

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. IF IN DOUBT, PLEASE SEEK PROFESSIONAL ADVICE**

**NOTICE TO SHAREHOLDERS  
OF THE  
NEXTGEN EMERGING MARKETS FUND**

Luxembourg, 28 March 2025

Dear shareholder,

We are writing to you because you are an investor in the NextGen Emerging Markets Fund (the “**Fund**”), a sub-fund of Morgan Stanley Investment Funds (the “**SICAV**”).

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 Fund, including the clarification of the overall description of the sustainability approach applied by the Fund.

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 Fund will not be impacted as a result of the changes described herein. The changes do not amount to a material change to the Fund. There is no material change or increase in the overall risk profile of the Fund. The changes do not have any material adverse impact on the rights or interests of the holders of the Fund.

The Fund will no longer pursue its "ESG Fund" status in Hong Kong when the Changes become effective.

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

Yours sincerely

The Board

## **Changes**

### **Sustainability approach**

- The Fund will change its minimum commitment of investments aligned with the environmental and/or social characteristics they promote from 90% to 80% of its portfolio. The remaining 20% will include other investments of the Fund which are neither aligned with the environmental and/or social characteristics, nor are qualified as sustainable investments.
- The Fund will no longer be classified as “significantly engaging” or “Category 1” pursuant to the French ‘*Autorité des Marchés Financiers*’ requirements. As a result, the Fund 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 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 Fund will continue to be classified as Article 8 under SFDR.

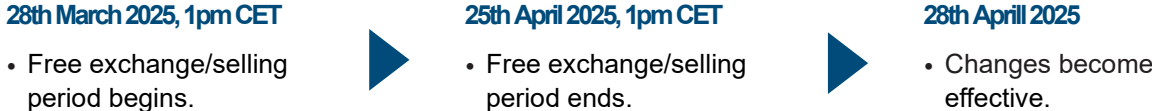
These amendments are reflected in the Sustainability Annexes dedicated to the Fund, included in the prospectus of the SICAV (the “**Prospectus**”), where appropriate. The changes will be included in the product key facts statements (the “**KFS**”) of the Fund as soon as reasonably practicable.

**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 Prospectus and the KFS for any other fund of the SICAV that you are considering converting into.

**Key Dates**



**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 revised Hong Kong offering documents (including the Prospectus and the KFS of the Fund) will be available to investors, free of charge, on the SICAV’s websites, at the office of the Hong Kong Representative, Morgan Stanley Asia Limited (contacts are set out below). Hong Kong residents who require further information, please contact Morgan Stanley Asia Limited, of Floor 41, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong or on (852) 2848 6632.

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.