Specific information relating to Danish investors

The following is a supplement to, forms part of and should be read in context with the full prospecus for Morgan Stanley Investment Funds (the "Company") dated July 2019.

Taxation in Denmark of Danish investors

The description below is based on Danish tax law as in place on July 2018. Danish tax laws my be subject to change, possibly with retroactive effect.

The following summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to acquire, hold or dispose of the shares, and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as professional dealers in securities) may be subject to special rules. Potential investors are under all circumstances strongly recommended to contact their own tax advisor to clarify the individual consequences of their investment, holding and disposal of the shares.

The Company makes no representations regarding the tax consequences of purchase, holding or disposal of the shares.

The Company is an investment company with variable capital under Luxembourg law and governed by the UCITS Directive and is, thus, perceived as an investment company governed by Section 19 of the Danish Act on Capital Gains Tax on Shares. It is further perceived that the Company is not an *investment fund with minimum taxation* governed by Section 16 C of the Danish Tax Assessment Act or a *account-holding investment fund* which does not issue transferable shares of the investment fund.

Individuals

Individuals investing in an investment company will be subject to tax on capital gains and losses on an unrealised basis (according to the mark-to-market principle).

Gains and losses are calculated as the annual increase or decrease in the value of the investor's shares in the investment company. The annual period used is the investment company's income year (or the investors income year if the investment company and the investor does not use the same income year). If the Danish investor has only owned the shares for a part of the investment company's income year, the increase or decrease in the value of the shares in this partial period will be included in the Danish investor's income. For shares acquired by the investor during the income year, the purchase price will thus replace the value of the shares at the beginning of the investment company's income year, and for shares sold by the investor during the income year, the sales price will replace the value of the shares at the end of the investment company's income year.

If the Danish investor has not sold the shares in the investment company during the investment company's income year, the Danish investor shall include the gains or losses in his taxable income in the income year comprising the last day of the investment company's income year. If the Danish investor disposes of the shares during the investment company's income year, the Danish investor must include the gains or losses in the taxable income in the year of disposal.

Gains and losses will be taxed as capital income at a rate of up to 42% in 2018. If the individual is considered a professional dealer of shares in investment companies, gains and losses will normally be taxed as personal income at a rate of up to 56% including a mandatory labour market contribution.

Dividends are taxed as capital income at the rates described above.

Companies
Companies investing in an investment company will be subject to tax on capital gains and losses on an unrealised basis (according to the mark-to-market principle).

Gains and losses are calculated as the annual increase or decrease in the value of the investor's shares in the investment company. The annual period used is the investment company's income year (or the investors income year if the investment company and the investor does not use the same income year). If the Danish investor has only owned the shares for a part of the investment company's income year, the increase or decrease in the value of the shares in this partial period will be included in the Danish investor's income. For shares acquired by the investor during the income year, the purchase price will thus replace the value of the shares at the beginning of the investment company's income year, and for shares sold by the investor during the income year, the sales price will replace the value of the shares at the end of the investment company's income year.

If the Danish investor has not sold the shares in the investment company during the investment company's income year, the Danish investor shall include the gains or losses in his taxable income in the income year comprising the last day of the investment company's income year. If the Danish investor disposes of the shares during the investment company's income year, the Danish investor must include the gains or losses in the taxable income in the year of disposal.

Gains and dividends are taxable at the corporate income tax rate of 22%. Losses are generally deductible according the mark-to-market principle described above.

Life insurance companies, pension funds and deposits in pension accounts
Gains and losses are taxed on an unrealised basis (according to the mark-to-market principle). Under the Pension Savings Tax Regime gains, losses and dividends are generally taxed at a flat rate of 15.3%. The Life insurance companies, pension funds etc. or the individual are, depending on the circumstances, subject to taxation in the situations as described in the Danish Act on Taxation of Pension Yield.

Life insurance companies are also liable to corporate tax and as such also subject to the tax rules described above under the heading "Companies". The taxation under the corporate tax rules covers the part of the income, which is not related to pure life insurance activity. The Pension Savings Tax Regime, on the other hand, aims at taxing the yield paid out to the insured. Special rules ensure that the life insurance companies are not subject to double taxation.

Banks
Banks investing in investment companies are taxed on gains and losses on an unrealised basis (according to the mark-to-market principle) at a rate of 22%.

Dividends are taxable at a rate of 22 %.

Danish representative
The Company has appointed NordeaDanmark, Filial af Nordea Bank AB Finland as its Danish representative (the "Representative") under Section 5 of Danish Executive Order no. 786 of 17 June 2014 on Foreign UCITS'Marketing in Denmark. The details of the Representative are as follows:

Nordea Danmark, Filial af Nordea Bank Abp, Finland
Client Relations DK, Investor Solutions & Services
Postbox 850, Reg.nr. 6428. HH.6.1
DK-0900 Copenhagen C
Denmark
CVR Nordea Danmark, Branch of Nordea Bank Abp, Finland: 25992180
Telephone number: + 45 5547 5164

e-mail: issuerservice.dk@nordea.com

Procedure in the Event of Termination

Should the Company cease to be marketed in Denmark, information and documents will still be available to the investors in Denmark upon written request. Services currently offered by the Representative will no longer be made available by the Representative, except as provided hereafter. It will be ensured that the procedure for the payment of dividend and redemption proceeds will continue unchanged for the Danish investors – including services from the Representative to any remaining Danish retail investors – unless the general procedure of the Company is changed.

Risk-Labelling of shares of the Company

The Danish Financial Supervisory Authority has introduced rules on risk labelling for funds pursuant to which various categories of investment product have been assigned a risk label. The shares of the Company have the yellow risk mark pursuant to the Danish Financial Supervisory Authority's rules on risk marking and qualifying as a Part 1 UCITS. The risk marking is based on the possibility of losing the invested amount based on the product type and not the actual likelihood of this happening.

The risk labelling system is based on the colours of a traffic light.

Green: Investment products labelled green refer to those where the risk of losing the invested amount is considered very limited and where the product type is not difficult to understand. Examples include Danish government bonds, EU governments bond and Danish mortgage bonds.

Yellow: Investment products labelled yellow refer to those where there is considered to be a risk of losing the entire or a part of the invested amount and where the product type is not difficult to understand. Examples include listed shares, corporate bonds and shares of UCITS funds.

Red: Investment products labelled red refer to those where there is considered to be a risk of losing more than the invested amount or the product type is difficult to understand. Examples include unlisted shares, options, futures, swaps and structured bonds.