

Morgan Stanley

INVESTMENT MANAGEMENT

MORGAN STANLEY INSTITUTIONAL FUND

Global Franchise Portfolio

At Morgan Stanley Investment Management, the International Equity Team believes investing in high quality companies with powerful brands may offer earnings resilience and long-term return potential.

ACTIVE FUNDAMENTAL EQUITY

INTERNATIONAL EQUITY TEAM

INVESTMENT IDEA

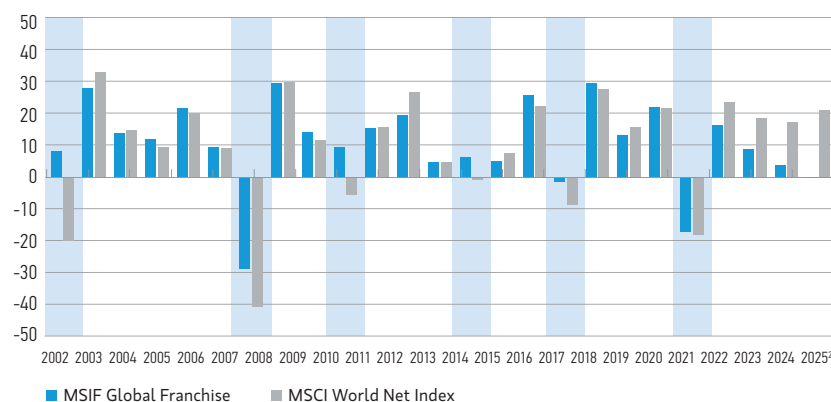
DECEMBER 31, 2025

The Importance of Quality

The team believes the best way to compound shareholder wealth over time is to invest in high quality companies run by high quality management teams, purchased at the right price. The economic robustness of quality companies helps to deliver returns when you need them most, namely during challenging market environments. This is important because the key to compounding shareholder wealth is to avoid the permanent loss of capital.

Attractive Absolute Returns while Seeking to Manage Downside Risk Global Franchise Portfolio Calendar Year Returns¹

(% Net of Fees) Class I Shares – USD Since inception on November 28, 2001



¹ Source: Morgan Stanley Investment Management. The portfolio results shown are for Class I shares and are net of investment advisory/management fees, are quoted in U.S.\$ and include the reinvestment of dividends and income. The comparison index is the MSCI World Index with Net dividends reinvested. 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. See next page for standardized performance.

² Source: Morgan Stanley Investment Management, as of December 31, 2025.

SYMBOLS

Class A	MSFBX
Class C	MSGFX
Class I	MSFAX
Class R6	MGISX

MSIF Global Franchise Portfolio

1 High Quality Focus

With a focus on compounders—those companies with the ability to consistently compound shareholder wealth over the long term—and on managing downside portfolio risk, the MSIF Global Franchise Portfolio has offered strong performance and risk characteristics for over 20 years.

2 Powerful Brands

The team seeks high quality companies built on hard-to-replicate intangible assets, such as familiar brands, licenses and networks — household names that are part of people's everyday lives. These companies often have recurring revenues that underpin sustainability and resilience, as well as strong management teams that allocate capital efficiently.

3 Strong Defense

The Portfolio has a history of reduced downside participation in weak markets, providing performance when it is needed most: e.g., the DotCom collapse, the Credit Crisis, the Sovereign Debt Crisis. Since inception, the Portfolio has returned 10.36% for 196 bps of outperformance versus the index.

High Conviction Approach

Top Ten Holdings (December 31, 2025)

SECURITY NAME	INTANGIBLE ASSETS	COUNTRY	(%)
Microsoft Corp	Office, Windows, Xbox, Skype, Azure, Office365, LinkedIn, Co-Pilot	United States	8.7
SAP SE	SAP, HANA, Concur, Ariba, SuccessFactors	Germany	7.5
Visa Inc	Visa, Visa Direct	United States	5.3
Alphabet Inc	Google, YouTube, Android, Chrome, Gemini	United States	5.0
RELX Plc	Elsevier, Lexis Nexis Risk Solutions, Reed Business Information, Reed Exhibitions	United Kingdom	4.3
Coca-Cola Co.	Coke, Sprite, Fanta, Minute Maid, Glaceau, Innocent, Jugos del Valle, Fuze Tea	United States	4.1
L'Oréal S.A.	L'Oréal Paris, Lancôme, Kiehl's, YSL Beauté, Maybelline, Garnier	France	3.6
Arthur J Gallagher & Co.	AJ Gallagher	United States	3.6
Intercontinental Exchange Inc	ICE, NYSE, Encompass	United States	3.5
S&P Global Inc	S&P global ratings, Capital IQ, Dow Jones, IHS Markit, Platts, CRISIL	United States	3.5
Total			49.1

³ Cumulative return.

Source: Morgan Stanley Investment Management. Top 10 Holdings are provided for illustrative purposes only and should not be deemed as a recommendation to buy or sell the securities mentioned. Holdings are dated and subject to change daily.

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 or call 1-800-548-7786. Returns and principal value will fluctuate and fund shares, when redeemed, may be worth more or less than their original cost.

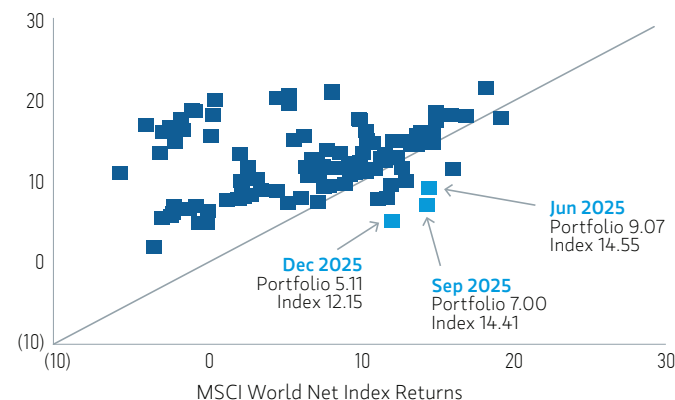
The gross expense ratio is 0.93% for Class I shares and the net expense ratio is 0.93%. Expenses are based on the fund's current prospectus, in effect as of the date of this material. For information on the applicable fund's current fees and expenses, please see the fund's current prospectus. The minimum initial investment is \$1,000,000 for Class I shares. Performance, expenses, and minimums for other share classes will vary.

DEFINITIONS: The **MSCI World 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. 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 value 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. In general, **equity securities'** values also fluctuate in response to activities specific to a company. Stocks of **small- and medium-capitalization companies** carry 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, and market risks. The risks of investing in **emerging market countries** are greater than the risks generally associated with investments in foreign developed countries. **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. **Illiquid securities** may be more difficult to sell and value than publicly

History of Outperformance Particularly in Down Markets

Rolling 5-Year Periods vs. MSCI World Net Index
(Since Inception through December 31, 2025)



Investment Performance – Class I (% net of fees)

Annualized Total Return (Periods ending December 31, 2025)

	4Q25 ³	1 YEAR	5 YEAR	10 YEAR	SINCE INCEPTION (11/28/2001)
MSIF Global Franchise	-3.46	0.23	5.11	9.44	10.36
MSCI World Net Index	3.12	21.09	12.15	12.17	8.40

traded securities (liquidity risk). **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. **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.

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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 material), download one at morganstanley.com/im or call 1.800.548.7786. Please read the prospectus carefully before you invest or send money.

Morgan Stanley Institutional Fund Inc. (MSIF) is an institutional mutual fund offering various active portfolios, including equity, fixed-income, international, emerging markets, real estate and growth.

Fund adviser MSIF is managed by Morgan Stanley Investment Management, Inc. Morgan Stanley Investment Management (MSIM) is the asset management division of Morgan Stanley.

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