

## Morgan Stanley Institutional Fund

## International Resilience Portfolio

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

**Investment Approach:** The team believes that the characteristics demonstrated by high quality companies should lead to sustainably high returns on operating capital and robust earnings that can deliver resilience across market cycles. We look for high quality companies at reasonable valuations with strong market positions underpinned by powerful intangible assets such as brands and networks – a combination that should drive pricing power and recurring revenues. We look for strong franchise durability, low capital intensity and the ability to grow organically.

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

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



| Investment Team | JOINED FIRM | INDUSTRY EXPERIENCE |
|-----------------|-------------|---------------------|
| William Lock    | 1994        | 33 Years            |
| Bruno Paulson   | 2009        | 31 Years            |
| Nic Sochovsky   | 2015        | 27 Years            |
| Marcus Watson   | 2008        | 17 Years            |
| Alex Gabriele   | 2012        | 16 Years            |
| Richard Perrott | 2015        | 19 Years            |
| Isabelle Mast   | 2021        | 20 Years            |
| Anton Kryachok  | 2021        | 15 Years            |
| Marte Borhaug   | 2021        | 15 Years            |

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

Effective October 31, 2025, Nic Sochovsky and Marcus Watson will no longer be named portfolio managers for the Fund. Isabelle Mast and Anton Kryachok will be listed as named portfolio managers for the Fund. William D. Lock, Bruno Paulson, Alex Gabriele and Richard Perrott remain as named portfolio managers for the Fund.

**Investment Performance (% net of fees) in USD**

|                               | Cumulative (%) |       |       | Annualized (% p.a.) |      |       |           |
|-------------------------------|----------------|-------|-------|---------------------|------|-------|-----------|
|                               | 3Q25           | YTD   | 1 YR  | 3 YR                | 5 YR | 10 YR | INCEPTION |
| Class I Shares                | -1.63          | 13.55 | 4.23  | 16.58               | --   | --    | 9.63      |
| MSCI AC World ex-US Net Index | 6.89           | 26.02 | 16.45 | 20.67               | --   | --    | 14.36     |

| Calendar Year Returns (%)     | 2024 | 2023  | 2022 | 2021 | 2020 | 2019 | 2018 |
|-------------------------------|------|-------|------|------|------|------|------|
| Class I Shares                | 3.65 | 16.54 | --   | --   | --   | --   | --   |
| MSCI AC World ex-US Net Index | 5.53 | 15.62 | --   | --   | --   | --   | --   |

Performance data quoted represents past performance, which is no guarantee of future results, and current performance may be lower or higher than the figures shown. For the most recent month-end performance figures, please visit [morganstanley.com/im](https://morganstanley.com/im) or call 1-800-548-7786. Investment returns and principal value will fluctuate and fund shares, when redeemed, may be worth more or less than their original cost.

Performance and fund information is as of September 30, 2025, unless otherwise noted. Returns are net of fees and assume the reinvestment of all dividends and income. Returns for less than one year are cumulative (not annualized). Performance of other share classes will vary.

Growth of Investment illustration is based on an initial investment of \$10,000 made since fund inception, assumes reinvestment of dividends and capital gains and application of fees, but does not include sales charges. Performance would have been lower if sales charges had been included. Results are hypothetical.

Please keep in mind that high double-digit returns are highly unusual and cannot be sustained. Investors should also be aware that these returns were primarily achieved during favorable market conditions.

| Expense Ratios | SYMBOL | CUSIP     | GROSS (%) | NET (%) |
|----------------|--------|-----------|-----------|---------|
| Class A        | MSDFX  | 61768B539 | 19.68     | 1.20    |
| Class C        | MSDEX  | 61768B521 | 20.59     | 1.95    |
| Class I        | MSDKX  | 61768B547 | 15.98     | 0.85    |
| Class R6       | MSCZX  | 61768B513 | 19.30     | 0.80    |

Where the net expense ratio is lower than the gross expense ratio, certain fees have been waived and/or expenses 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, in effect as of the date of this fact sheet. For information on the applicable fund's current fees and expenses, please see the fund's current prospectus. The minimum initial investment is \$1,000,000 for Class I shares.

**INTERNATIONAL EQUITY TEAM****Fund Facts**

|                        |                               |
|------------------------|-------------------------------|
| Inception date         | July 29, 2022                 |
| Total net assets       | \$ 2.15 million               |
| Benchmark <sup>1</sup> | MSCI AC World ex-US Net Index |
| Distribution frequency | Annually                      |

| Statistics (3 Year Annualized) | CLASS I | INDEX  |
|--------------------------------|---------|--------|
| Alpha (%)                      | -6.20   | --     |
| Beta (vs. benchmark)           | 1.13    | 1.00   |
| Excess return (%)              | -4.09   | --     |
| Information ratio              | -0.64   | --     |
| R squared                      | 0.85    | 1.00   |
| Sharpe ratio                   | 0.72    | 1.19   |
| Standard deviation (%)         | 16.21   | 13.21  |
| Tracking error (%)             | 6.44    | --     |
| Up-capture ratio (%)           | 101.05  | 100.00 |
| Down-capture ratio (%)         | 133.07  | 100.00 |

| Characteristics                         | FUND  | INDEX |
|---|-------|-------|
| Active share (%)                        | 90.90 | --    |
| Number of holdings                      | 32    | 1,965 |
| Price/earnings (NTM) <sup>†</sup>       | 22.80 | 14.88 |
| Price/free cash flow (NTM) <sup>†</sup> | 24.21 | 21.76 |
| Turnover (%) <sup>*</sup>               | 48    | --    |

<sup>†</sup> NTM = Next Twelve Months.

<sup>\*</sup> Turnover is sourced from the fund's current prospectus.

**Top Countries (% of Total Net Assets)<sup>#</sup>**

|                | FUND  | INDEX |
|----------------|-------|-------|
| United Kingdom | 28.24 | 9.03  |
| France         | 15.47 | 6.70  |
| United States  | 9.37  | 0.02  |
| Germany        | 8.30  | 6.05  |
| Netherlands    | 8.11  | 3.03  |
| Sweden         | 5.55  | 2.22  |
| Japan          | 5.11  | 13.68 |
| Taiwan         | 4.88  | 5.91  |
| Finland        | 3.16  | 0.66  |
| Spain          | 3.05  | 2.22  |
| Other          | 4.06  | 50.49 |
| Cash           | 2.30  | --    |

**Sector Allocation (% of Total Net Assets)<sup>2,#</sup>**

|                        | FUND  | INDEX |
|------------------------|-------|-------|
| Industrials            | 29.88 | 14.73 |
| Information Technology | 29.85 | 13.79 |
| Health Care            | 12.33 | 7.66  |
| Financials             | 8.16  | 24.93 |
| Consumer Staples       | 5.87  | 6.15  |
| Consumer Discretionary | 4.89  | 10.66 |
| Communication Services | 4.31  | 6.29  |
| Energy                 | --    | 4.46  |
| Materials              | --    | 6.65  |
| Real Estate            | --    | 1.62  |
| Utilities              | --    | 3.03  |
| Cash                   | 2.30  | --    |

## Top Holdings (% of Total Net Assets)


|                                  | FUND         | INDEX     |
|----------------------------------|--------------|-----------|
| SAP SE                           | 5.63         | 0.88      |
| Safran S.A.                      | 5.09         | 0.40      |
| RELX Plc                         | 5.03         | 0.28      |
| Haleon plc                       | 4.99         | 0.13      |
| Taiwan Semiconductor Mfg Co. Ltd | 4.88         | 3.31      |
| ASML Holding NV                  | 4.13         | 1.20      |
| L'Oréal S.A.                     | 3.62         | 0.33      |
| Halma plc                        | 3.58         | 0.06      |
| Keyence Corp                     | 3.47         | 0.23      |
| Legrand S.A.                     | 3.26         | 0.14      |
| <b>Total</b>                     | <b>43.68</b> | <b>--</b> |

# 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. Index data displayed under characteristics and allocations are calculated using MSIM 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. **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 to Free Cash Flow (P/FCF)** is a ratio used to compare a company's market value to its free cash flow. It is calculated by dividing the company's per-share stock price by its per-share free cash flow. Free Cash flow is calculated by subtracting a company's Capital Expenditures from its Operating Cash flow. **Price/earnings (NTM)** This forward P/E ratio estimates a company's likely earnings per share for the next 12 months. **R squared** measures how well an investment's returns correlate to an index. An R squared of 1.00 means the portfolio 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. **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. **Upside/downside market capture** measures annualized performance in up/down markets relative to the market benchmark.

**INDEX INFORMATION:**  The **MSCI All Country World Ex-U.S. Index** is a free float-adjusted market capitalization weighted index designed to measure the equity market performance of developed and emerging markets, excluding the U.S. 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. Any index referred to herein is the intellectual property (including registered trademarks) of the applicable licensor.

**RISK CONSIDERATIONS:** There is no assurance that a Portfolio will achieve its investment objective. Portfolios are subject to market risk, which is the possibility that the market values of securities owned by the Portfolio will decline and that the value of Portfolio shares may therefore be less than what you paid for them. Market values can change daily due to economic and other events (e.g. natural disasters, health crises, terrorism, conflicts and social unrest) that affect markets, countries, companies or governments. It is difficult to predict the timing, duration, and potential adverse effects (e.g. portfolio liquidity) of events. Accordingly, you can lose money investing in this Portfolio. Please be aware that this Portfolio may be subject to certain additional risks. Changes in the worldwide economy, consumer spending, competition, demographics and consumer preferences, government regulation and economic conditions may adversely affect **global franchise companies** and may negatively impact the strategy to a greater extent than if the strategy's assets were invested in a wider variety of companies. **ESG strategies** that incorporate impact investing and/or Environmental, Social and Governance (ESG) factors could result in relative investment performance deviating from other strategies or broad market benchmarks, depending on whether such sectors or investments are in or out of favor in the market. As a result, there is no assurance ESG strategies could result in more favorable investment performance. In general, **equities securities'** values also fluctuate in response to activities specific to a company. Investments in **foreign markets** entail special risks such as currency, political, economic, market and liquidity risks. The risks of investing in **emerging market countries** are greater than risks associated with investments in foreign developed countries. 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.

**Nondiversified 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. **Illiquid securities** may be more difficult to sell and value than publicly traded securities (liquidity risk).

**Morningstar:** As of September 30, 2025. **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.

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**OTHER CONSIDERATIONS:** (2) Country weightings arise from our bottom-up fundamental analysis. The team seeks superior companies that are attractively valued regardless of country of domicile.

**Please consider the investment objective, risks, charges and expenses of the fund carefully before investing. The prospectus contains this and other information about the fund. To obtain a prospectus (which includes the applicable fund's current fees and expenses, if different from those in effect as of the date of this fact sheet), download one at [morganstanley.com/im](https://morganstanley.com/im) or call 1-800-548-7786. Please read the prospectus carefully before investing.**

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