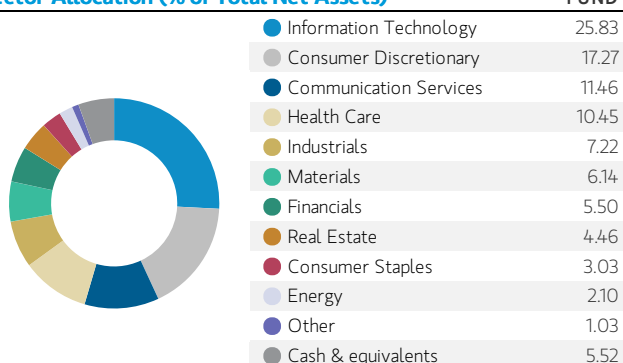
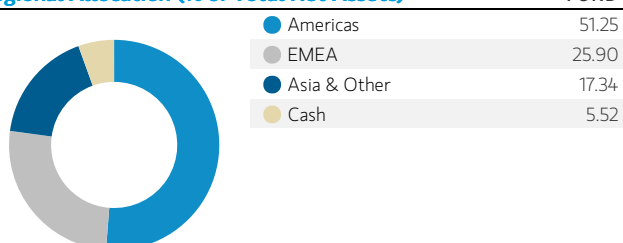
² Figure shown assumes reinvestment of all distributions and deduction of fund level costs, and includes the deduction of the maximum sales charge applicable at investor level that may be taken out of your money before it is invested. Please see the Fund's current prospectus and the share class' Key Investor Information Document for complete details on fees and sales charges.

Characteristics

| | FUND | INDEX |
|----------------------------|-------|-------|
| Duration (years) | 3.42 | 2.45 |
| Delta (equity sensitivity) | 45.70 | 50.80 |
| Current Yield (%) | 0.49 | 0.55 |
| Conversion premium | 57.13 | 37.00 |

Top Holdings (% of Total Net Assets)³

| | FUND |
|--|--------------|
| Splunk Inc, 1.125000%, 2027-06-15 | 1.53 |
| Meituan Dianping, 0.000000%, 2027-04-27 | 1.35 |
| Dish Network Corp, 2.375000%, 2024-03-15 | 1.25 |
| BP Capital Markets plc, 1.000000%, 2023-04-28 | 1.15 |
| Ford Motor Company, 0.000000%, 2026-03-15 | 1.12 |
| Uber Technologies Inc, 0.000000%, 2025-12-15 | 1.04 |
| Opendoor Technologies Inc, 0.250000%, 2026-08-15 | 1.00 |
| Jpmorgan Chase Bank NA, 0.000000%, 2023-12-28 | 0.98 |
| Pure Storage Inc, 0.125000%, 2023-04-15 | 0.97 |
| Twitter Inc, 0.000000%, 2026-03-15 | 0.96 |
| Total | 11.35 |

Sector Allocation (% of Total Net Assets)^{4,5}**Regional Allocation (% of Total Net Assets)⁴**

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.

⁴ May not sum to 100% due to rounding.

⁵ For additional information regarding sector classification/definitions please visit www.msci.com/gics and the glossary at www.morganstanley.com/im.

Please refer to the Prospectus for full risk disclosures, available at www.morganstanleyinvestmentfunds.com. All data as of 30.09.2021 and subject to change daily.

Share Class ZHX (EUR) Risk and Reward Profile

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 fixed income securities which convert into company shares 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.
- There may be an insufficient number of buyers or sellers which may affect the funds ability to buy or sell securities.
- There are increased risks of investing in emerging markets as political, legal and operational systems may be less developed than in developed markets.
- In order to achieve the currency hedging, this share class relies on other parties to fulfil certain contractual obligations, as these parties may fail to do so there is a higher risk to your investment.
- 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 Z Share Classes

| | CURRENCY | LAUNCH | ISIN | BLOOMBERG |
|----------|----------|------------|--------------|------------|
| Z | USD | 06.08.2010 | LU0360484413 | MSGCVBZ LX |
| ZH (EUR) | EUR | 08.04.2009 | LU0360484504 | MSGCUZH LX |
| ZH (GBP) | GBP | 20.04.2017 | LU1598064217 | MSGCZHG LX |

EU Cross Border Distribution of Funds Important Disclosure

This is a marketing communication. 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.

If the management company of the relevant Fund decides to terminate its arrangement for marketing that Fund in any EEA country where it is registered for sale, it will do so in accordance with the relevant UCITS rules.

DEFINITIONS

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. **Cash & Equivalents** are defined as the value of assets that can be converted into cash immediately. These include commercial paper, open FX transactions, Treasury bills and other short-term instruments. Such instruments are considered cash equivalents because they are deemed liquid and not subject to significant risk of

changes in values. **Conversion Premium** is the amount by which the price of a convertible security exceeds the current market value of the common stock into which it may be converted. **Current Yield** is a measure that looks at the current price of a bond instead of its face value and represents the return an investor would expect if he or she purchased the bond and held it for a year. Calculated by dividing the Annual Cash Inflows / Market Price. **Delta** is the ratio of the change in price of an option to the change in price of the underlying asset. **Duration** is a measure of the sensitivity of the price (the value of principal) of a fixed-income investment to a change in interest rates. Duration is expressed as a number of years. Rising interest rates mean falling bond prices, while declining interest rates mean rising bond prices. **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.

INDEX INFORMATION

The Blended Benchmark performance shown is calculated using the **ICE BofAML G300 Global Convertible Index Local Currency** to 31 October 2005, the **ICE BofAML G300 Global Convertible Index USD Hedged** to 30 April 2011 and the **Refinitiv Convertible Global Focus (USD Hedged) Index** thereafter. Effective 21 February 2020, the **Thomson Reuters Convertible Global Focus (USD Hedged) Index** was renamed to **Refinitiv Convertible Global Focus (USD Hedged) Index**.

The **Refinitiv Convertible Global Focus USD Hedged Index** is a market weighted index with a minimum size for inclusion of \$500 million (US), 200 million (Europe), 22 billion Yen, and \$275 million (Other) of Convertible Bonds with an Equity Link.

ICE BofAML G300 Global Convertible Index - Local Currency is a global convertible index composed of companies representative of the market structure of countries in North America, Europe and the Asia/Pacific region. It is composed of securities denominated in their respective local currencies.

ICE BofAML G300 Global Convertible Index USD Hedged is a global convertible index composed of companies representative of the market structure of countries in North America, Europe and the Asia/Pacific region. It is hedged to the U.S. dollar.

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The **Europe/Asia and South Africa category (EAA)** includes funds domiciled in European markets, major cross-border Asian markets where material numbers of European UCITS funds are available (principally Hong Kong, Singapore and Taiwan), South Africa, and selected other Asian and African markets where Morningstar believes it is of benefit to investors for the funds to be included in the EAA classification system.

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