

Morgan Stanley Institutional Fund

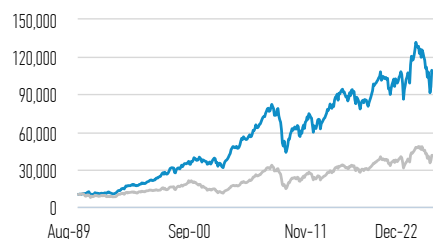
International Equity Portfolio

Investment Objective: Seeks long-term capital appreciation by investing primarily in equity securities of non-U.S. issuers.

Investment Approach: The Portfolio is actively managed by consistently applying strict investment criteria to help identify attractive businesses at a discount to their long-term fair value. In-depth fundamental company research is paramount to the team's bottom-up stock selection process with emphasis on companies with high or improving Returns on Operating Capital Employed, recurring cash flows and capable management. This investment discipline is maintained by strict adherence to the team's longstanding investment process.

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

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



— Class I Shares
— MSCI EAFE Index

Investment Team	JOINED FIRM	INDUSTRY EXPERIENCE
William Lock	1994	31 Years
Bruno Paulson	2009	29 Years
Nic Sochovsky	2015	25 Years
Marcus Watson	2008	15 Years
Alex Gabriele	2012	14 Years
Nathan Wong	2017	23 Years
Marte Borhaug	2021	13 Years
Vladimir A. Demine	2009	21 Years
Richard Perrott	2015	17 Years
Isabelle Mast	2021	18 Years

Team members may be subject to change at any time without notice. The investment team currently has 14 members; information on additional team members can be found on msim.com.

Investment Performance (% net of fees) in USD

	Cumulative (%)			Annualized (% p.a.)			
	4Q22	YTD	1 YR	3 YR	5 YR	10 YR	INCEPTION
Class I Shares	18.10	-14.18	-14.18	-0.13	0.66	3.70	7.38
MSCI EAFE Index	17.34	-14.45	-14.45	0.87	1.54	4.67	4.33

Calendar Year Returns (%)

	2022	2021	2020	2019	2018	2017	2016
Class I Shares	-14.18	4.19	11.42	20.37	-13.80	25.17	-2.00
MSCI EAFE Index	-14.45	11.26	7.82	22.01	-13.79	25.03	1.00

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. 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 December 31, 2022, 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	MIQBX	61744J499	1.07	1.07
Class C	MSECX	61760X372	2.33	2.05
Class I	MSIQX	61744J408	1.01	0.95
Class R6	MIQPX	61760X760	0.91	0.91

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. The minimum initial investment is \$1,000,000 for Class I shares.

INTERNATIONAL EQUITY TEAM



Morningstar
Analyst Rating™

Morningstar Analysts have rated the fund a bronze medal (effective 11/18/2022). Fewer than 33% of the U.S. Open End funds have a medalist rating (effective 12/31/22).^A

Morningstar Rankings - Class I

	PERCENTILE	RANK/TOTAL IN CATEGORY
1 YR	27	184/744
3 YR	70	501/704
5 YR	69	407/611
10 YR	73	298/422

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

Fund Facts

Inception date	August 04, 1989
Total net assets	\$ 1.3 billion
Benchmark ¹	MSCI EAFE Index
Distribution frequency	Annually

Statistics (3 Year Annualized)	CLASS I	INDEX
Alpha (%)	-0.99	--
Beta (vs. benchmark)	0.99	1.00
Excess return (%)	-0.99	--
Information ratio	-0.19	--
R squared	0.94	1.00
Sharpe ratio	-0.04	0.01
Standard deviation (%)	20.62	20.25
Tracking error (%)	5.18	--
Up-capture ratio (%)	95.23	100.00
Down-capture ratio (%)	99.45	100.00

Characteristics	FUND	INDEX
Active share (%)	81.21	--
Number of holdings	64	796
Price/earnings (NTM) [†]	14.17	12.04
Price/free cash flow (NTM) [†]	16.50	15.31
Turnover (%) [*]	20	--

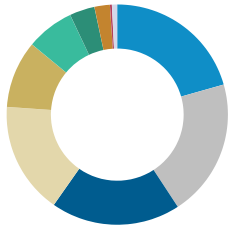
[†] NTM = Next Twelve Months.

^{*} Turnover is sourced from the fund's current prospectus.

Top Countries
(% of Total Net Assets)^{#,2}

	FUND	INDEX
United Kingdom	22.73	15.27
France	17.35	11.85
Germany	14.17	8.15
Japan	6.15	21.94
Canada	5.86	--
Switzerland	5.61	10.14
Sweden	5.31	3.33
South Korea	3.38	--
Denmark	2.76	2.97
Netherlands	2.38	4.25
Other	13.23	22.10
Cash	0.76	--

Sector Allocation (% of Total Net Assets)[#]



	FUND	INDEX
Industrials	20.54	15.06
Financials	20.13	18.66
Consumer Staples	18.88	10.47
Information Technology	16.35	7.81
Health Care	9.85	13.55
Consumer Discretionary	6.98	11.12
Energy	3.67	4.95
Materials	2.25	7.80
Communication Services	0.30	4.46
Cash	0.76	--

Top Holdings (% of Total Net Assets)

	FUND	INDEX
SAP SE	3.17	0.75
Prudential Plc	2.84	0.26
Reckitt Benckiser Plc	2.78	0.35
Shell plc	2.78	1.43
Constellation Software Inc	2.72	--
Safran S.A.	2.53	0.30
Heineken NV	2.38	0.17
LVMH Moët Hennessy Louis Vuitton SE	2.25	1.41
Associated British Foods plc	2.25	0.05
Barrick Gold Corp	2.25	--
Total	25.95	--

[#] May not sum to 100% due to the exclusion of other assets and liabilities.

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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 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 100 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: ⁽¹⁾ The **MSCI EAFE Index (Europe, Australasia, Far East)** is a free float-adjusted market capitalization index that is designed to measure the international equity market performance of developed markets, excluding the US & Canada. 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 MSCI EAFE Index currently consists of 21 developed market country indices. 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. **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. Investments in **small- and medium- capitalization** companies tend to be more volatile and less liquid than those of larger, more established, companies. The risks of investing in **emerging market countries** are greater than risks associated with investments in foreign developed markets. **Derivative instruments** can be illiquid, may disproportionately increase losses and may have a potentially large negative impact on the portfolio's performance. **Illiquid securities** may be more difficult to sell and value than publicly traded securities (liquidity risk). **Privately placed and restricted securities** may be subject to resale restrictions as well as a lack of publicly available information, which will increase their illiquidity and could adversely affect the ability to value and sell them (liquidity risk).

***Morningstar Analyst Ratings:** A high rating should not be construed as a guarantee for relatively strong performance. The Morningstar Analyst Rating is not a credit or risk rating. It is a subjective evaluation performed by Morningstar's Manager Research Group ("MRG"). The MRG evaluates funds based on five key pillars, which are process, performance, people, parent, and price. The MRG uses this five pillar evaluation to determine how they believe funds are likely to perform relative to a benchmark over the long term on a risk-adjusted basis. They consider quantitative and qualitative factors in their research, and the weight of each pillar may vary. The Analyst Rating scale is Gold, Silver, Bronze, Neutral, and Negative. A Morningstar Analyst Rating of Gold, Silver, or Bronze reflects the MRG's conviction in a fund's prospects for outperformance. Analyst Ratings ultimately reflect the MRG's overall assessment, are overseen by an Analyst Rating Committee, and are continuously monitored and reevaluated at least every 14 months. For more detailed information about Morningstar's Analyst Rating, including its methodology, please go to global.morningstar.com/manager-disclosures/. The Morningstar Analyst Rating (i) should not be used as the sole basis in evaluating a fund, (ii) involves unknown risks and uncertainties which may cause Analyst expectations not to occur or to differ significantly from what they expected, and (iii) should not be considered an offer or solicitation to buy or sell the fund.

Morningstar: As of December 31, 2022. **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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Past performance is no guarantee of future results. Morningstar information is based on quarter-end data. Please visit morganstanley.com/im for the latest month-end Morningstar information.

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, download one at morganstanley.com/im or call 1-800-548-7786. Please read the prospectus carefully before investing.

Morgan Stanley Investment Management (MSIM) is the asset management division of Morgan Stanley.