

NOTICE TO SHAREHOLDERS

Luxembourg, 28 March 2025

Dear shareholder,

We are writing to you because you are an investor in one or more of the funds below (the “**Funds**”), sub-funds of Morgan Stanley Investment Funds (the “**SICAV**”):

- **Emerging Leaders Equity Fund; and**
- **NextGen Emerging Markets Fund.**

Given the evolving nature of the ESG/sustainability regulatory landscape, the board of directors of the SICAV (the “**Board**”) has decided to make certain changes to the sustainability characteristics of the Funds, including the clarification of the overall description of the sustainability approach applied by the Funds.

More detailed information about these changes, including the timing and options available to you, appears below. Please take a moment to review the important information below. If you still have questions, please contact us at the registered office in Luxembourg, the investment manager, or your local representative.

We would like to draw to your attention that the risk profile of the Funds will not be impacted as a result of the changes described herein.

We value you as a shareholder and sincerely hope you will continue to invest with us.

Yours sincerely

The Board

Changes

Sustainability approach

- The Funds will change their minimum commitment of investments aligned with the environmental and/or social characteristics they promote from 90% to 80% of their portfolio. The remaining 20% will include other investments of the Funds which are neither aligned with the environmental and/or social characteristics, nor are qualified as sustainable investments.
- The Funds will no longer be classified as “significantly engaging” or “Category 1” pursuant to the French ‘*Autorité des Marchés Financiers*’ requirements. As a result, the Funds will no longer **be required to** reduce their universe by 20% based on applicable extra-financial criteria and will adopt the disclaimer approach described in the position 7 of the AMF doctrine.
- The following exclusions will no longer apply:
 - The **Emerging Leaders Equity Fund** will no longer apply exclusions based on MSCI ESG ratings/scores or certain MSCI Global Industry Classification Standards (“**GICS**”) sectors to meet its universe reduction commitment.
 - The **NextGen Emerging Markets Fund** will no longer exclude: companies deriving more than 10% of their revenues from fossil fuels, the investment universe’s highest carbon emitters, the state-owned enterprises in all sectors in the emerging or frontier emerging markets indices, the utilities sector ex renewables and water and the construction materials industry as defined by the GICS, and issuers involved in the utilities sector and in the construction material industry as defined by the GICS.

The Funds will continue to be classified as Article 8 under SFDR.

These amendments are reflected in the Sustainability Annexes dedicated to the Funds, included in the

prospectus of the SICAV (the “**Prospectus**”), where appropriate.

Your Options

- 1) **Take no action**, if you are comfortable with the proposed changes.
- 2) **Exchange or redeem your investment, in accordance with the terms of the Prospectus**. Exchanges and redemptions will be processed free of charge, with the exception of any applicable contingent deferred sales charges, so long as we receive your dealing instructions before the deadline shown below.

If you opt for exchanging your investment, please ensure that you read the UCITS KIID or PRIIPs KID for any other fund of the SICAV that you are considering converting into.

Key Dates

28th March 2025, 1pm CET

- Free exchange/selling period begins.



25th April 2025, 1pm CET

- Free exchange/selling period ends.



28th April 2025

- Changes become effective.

Other Information

Terms used in this notice shall have the meaning ascribed to them in the current Prospectus unless the context otherwise requires.

The Board accepts responsibility for the accuracy of the information contained in this notice. The Prospectus and the relevant UCITS KIID or PRIIPs KID are available to investors, free of charge, on the SICAV's websites, at the registered office of the SICAV, or at the offices of foreign representatives.

You should inform yourself of, and where appropriate take advice on, the tax consequences of the foregoing in your country of citizenship, residence, or domicile.

Please be aware that we are not in a position to provide investment advice. If you are uncertain as to how the changes may affect you, you should consult a financial adviser.