Morgan Stanley Institutional Fund
Global Concentrated Portfolio

**Investment Objective:** Seeks long-term capital appreciation.

**Investment Approach:** By investing in a relatively small number of global companies, the portfolio seeks to outperform the benchmark regardless of which investment style – value or growth – is currently in favor. Their flexible approach combines quantitative models with stock-specific research to identify 15-20 global companies with attractive valuations, above-average appreciation potential and competitive dividend yields.

**Class I Shares (% net of fees) vs. Index**

**Performance of 10,000 USD Invested Since Inception (Cash Value ($))**

![Graph showing performance of Class I Shares vs. MSCI World Net Index]

**Investment Team**

- Andrew Simmons: 1991, 33 Years
- Phillip Kim: 2005, 16 Years

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

**Expense Ratios**

- **Class A:** MLNAX, 61766609, 2.24%, 1.35%
- **Class C:** MLNXL, 61766708, 2.98%, 2.10%
- **Class I:** MLNIX, 61766500, 1.90%, 1.00%
- **Class IS:** MLNX, 61766807, 1.77%, 0.95%

Where the net expense ratio is lower than the gross expense ratio, certain fees have been waived and/or reimbursed. These waivers and/or reimbursements will continue for at least one year from the date of the applicable fund's current prospectus (unless otherwise noted in the applicable prospectus) or until such time as the fund's Board of Directors acts to discontinue all or a portion of such waivers and/or reimbursements. Absent such waivers and/or reimbursements, returns would have been lower. Expenses are based on the fund's current prospectus. The minimum initial investment is $5,000,000 for Class I shares.

**Morningstar Rankings - Class I**

<table>
<thead>
<tr>
<th>PERCENTILE</th>
<th>RANK/TOTAL IN CATEGORY</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 YR</td>
<td>8</td>
</tr>
<tr>
<td>3 YR</td>
<td>47</td>
</tr>
</tbody>
</table>

Source: Morningstar, Inc. Rankings are based on total returns, are historical and do not guarantee future results.

**Fund Facts**

- Inception date: May 27, 2016
- Total net assets: $2.161 million
- Benchmark: MSCI World Net Index
- Distribution frequency: Annually

**Statistics (3 Year Annualized)**

- Alpha (%): -1.79
- Beta (vs. benchmark): 1.09
- Excess return (%): -0.86
- Information ratio: -0.18
- R squared: 1.00
- Sharpe ratio: 0.76
- Standard deviation (%): 13.16
- Tracking error (%): 4.89

**Characteristics**

- **FUND:** N/A
- **INDEX:** N/A

**Top Countries (% of Total Net Assets)**

- **FUND:** United States 61.39, China 12.96, France 6.46, India 6.26, Taiwan 5.75, United Kingdom 5.46, Cash 1.66
- **INDEX:** United States 63.33, China 12.96, France 3.80, India 3.24, Taiwan 5.75, United Kingdom 5.48, Cash 1.66

**Sector Allocation (% of Total Net Assets)**

- **FUND:** Consumer Discretionary 25.38, Information Technology 24.94, Financials 17.01, Consumer Staples 10.58, Real Estate 6.36, ETFS 5.00, Communication Services 4.70, Utilities 4.32, Cash 1.66
- **INDEX:** Consumer Discretionary 10.28, Information Technology 17.35, Financials 15.70, Consumer Staples 8.29, Real Estate 3.24, ETFS 8.41, Communication Services 3.42, Utilities 3.42, Cash 1.66
### Global Concentrated Portfolio

#### Top Holdings (% of Total Net Assets)

<table>
<thead>
<tr>
<th>FUND</th>
<th>INDEX</th>
</tr>
</thead>
<tbody>
<tr>
<td>Microsoft Corp</td>
<td>8.44</td>
</tr>
<tr>
<td>Alibaba Group Holding Ltd</td>
<td>8.25</td>
</tr>
<tr>
<td>MasterCard Inc</td>
<td>7.36</td>
</tr>
<tr>
<td>LVMH Moet Hennessy Louis Vuitton</td>
<td>6.46</td>
</tr>
<tr>
<td>HDFC Bank Ltd</td>
<td>6.26</td>
</tr>
<tr>
<td>SVB Financial Group</td>
<td>5.76</td>
</tr>
<tr>
<td>Taiwan Semiconductor Mfg Co. Ltd</td>
<td>5.75</td>
</tr>
<tr>
<td>Diageo Plc</td>
<td>5.46</td>
</tr>
<tr>
<td>Estee Lauder Co. Inc.</td>
<td>5.11</td>
</tr>
<tr>
<td>P Morgan Chase &amp; Co.</td>
<td>4.39</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>63.84</strong></td>
</tr>
</tbody>
</table>

*May not sum to 100% due to the exclusion of other assets and liabilities.*

This material is a general communication, which is not impartial and all information provided has been prepared solely for informational and educational purposes and does not constitute an offer or a recommendation to buy or sell any particular security or to adopt any specific investment strategy. The information herein has not been based on a consideration of any individual investor circumstances and is not investment advice, nor should it be construed in any way as tax, accounting, legal or regulatory advice. To that end, investors should seek independent legal and financial advice, including advice as to tax consequences, before making any investment decision.

Past performance is not indicative of future results. Subject to change daily. Fund information is provided for informational purposes only and should not be deemed as a recommendation to buy or sell any security or securities in the sectors and countries that may be presented. Forecasts/estimates are based on current market conditions, subject to change, and may not necessarily come to pass. Index data displayed under characteristics and allocations are calculated using MSCI and/or other third-party methodologies and may differ from data published by the vendor.

**Definitions:**
- **Active Share** is the fraction of the portfolio or fund that is invested differently than its benchmark as of the last day of the reporting period. A portfolio with a high degree of Active Share does not assure a fund's relative outperformance. Active Share calculation may consolidate holdings with the same economic exposure. Alpha (Jensen's) is a risk-adjusted performance measure that represents the average return on a portfolio or investment above or below that predicted by the capital asset pricing model (CAPM) given the portfolio's or investment's beta and the average market return. Prior to 6/30/2018 Alpha was calculated as the excess return of the fund versus benchmark. Beta is a measure of the relative volatility of a security or portfolio to the market's upward or downward movements. Excess return or value added (positive or negative) is the portfolio's return relative to the return of the benchmark. Information ratio is the portfolio's alpha or excess return per unit of risk, as measured by tracking error, versus the portfolio's benchmark. Price/earnings (P/E) is the price of a stock divided by its earnings per share. Sometimes called the multiple, P/E gives investors an idea of how much they are paying for a company's earning power. R squared measures how well an investment's returns correlate to an index. An R squared of 100 means the portfolio's performance is 100% correlated to the index's, whereas a low r-squared means that the portfolio performance is less correlated to the index's. Sharpe ratio is a risk-adjusted measure calculated as the ratio of excess return to standard deviation. The Sharpe ratio determines reward per unit of risk. The higher the Sharpe ratio, the better the historical risk-adjusted performance. Standard deviation measures how widely individual performance returns, within a performance series, are dispersed from the average or mean value. Tracking error is the amount by which the performance of the portfolio differs from that of the benchmark. Weighted average market capitalization is an average of the market capitalization of stocks held by a portfolio or comprising an index, adjusted by each stock's corresponding weight in the portfolio or index.

**Index Information:** The MSCI World Net Index is a free float adjusted market capitalization weighted index that is designed to measure the global equity market performance of developed markets. The term 'free float' represents the portion of shares outstanding that are deemed to be available for purchase in the public equity markets by investors. The performance of the Index is listed in U.S. dollars and assumes reinvestment of net dividends.

The index is unmanaged and does not include any expenses, fees or sales charges. It is not possible to invest directly in an index.

**Risk Considerations:** There is no assurance that a mutual fund will achieve its investment objective. Funds are subject to market risk, which is the possibility that the market value of securities owned by the fund will decline and that the value of fund shares may therefore be less than what you paid for them. Accordingly, you can lose money investing in this fund. Please be aware that this fund may be subject to certain additional risks. In general, equities securities' values also fluctuate in response to activities specific to a company. Stocks of small-and medium-capitalization companies entail special risks, such as limited product lines, markets and financial resources, and greater market volatility than securities of larger, more established companies. Investments in foreign markets entail special risks such as currency, political, economic, market and liquidity risks. Illiquid securities may be more difficult to sell and sell at a price lower than what you paid for them. Non-diversified portfolios often invest in a more limited number of issuers. As such, changes in the financial condition or market value of a single issuer may cause greater volatility. Derivative instruments may disproportionately increase losses and have a significant impact on performance. They also may be subject to counterparty, liquidity, valuation, correlation and market risks. Morningstar Ratings and/or ratings as of December 31, 2019. Rankings: The percentile rankings are based on the average annual total returns for the periods stated and do not include any sales charges, but do include reinvestment of dividends and capital gains and Rule 12b-1 fees. The highest (or most favorable) percentile rank is 1 and the lowest (or least favorable) percentile rank is 100. The top-performing fund in a category will always receive a rank of 1.