A Sub-Fund of Morgan Stanley Investment Funds

European High Yield Bond

HIGH YIELD TEAM

Investors should note that, relative to the expectations of the Autorité des Marchés Financiers, this UCITS presents disproportionate communication on the consideration of extra-financial criteria in its management.

Performance Review

In the one month period ending 30 September 2025, the Fund's Z shares returned 0.62% (net of fees)[1], while the benchmark returned 0.49%.

Technology and diversified financial services were the Fund's top-performing sectors relative to the benchmark in September. Relative outperformance in technology was driven by favourable credit selection and an overweight position. The primary individual contributor was an overweight position in a French technology services and consulting company. The company went through a restructuring at the end of 2024 and has been performing well as it emerges from the restructuring process. In diversified financial services, relative outperformance was driven by sound credit selection and an underweight position. The primary individual contributor was a lack of exposure to a provider of digital payment solutions that was downgraded in August. The company announced a new management team as it looks to turn around its operations.

Chemicals and homebuilders & real estate were the Fund's worst-performing sectors relative to the benchmark during the month, both due to challenging credit selection. In chemicals, an underweight position to a speciality chemicals company was the main detractor. The bonds fell after the company reported poor earnings at the end of August, but partially recovered during the month. An overweight position in a private office landlord in Belgium was the top detractor in homebuilders & real estate. The Fund's holding in the issuer delivered modest positive returns but underperformed the broader market and sector.

In terms of performance by ratings segment, sound credit selection and an underweight position in bonds rated CCC or below contributed positively to relative performance. Credit selection in BB-rated bonds also helped relative returns. Conversely, credit selection in B-rated bonds hurt relative returns.

Finally, an underweight position and positive credit selection in France aided returns. Credit selection in Italy also contributed positively. Conversely, an overweight position in sterling-denominated bonds detracted from relative performance.

Market Review

Performance was positive for the sixth month in a row in European high yield markets. Coupon income accounted for almost all of the total return, as the yield on 5-year German government bonds rose by about 0.03% alongside a marginal tightening in high yield credit spreads.[2] The market has appeared mostly impervious to any potential downside catalysts on the macroeconomic front, with negative headlines continuing to emanate from the U.K. and France. "Core" European economies appear to be faring worse than places like Ireland, Spain, Greece and Italy. Higher yields continue to attract investors to the high yield market (and investment grade markets), with strong demand providing ample support for prices.[2]

The ICE BofA European Currency High Yield 3% Constrained Excluding Subordinated Financials Index (EUR-Hedged) returned 0.49% in September. The spread-to-worst fell 12 basis points (bps) to end the month at 299 bps, while the yield-to-worst fell by 0.08% to end the month at 5.30%.[2]

Broadcasting, energy, and technology were the best-performing sectors in the market during the month. Diversified financial was the worst-performing large sector in the market.[2]

Performance was positive across ratings bands, with BB-rated and B-rated bonds outperforming CCC-rated bonds. Bonds rated below CCC delivered negative returns, with price falls seen in some distressed capital structures.[2]

The technical conditions were mixed in September as issuance ramped up quickly. Against that, demand from both institutional and retail investors remained strong in Europe, with yields remaining higher than long-term averages in the market. The August lull in primary issuance was short-lived, with nearly €20 billion of new deals pricing in September. This brings the year-to-date gross total issuance to €107 billion, with 2025 likely to be the second-largest year of primary issuance of all time in European markets. This deluge of gross issuance has driven net supply above €30 billion for 2025 so far, as the market is growing quickly. In Europe, high yield funds saw just over €500 million of net inflows during the month, bringing the year-to-date net inflow to nearly €8 billion (or more than 8% of total fund assets under management).[3]

1 Source: Morgan Stanley Investment Management Limited. Data as of 30 September 2025.
2 Source: ICE Data Indices, Bloomberg L.P., Morgan Stanley Investment Management. Data as of 30 September 2025.
3 Source: J.P. Morgan. Data as of 1 October 2025.

Default activity has decreased further in European high yield markets, with only one small auto parts supplier defaulting in September (€275 million in bonds). With that, the trailing 12-month default rate has fallen to just over 3%, from a recent high of close to 5%. In the short term, this rate may tick up, as two well-flagged restructurings in the packaging and utilities sectors are likely to be finalized in the next three to six months. The distress ratio has picked up marginally, with the proportion of the market trading with spreads of more than 1000 bps now at around 5%.[3]

Strategy and Outlook

We begin the fourth quarter of 2025 with an outlook that is slightly improved, while still cautious. Peak risk and volatility emanating from evolving trade policy are likely behind us, strong second quarter U.S. economic growth metrics released in the third quarter exceeded expectations, corporate earnings were largely resilient, and a weakened lower-end consumer in the U.S. showed signs of stabilization. However, third quarter indicators, including a downshift in job growth in the U.S., a mixed bag of industry and consumer surveys and an acceleration in growth of consumer prices, are among reasons for continued caution. Ultimately, moving forward we expect a backdrop of much slower but positive growth coupled with stickier inflation, from a starting point where the average spread in high yield is only marginally above post-Global Financial Crisis (GFC) lows, but where a historically attractive yield should continue to attract capital.[4] We come to this conclusion after a thorough analysis of factors including U.S. and global economic growth, the evolving monetary policy of global central banks, consumer health, the fundamentals of high yield issuers, technical conditions, and valuations. On balance, conditions appear marginally better quarter-over-quarter, but the question ultimately is how much of this improvement is reflected in current valuations.

Forward economic growth expectations for the United Kingdom and euro area point to slower growth, with slightly slower growth expected in the euro area. Gross domestic product (GDP) growth in the U.K. reportedly slowed from 0.7% in the first quarter to 0.3% in the second quarter, and the U.K. Office for Budget Responsibility is projecting GDP to grow at 1.0% for calendar year 2025, and to accelerate to 1.9% in 2026.[5]Growth was slower in the euro area over the first half of the year, reportedly accelerating from 0.1% in the first quarter to 0.2% in the second.[6] The European Central Bank (ECB) is projecting the euro area economy to grow at a rate of 1.2% in 2025, 1.0% in 2026 and 1.3% in 2027.[6]In late September, the Organisation for Economic Co-operation and Development (OECD) released its expectations for 2026 economic growth of 2.2%, 1.0%, and 1.0% in the U.S., U.K., and euro area, respectively.[7]

Global central banks are navigating a precarious period, with disparate and uncertain inflation backdrops across regions. In Europe, inflation appears tame relative to both the U.S. and U.K., and current monetary policy reflects it. In August, headline inflation in the eurozone was approximately 2.0%, and core inflation 2.3%. The ECB is projecting headline inflation will average 2.1% in 2025 and slow to 1.7% in 2026.[8] The ECB maintained its key policy rate at 2.0% in September. In the U.K., the 12-month consumer price index (CPI) was reportedly 3.8% in August and expected to increase modestly in September, before beginning to fall back toward 2% thereafter.[9] The Bank of England made the decision to maintain its key policy rate at 4.0% in September. Meanwhile, in the U.S., inflation showed definitive signs of acceleration in late summer, and the forward path of inflation is of clear concern. The Bureau of Labor Statistics (BLS) reported U.S. headline CPI rose 0.4% month-over-month in August, and on a 12-month basis increased 2.9% year-over-year in August. U.S. core CPI rose 0.2% month-over-month in August, and on a 12-month basis increased 3.2% year-over-year, according to BLS data. At its September meeting, the Federal Reserve (Fed) increased its projections for 2026 headline and core inflation to 2.6% apiece.[10] We expect inflation in 2026 will likely prove sticky and remain closer to 3% as businesses look to continue to defend margins and pass on rising input costs. Complicating the Fed's decision on its key policy rate was a concern over the potential for further softening in the labour market. This concern clearly weighed on the Fed's decision in September as it chose to reduce its key policy rate to 4.0%.[10] Our expectation is for the Fed to make one more quarter-point reduction in the fourth quarter if current labour market conditions persist, with the potential for an additional cut before year-end should labour data further deteriorate.

The pace of primary issuance in the high yield market remained elevated in the third quarter, with only a modest slowdown in August, before picking back up again in September. Ultimately, the third quarter saw total gross issuance volume of €37 billion.[3] With limited exceptions, issuers generally found a receptive investor base. Our estimate for full-year gross issuance volume has increased given the surge in third quarter issuance. Finally, institutional demand from global yield-based investors in the third quarter remained remarkably firm, in aggregate. We expect demand from this cohort to remain supportive given average yields that, while materially lower quarter-over-quarter, remain attractive in a historical context. We also expect that investors will likely remain less receptive to aggressive and lower-rated opportunities over the near-to-intermediate term.

The pace of liability management exercises (LMEs) among high yield bond and leveraged loan issuers remains elevated; however, the aggregate volume of distressed exchanges and traditional defaults in high yield bonds remains manageable and well below

---

3 Source: J.P. Morgan. Data as of 1 October 2025.
4 Source: ICE BofA European Currency Developed Markets High Yield Excluding Subordinated Financials Constrained Index, Morgan Stanley Investment Management. Data as of 30 September 2025.
5 Source: Office for Budget Responsibility, United Kingdom. Data as of 30 September 2025.
6 Source: European Central Bank Data Portal. Data as of 5 September 2025.
7 Source: Organisation for Economic Co-operation and Development. Data as of 23 September 2025.
8 Source: European Central Bank Data Portal. Data as of 17 September 2025.
9 Source: Bank of England. Data as of 18 September 2025.
10 Source: Board of Governors of the Federal Reserve System. Data as of 17 September 2025.

long-term averages. The trailing 12-month par-weighted default rate for high yield issuers, inclusive of distressed exchanges, decreased from 4.04% at the end of the second quarter to 3.29% at the end of September.[3] Over the next several quarters, our base case is that default and LME activity in leveraged credit will likely continue to creep higher, with a notable contribution coming from companies that have executed an LME over the past couple of years in an unsuccessful bid to fix their capital structure. In general, approximately half of all LMEs re-default in the subsequent three years, with the subsequent default resulting in lower recovery rates.[11] We expect the default rate for high yield bonds inclusive of distressed exchanges to likely finish 2025 in the context of 3%-4% on a forward-looking basis, with a couple of well-telegraphed restructurings expected to be formalised in the next three to six months.

We begin the fourth quarter with an average spread that is approximately 36 bps lower quarter-over-quarter, and an average yield that is nearly 27 bps lower quarter-over-quarter and modestly above the long-term historical average.[4] We believe valuations across several segments of the high yield market have compressed below fair value in light of the many risks facing our market, and we expect to reach wider peak spreads in the coming months. However, we believe there remains opportunity. We continue to identify idiosyncratic situations to capture spread compression, even in segments where we think valuations, at the sector level, will likely widen moving forward. We are also evaluating new opportunities in more cyclical segments that appear to be at or near cyclical troughs. Finally, there remains opportunity in challenged segments where neatly structured covenants, adequate loan-to-value ratios, and appropriate risk compensation form to represent compelling investment opportunities.

Our strategy remains slightly under-risked relative to the ICE BofA European Currency Developed Markets High Yield Excluding Subordinated Financials Constrained Index, based on a duration-times-spread (DTS) ratio in non-distressed high yield credit moderately below 1. We modestly increased the DTS ratio in this "performing" segment of our market, reflecting our positive view on several individual opportunities where we are being compensated with above-market spread. Our DTS in the distressed segment of our market at quarter-end remained at approximately 0.19, reflecting minimal exposure relative to the ICE BofA European Currency Developed Markets High Yield Excluding Subordinated Financials Constrained Index. We think the slightly more conservative positioning is likely to benefit our investors in times of market turbulence, and complementing this core with sizable opportunistic positions in high conviction situations should provide attractive positive convexity as these idiosyncratic credit stories play out. Much has been written about compressed spreads in the high yield market, and comparisons to levels reached prior to the Global Financial Crisis — while not unjustified — are a bit tired. Despite our expectation for additional spread widening, we remain encouraged by the fact that credit quality remains near record highs, with approximately 66% of the high yield bond market rated BB and only approximately 5% rated CCC or lower.[4] Additionally, today's high yield market has a historically low duration of less than three years.[4] This was certainly not the case in 2007. We believe that our current risk positioning is justified, all-in yield remains historically appropriate, and yield per unit of duration appears compelling. At the same time, credit risk is increasing and complacency will likely continue to be penalized. We will focus our holdings in segments where we believe growth and free cash flow are most durable and convexity remains most compelling.

In conclusion, we remain in an uncertain environment, but one where we assess the risk of recession over the near term to be low. Fundamentals and technical conditions remain largely supportive and, on average, yield compensation is broadly appropriate; however, additional spread compression has resulted in valuations that are more exposed to future bouts of volatility. We expect the balance of 2025 will likely be a competitive period for high yield, and our base case calls for relatively range-bound spreads, but with risk skewed toward higher spreads. Geopolitical tensions are perhaps more heightened than just three months ago, particularly between NATO-member countries and Russia, and hopes for an ultimate resolution in the Russia-Ukraine war in the near term appear to have all but vanished. Meanwhile, legislative dysfunction over differing fiscal priorities has stymied the passage of long-term government funding bills in the U.S. and in several European countries. Amid an uncertain and potentially volatile backdrop, we will continue to spend our time concentrating on what we do best — focusing on bottom-up fundamental credit analysis with a discerning eye on relative value, as we seek to generate positive risk-adjusted alpha for our clients.

For further information, please contact your Morgan Stanley Investment Management representative.

Fund Facts

Launch date	01 December 1998
Base currency	Euro
Benchmark	ICE BofA European Currency High Yield 3% Constrained Ex-Sub Financials Index

[3] Source: J.P. Morgan. Data as of 1 October 2025.
[4] Source: ICE BofA European Currency Developed Markets High Yield Excluding Subordinated Financials Constrained Index, Morgan Stanley Investment Management. Data as of 30 September 2025.
[11] Source: Goldman Sachs. Data as of 12 September 2025.

Calendar Year Returns (%)

Past performance is not a reliable indicator of future results.

	YTD	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Class Z Shares	3.81	8.36	12.17	-10.97	3.41	2.22	10.54	-4.46	6.36	9.84	1.38
Blended Benchmark	4.68	8.56	12.14	-11.75	3.25	2.82	10.95	-3.34	6.22	10.07	0.85

All performance data is calculated NAV to NAV, net of fees, and does not take account of commissions and costs incurred on the issue and redemption of shares. The sources for all performance and index data is Morgan Stanley Investment Management ('MSIM Ltd'). **Please visit our website www.morganstanley.com/im to see the latest performance returns for the fund's other share classes.**

Share Class Z Risk and Reward Profile

- The fund may be impacted by movements in the exchange rates between the fund's currency and the currencies of the fund's investments.
- The value of bonds are likely to decrease if interest rates rise and vice versa.
- The value of financial derivative instruments are highly sensitive and may result in losses in excess of the amount invested by the Sub-Fund.
- Issuers may not be able to repay their debts, if this happens the value of your investment will decrease. This risk is higher where the fund invests in a bond with a lower credit rating.
- The fund relies on other parties to fulfill certain services, investments or transactions. If these parties become insolvent, it may expose the fund to financial loss.
- Sustainability factors can pose risks to investments, for example: impact asset values, increased operational costs.
- There may be an insufficient number of buyers or sellers which may affect the funds ability to buy or sell securities.
- Investment in Fixed Income Securities via the China Interbank Bond Market may also entail additional risks, such as counterparty and liquidity risk.
- Past performance is not a reliable indicator of future results. Returns may increase or decrease as a result of currency fluctuations. The value of investments and the income from them can go down as well as up and investors may lose all or a substantial portion of his or her investment.
- The value of the investments and the income from them will vary and there can be no assurance that the Fund will achieve its investment objectives.
- Investments may be in a variety of currencies and therefore changes in rates of exchange between currencies may cause the value of investments to decrease or increase. Furthermore, the value of investments may be adversely affected by fluctuations in exchange rates between the investor's reference currency and the base currency of the investments.

Please refer to the Prospectus for full risk disclosures, available at www.morganstanleyinvestmentfunds.com. All data as of 30.09.2025 and subject to change daily.

Applications for shares in the Sub-Fund should not be made without first consulting the current Prospectus and the Key Information Document ("KID") or Key Investor Information Document ("KIID"), which are available in English and in the language of countries authorized for fund distribution and is available online at Morgan Stanley Investment Funds Webpages or free of charge from the Registered Office at European Bank and Business Centre, 6B route de Trèves, L-2633 Senningerberg, R.C.S. Luxemburg B 29 192.

The summary of investor rights is available in the aforementioned languages and website location under the General Literature section.

Information in relation to sustainability aspects of the Fund is available in English online at: Sustainable Finance Disclosure Regulation.

If the management company of the relevant Fund decides to terminate its arrangement for marketing that Fund in any EEA country where it is registered for sale, it will do so in accordance with the UCITS rules..

IMPORTANT INFORMATION

This material has been prepared solely for informational purposes and does not constitute an offer or a recommendation to buy or sell any particular security or to adopt any specific investment strategy. Investors should be aware that a diversified strategy does not protect against a loss in a particular market.

All investments involve risks, including the possible loss of principal. The material contained herein has not been based on a consideration of any individual client 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.

The use of leverage increases risks, such that a relatively small movement in the value of an investment may result in a disproportionately large movement, unfavourable as well as favourable, in the value of that investment and, in turn, the value of the Fund.

Investment in the Fund concerns the acquisition of units or shares in a fund, and not in a given underlying asset such as building or shares of a company, as these are only the underlying assets owned.

Morgan Stanley Investment Management 'MSIM', the asset management division of Morgan Stanley (NYSE: MS) has not authorised financial intermediaries to use and to distribute this material, unless such use and distribution is made in accordance with applicable law and regulation. MSIM shall not be liable for, and accepts no liability for, the use or misuse of this material by any such financial intermediary. If you are a distributor of the Morgan Stanley Investment Funds, some or all of the funds or shares in individual funds may be available for distribution. Please refer to your sub-distribution agreement for these details before forwarding fund information to your clients.

Where such a translation is made, this English version remains definitive; any discrepancies with another language, the English version prevails.

This material has been prepared on the basis of publicly available information, internally developed data and other third-party sources believed to be reliable. However, no assurances are provided regarding the reliability of such information and MSIM, the Firm has not sought to independently verify information taken from public and third-party sources.

Charts and graphs provided herein are for illustrative purposes only and subject to change.

INDEX INFORMATION

The Blended Index performance shown is calculated using the **ICE BofA European Issuers High Yield Index** from inception through 31 July 2002, the **ICE BofA European Currency Constrained High Yield Index** to 31 March 2009 and the **ICE BofA European Currency High Yield 3% Constrained Ex-Sub Financials Index** thereafter.

The **ICE BofA European Currency Constrained high yield index**: The index is designed to track the performance of euro- and British pound sterling-denominated below investment grade corporate debt publicly issued in the eurobond, sterling domestic or euro domestic markets by issuers around the world.

The **ICE BofA European Currency High Yield 3% Constrained Ex-Sub Financials Index**: contains all non-Sub Financial securities in the ICE BofA European Currency High Yield Index but caps issuer exposure at 3%. Index constituents are capitalization-weighted, based on their current amount outstanding, provided the total allocation to an individual issuer does not exceed 3%.

The **ICE BofA European Issuers High Yield Index:** The index is designed to track the performance of USD, EUR and GBP denominated below investment grade corporate debt publicly issued by European corporations in the US, sterling or euro domestic or the eurobond markets.

The indexes are unmanaged and do 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. Any product based on an index is in no way sponsored, endorsed, sold or promoted by the applicable licensor and it shall not have any liability with respect thereto. The Sub-Fund is actively managed, and the management of the fund is not constrained by the composition of the Benchmark.

A blended benchmark has been used because there has been a change in benchmark during the reporting period shown.

DISTRIBUTION

This material is only intended for and will be only distributed to persons resident in jurisdictions where such distribution or availability would not be contrary to local laws or regulations. It is the responsibility of any person in possession of this material and any persons wishing to make an application for Shares in pursuant to the Prospectus to inform themselves and observe all applicable laws and regulations of any relevant jurisdictions.

MSIM and its affiliates have arrangements in place to market each other's products and services. Each MSIM affiliate is regulated as appropriate in the jurisdiction it operates. MSIM's affiliates are:Eaton Vance Advisers International Ltd, Calvert Research and Management, Eaton Vance Management, Parametric Portfolio Associates LLC, Atlanta Capital Management LLC and Parametric SAS.

In the EU, this material is issued by MSIM Fund Management (Ireland) Limited ('FMIL'). FMIL is regulated by the Central Bank of Ireland and is incorporated in Ireland as a private company limited by shares with company registration number 616661 and has its registered address at 24-26 City Quay, Dublin 2, DO2 NY19, Ireland.

Outside the EU, this material is issued by MSIM Ltd is authorized and regulated by the Financial Conduct Authority. Registered in England. Registered No. 1981121. Registered Office: 25 Cabot Square, Canary Wharf, London E14 4QA.

Switzerland: MSIM materials are available in German and are issued by Morgan Stanley & Co. International plc, London (Zurich Branch) Authorised and regulated by the Eidgenössische Finanzmarktaufsicht ("FINMA"). Registered Office: Beethovenstrasse 33, 8002 Zurich, Switzerland.

Saudi Arabia: This document may not be distributed in the Kingdom except to such persons as are permitted under the Investment Funds Regulations issued by the Capital Market Authority. The Capital Market Authority does not make any representation as to the accuracy or completeness of this document, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this document. Prospective subscribers of the securities offered hereby should conduct their own due diligence on the accuracy of the information relating to the securities to be offered. If you do not understand the contents of this document, you should consult an authorised financial adviser.

This financial promotion was issued and approved for use in Saudi Arabia by Morgan Stanley Saudi Arabia, Al Rashid Tower, Kings Sand Street, Riyadh, Saudi Arabia, authorized and regulated by the Capital Market Authority license number 06044-37.

Hong Kong: This material is disseminated by Morgan Stanley Asia Limited for use in Hong Kong and shall only be made available to "professional investors" as defined under the Securities and Futures Ordinance of Hong Kong (Cap 571). The contents of this material have not been reviewed nor approved by any regulatory authority including the Securities and Futures Commission in Hong Kong. Accordingly, save where an exemption is available under the relevant law, this material shall not be issued, circulated, distributed, directed at, or made available to, the public in Hong Kong.

Singapore: This material should not be considered to be the subject of an invitation for subscription or purchase, whether directly or indirectly, to the public or any member of the public in Singapore other than (i) to an institutional investor under section 304 of the Securities and Futures Act, Chapter 289 of Singapore ("SFA"); or (ii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA. In particular, for investment funds that are not authorized or recognized by the MAS, units in such funds are not allowed to be offered to the retail public; any written material issued to persons as aforementioned in connection with an offer is not a prospectus as defined in the SFA and, accordingly, statutory liability under the SFA in relation to the content of prospectuses does not apply, and investors should consider carefully whether the investment is suitable for them. In cases where you are dealing with a representative of Morgan Stanley Asia Limited, and where such representative is acting on behalf of Morgan Stanley Asia Limited, please note that such representative is not subject to regulatory requirements issued by the Monetary Authority of Singapore nor is under the supervision of the Monetary Authority of Singapore. For any issues which may arise in your dealing with such representative, please approach the Singapore-based contact person who has been established as your local contact person.

Australia: This material is provided by Morgan Stanley Investment Management (Australia) Pty Ltd ABN 22122040037, AFSL No. 314182 and its affiliates and does not constitute an offer of interests. Morgan Stanley Investment Management (Australia) Pty Limited arranges for MSIM affiliates to provide financial services to Australian wholesale clients. Interests will only be offered in circumstances under which no disclosure is required under the Corporations Act 2001 (Cth) (the "Corporations Act"). Any offer of interests will not purport to be an offer of interests in circumstances under which disclosure is required under the Corporations Act and will only be made to persons who qualify as a "wholesale client" (as defined in the Corporations Act). This material will not be lodged with the Australian Securities and Investments Commission.

Chile: Potential investors are advised that this document refers to foreign securities that may be registered in the Foreign Securities Register ("FSR") from the Commission for Financial Markets (Comisión para el Mercado Financiero or "CMF") (the "Registered Securities") or that may not be registered in the FSR (the "Non-Registered Securities").

For Registered Securities, please be advised: The securities being offered are foreign. Shareholder rights and obligations are those of the issuer's home jurisdiction. Shareholders and potential investors should inform themselves on what those rights and obligations are and how to exercise them. CMF supervision of the securities is limited to information requirements in Rule 352, overall supervision is conducted by the foreign regulator in the issuer's home jurisdiction. Public information available for the securities is exclusively that required by the foreign regulator and accounting principles and auditing rules might differ to those applicable to Chilean issuers. The provisions on Article 196 of Law 18.045 are applicable to all parties involved in the registration, deposit, transaction and other acts associated with the foreign securities ruled by Title XXIV of Law 18.045.

For Non-Registered Securities, please be advised: THE SECURITIES INCLUDED IN THIS DOCUMENT ARE NOT REGISTERED IN THE FSR AND OFFERS REGARDING SUCH SECURITIES WILL BE CONDUCTED SUBJECT TO GENERAL RULE N°336 OF THE CMF, BEGINNING AT THE DATE OF THIS DOCUMENT. THESE ARE FOREIGN SECURITIES AND THEIR ISSUER IS UNDER NO OBLIGATION TO PROVIDE PUBLIC DOCUMENTS IN CHILE. THE SECURITIES ARE NOT SUBJECT TO THE SUPERVISION OF THE CMF AND CANNOT BE PUBLICLY OFFERED. THEREFORE, THIS DOCUMENT AND OTHER OFFERING MATERIALS RELATING TO THE OFFER OF THE INTERESTS IN THE FUND DO NOT CONSTITUTE A PUBLIC OFFER OF, OR AN INVITATION TO SUBSCRIBE FOR OR PURCHASE, THE FUND INTERESTS IN THE REPUBLIC OF CHILE.

Please contact your local Distributor or the person who provided this document for information on the registration status of specific securities.

Peru: The Fund is a sub Fund of the Morgan Stanley Investment Funds, a Luxembourg domiciled Société d'Investissement à Capital Variable (the "Company") is registered in the Grand Duchy of Luxembourg as an undertaking for collective investment pursuant to Part 1 of the Law of 17th December 2010, as amended. The Company is an Undertaking for Collective Investment in Transferable Securities ("UCITS"). If the Fund and the interests in the Fund have been registered in Peru under ***Decreto Legislativo 862: Ley de Fondos de Inversión y sus Sociedades Administradoras*** as amended; under ***Decreto Legislativo 861: Ley del Mercado de Valores*** (the "Securities Market Law") as amended, and under the ***Reglamento del Mercado de Inversionistas Institucionales*** approved by ***Resolución SMV N°021-2013-SMV/01*** as amended by the ***Resolución de Superintendente N°126-2020-SMV/02*** (the "***Reglamento 1***") and ***Resolución de Superintendente N°035-2021-SMV/02*** (the "***Reglamento 2***"), and are being offered to institutional investors only (as defined in article 8 of the Securities Market Law) under the special public offering directed exclusively to the institutional investors under the ***Reglamento 1 and Reglamento 2***, then the interests in the Fund will be registered in the Section ***"Del Mercado de Inversionistas Institucionales"*** of the Securities Market Public Registry (***Registro Público del Mercado de Valores***) maintained by the ***Superintendencia del Mercado de Valores (SMV),*** and the offering of the Fund interests in Peru only to institutional investors will be subject to the supervision of the SMV, as well as any transfers of the Fund interests shall be subject to the limitations contained in the Securities Market Law and the regulations issued thereunder mentioned before, under which the Fund interests may only be transferred between institutional investors under Article 27 of the ***Reglamento 1 and Reglamento 2***. If neither the Fund nor the interests in the Fund have been and will not be registered in Peru under ***Decreto Legislativo 862*** and under ***Decreto Legislativo 861 referenced above***, nor they will be subject to a public offering directed to institutional investors under the ***Reglamento 1***, and will be offered to institutional investors only (as defined in article 8 of the Securities Market Law) pursuant to a private placement, according to article 5 of the Securities Market Law, the interests in the Fund will not be registered in the Securities Market Public Registry maintained by the ***SMV,*** and the offering of the Fund interests in Peru to institutional investors nor the Fund will be subject to the supervision of the SMV, and any transfers of the Fund interests shall be subject to the limitations contained in the Securities Market Law and the regulations issued thereunder mentioned before, under which the Fund interests may only be transferred between institutional investors.