

Morgan Stanley

INVESTMENT MANAGEMENT

MS INVF Global Sustain Fund: **Strong on Engagement, Light on Carbon, Built on Quality**

Candida de Silva, Senior Portfolio Specialist, International Equity Team
Fund Forum Hybrid 2022, July 7th, 2022

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Important Information

This is a marketing communication. Applications for shares in the Fund should not be made without first consulting the current Prospectus and the Key Investor Information Document ("KIID"), which are available in English and in the official language of your local jurisdiction at morganstanleyinvestmentfunds.com or free of charge from the Registered Office of Morgan Stanley Investment Funds, European Bank and Business Centre, 6B route de Trèves, L-2633 Senningerberg, R.C.S. Luxembourg B 29 192. A summary of investor rights is available in English at the same website. 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 relevant UCITS rules.

Risk Considerations

The fund relies on other parties to fulfil certain services, investments or transactions. If these parties become insolvent, it may expose the fund to financial loss. There may be an insufficient number of buyers or sellers which may affect the fund's ability to buy or sell securities. Investment in China A-Shares via Shanghai-Hong Kong and Shenzhen-Hong Kong Stock Connect programs may also entail additional risks, such as risks linked to the ownership of shares.

Foreign and emerging market securities. 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. **Equity securities.** In general, equity securities' values fluctuate in response to activities specific to a company. **Small- and mid-cap stocks.** Stocks of small- and medium-sized companies entail special risks, such as limited product lines, markets, and financial resources, and greater market volatility than securities of larger, more established companies. **Derivatives.** Investments in derivatives can magnify volatility, can be illiquid, may disproportionately increase losses and may have a potentially large negative impact on the portfolio's performance. **Non-diversification.** 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. There are important differences in how the strategy is carried out in each of the investment vehicles. Please consider the investment objectives, risks, charges and expenses of the funds carefully before investing. The prospectus contains this and other information about the funds. To obtain a prospectus, contact your financial professional or download one at morganstanley.com/im. Please read the prospectus carefully before investing.

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.



Where are We Now?

2022 is Shaping up to be an Eventful Year for Markets

*“There are decades where nothing happens
and there are weeks where decades happen.”*



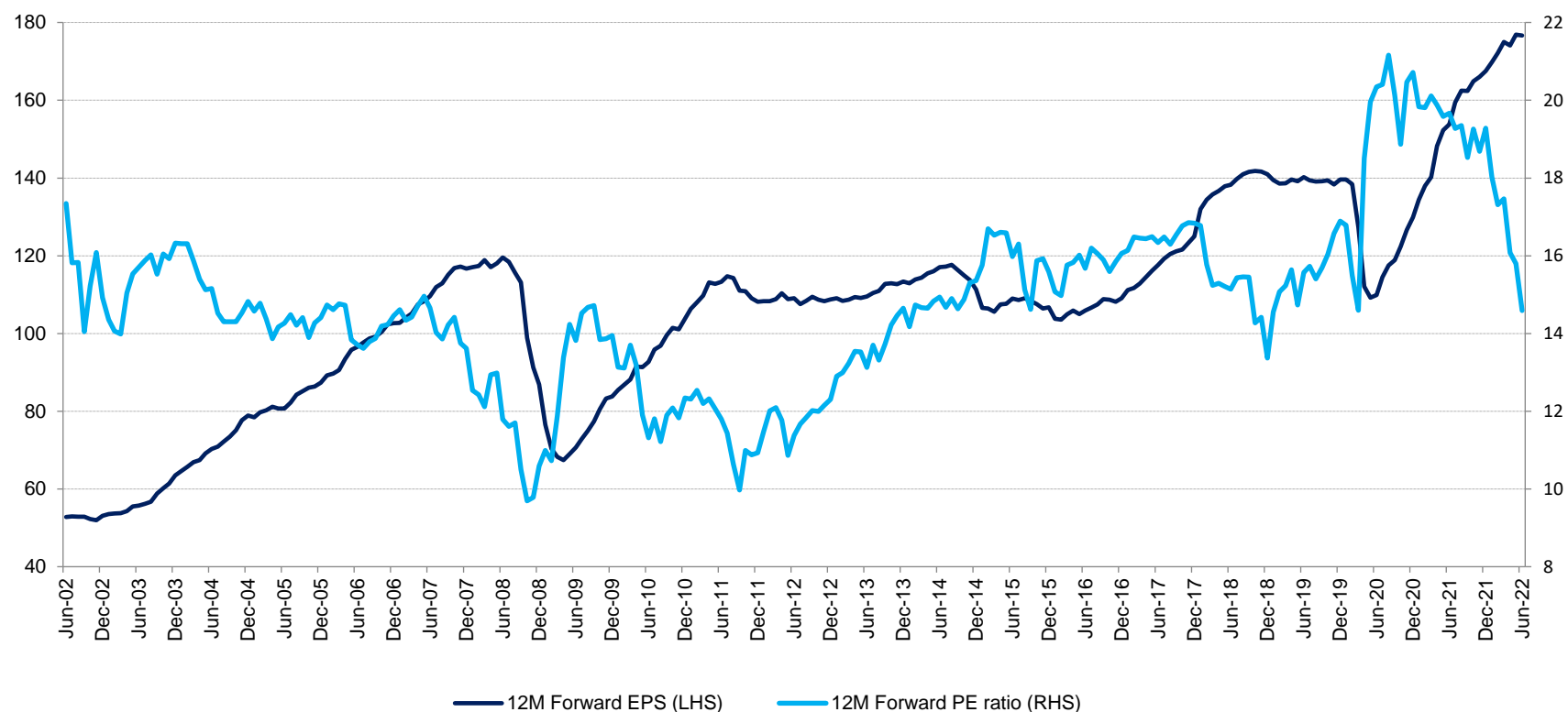
Lenin

Market Fall Due To Derating, As Earnings Continued To Rise

MSCI World EPS expectations 12m forward and PE 12m forward

MSCI World EPS 12M

MSCI World PE Ratio 12M

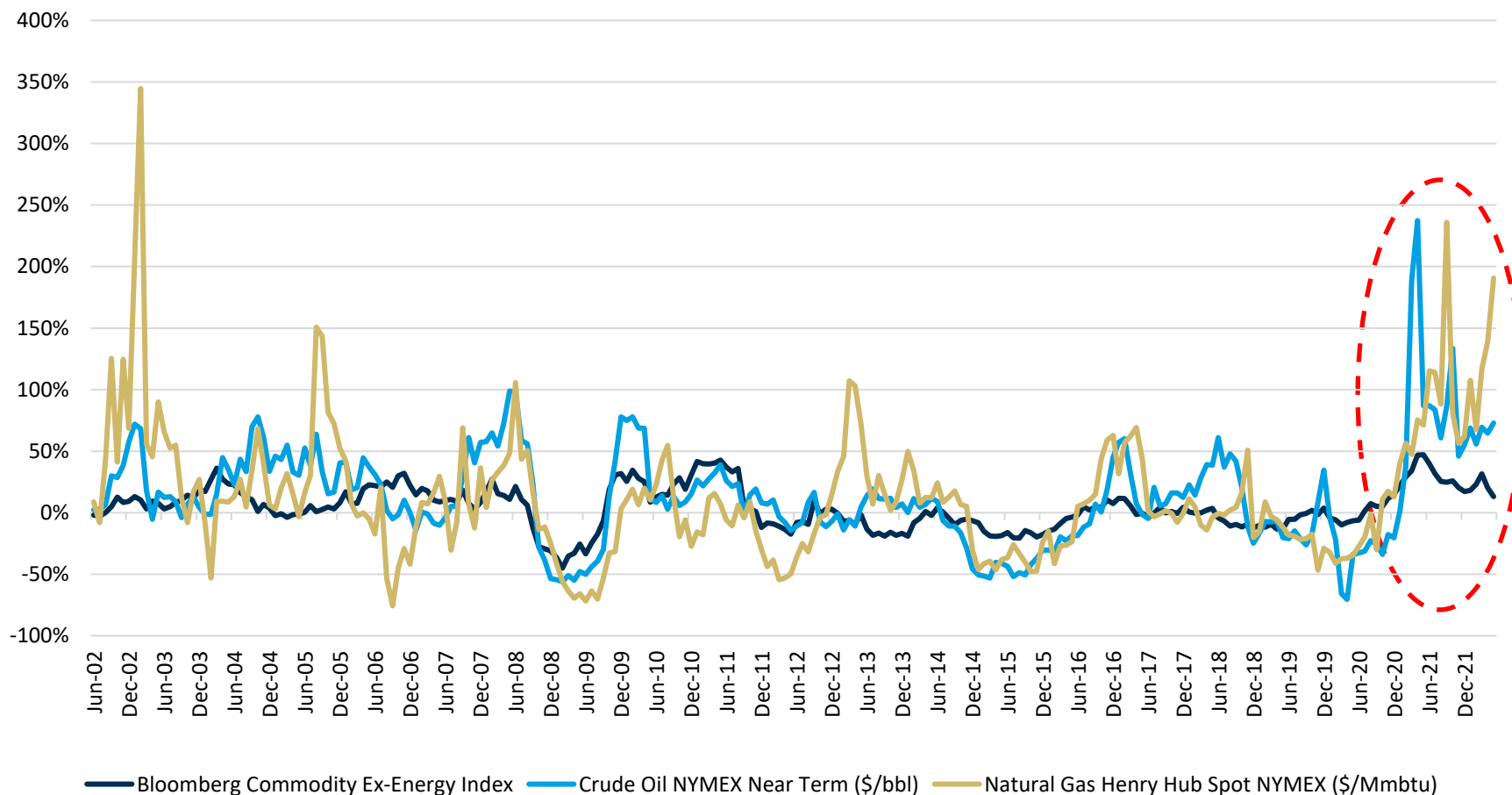


Source: FactSet. Data as of June 30, 2022.

Inflation has Taken Over from COVID as a Market Preoccupation

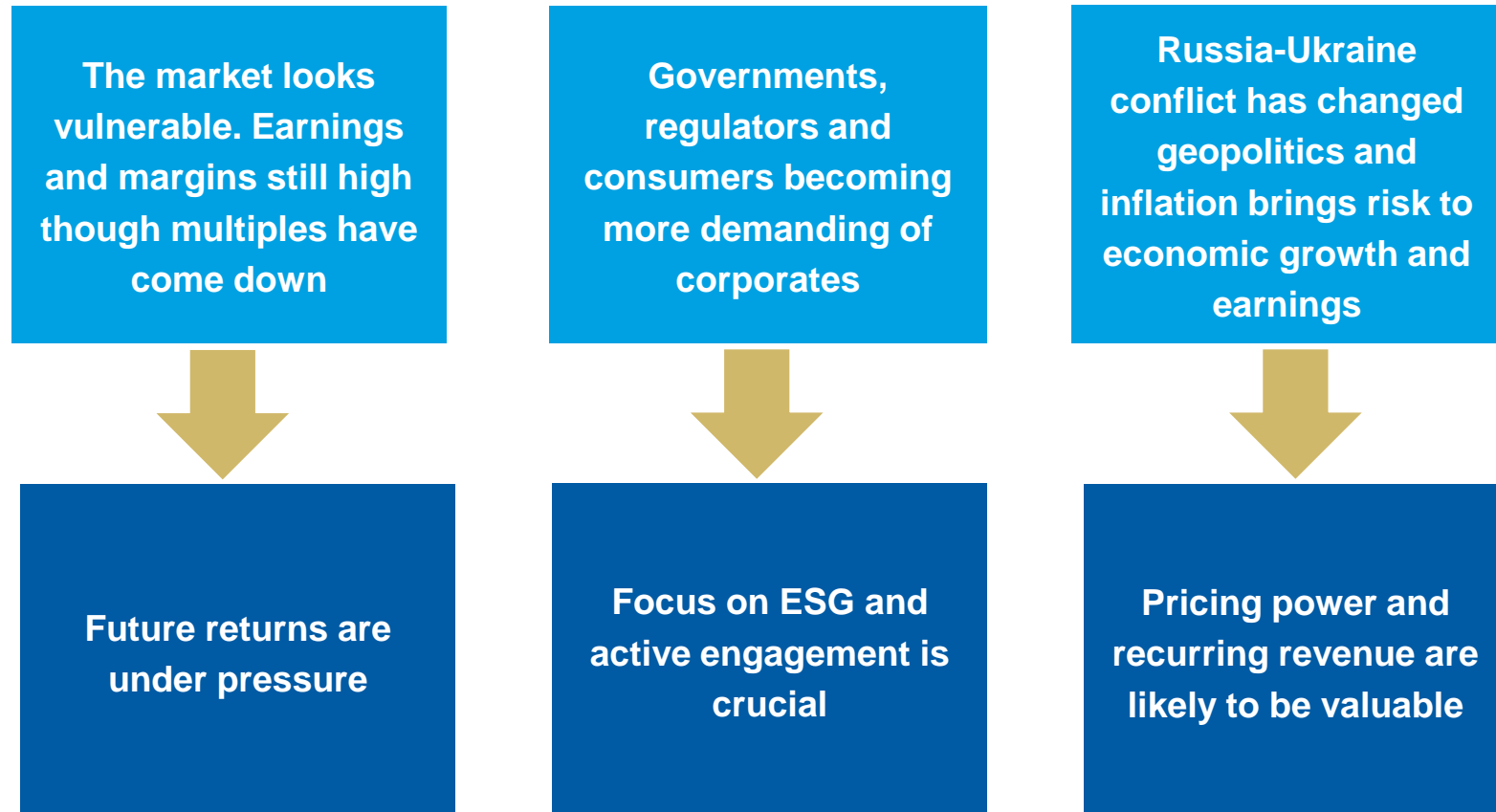
Key input prices have risen fast, leading to pressure on gross margins

12M price change, 12M Change in production volume over last 12M, percent



Source: FactSet, data as of May 31, 2022.

Our Outlook Remains Cautious



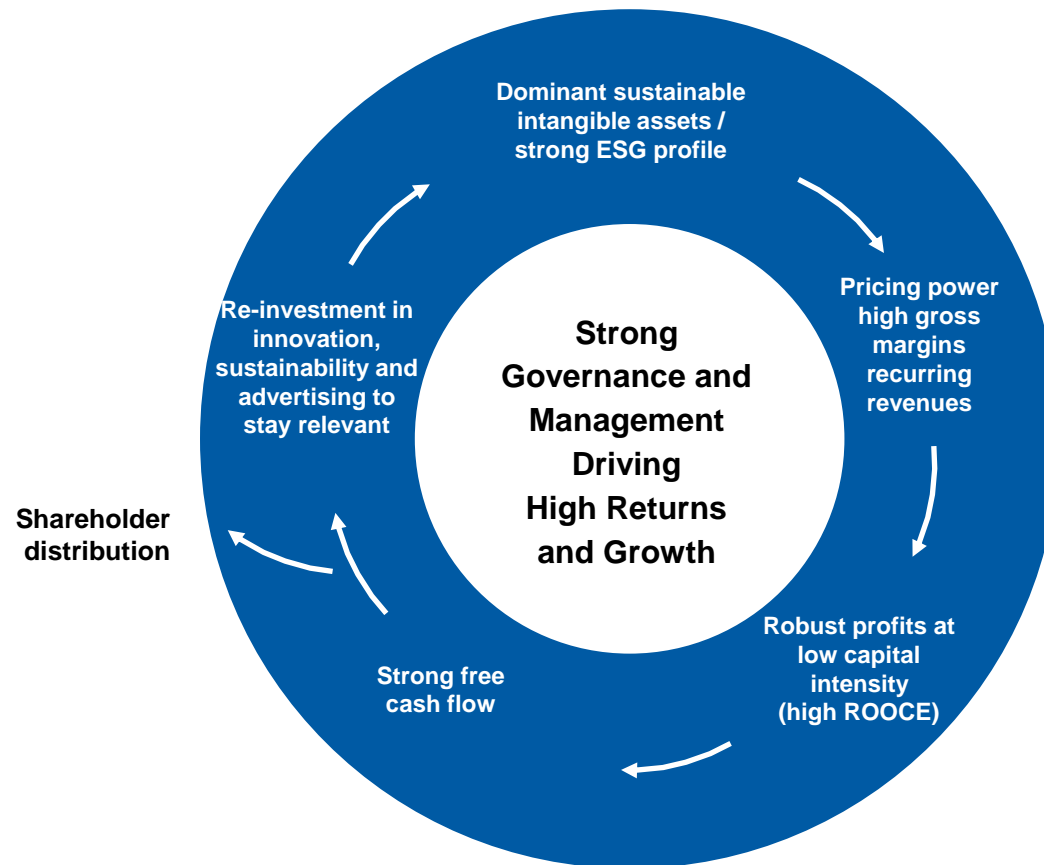
A focus on **High Quality** companies should offer resilient earnings at reasonable relative valuations



Seeking Resilience Through a High Quality Portfolio

How sustainable quality works: the engine of compounding

- Few companies can consistently compound shareholder wealth at attractive rates of return over the long term
- **Sustainability of returns drives long-term compounding**



Source: Morgan Stanley Investment Management

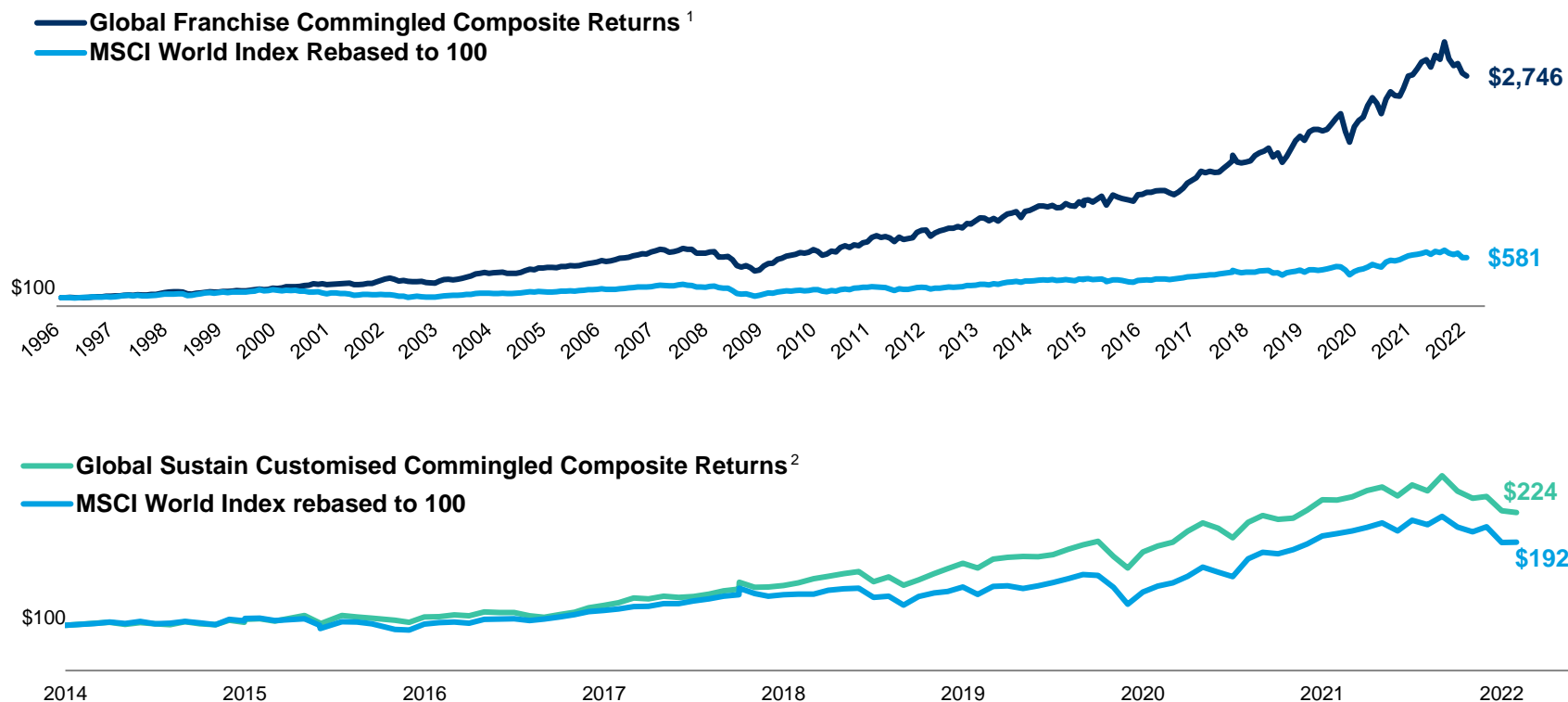
The views and opinions expressed herein are those of the portfolio management team.

ROOCE (Return on Operating Capital Employed) = EBITA (Earnings Before Interest, Taxes and Amortization) / PPE (Property, Plant, Equipment) + Trade Working Capital (excludes goodwill). Ex-Financials. Free Cash Flow = Operating Cash Flow minus Capex.

The Power of Compounding

Since Inception to May 31, 2022

(Growth of \$100)



Source: MSCI, Morgan Stanley Investment Management Data as of May 31, 2022. **Past performance is not a reliable indicator of future results.** Returns may increase or decrease as a result of currency fluctuations. The value of the investments and the income from them can go down as well as up and an investor may not get back the amount invested. There are additional risks involved with this type of investment. Performance returns reflect the average annual rates of return. The composite results are shown in GROSS of investment advisory fees and does not take account of commissions and costs incurred on the issue and redemption of units and include the reinvestment of dividends and income. The comparison index is the MSCI World Index with Net dividends reinvested. If fees had been applied returns would have been lower. The Global Franchise Strategy has a performance track record of over twenty years. Please refer to the Global Franchise Commingled Composite and the Global Sustain Customised Commingled Composite GIPS® Disclosure document for additional information.

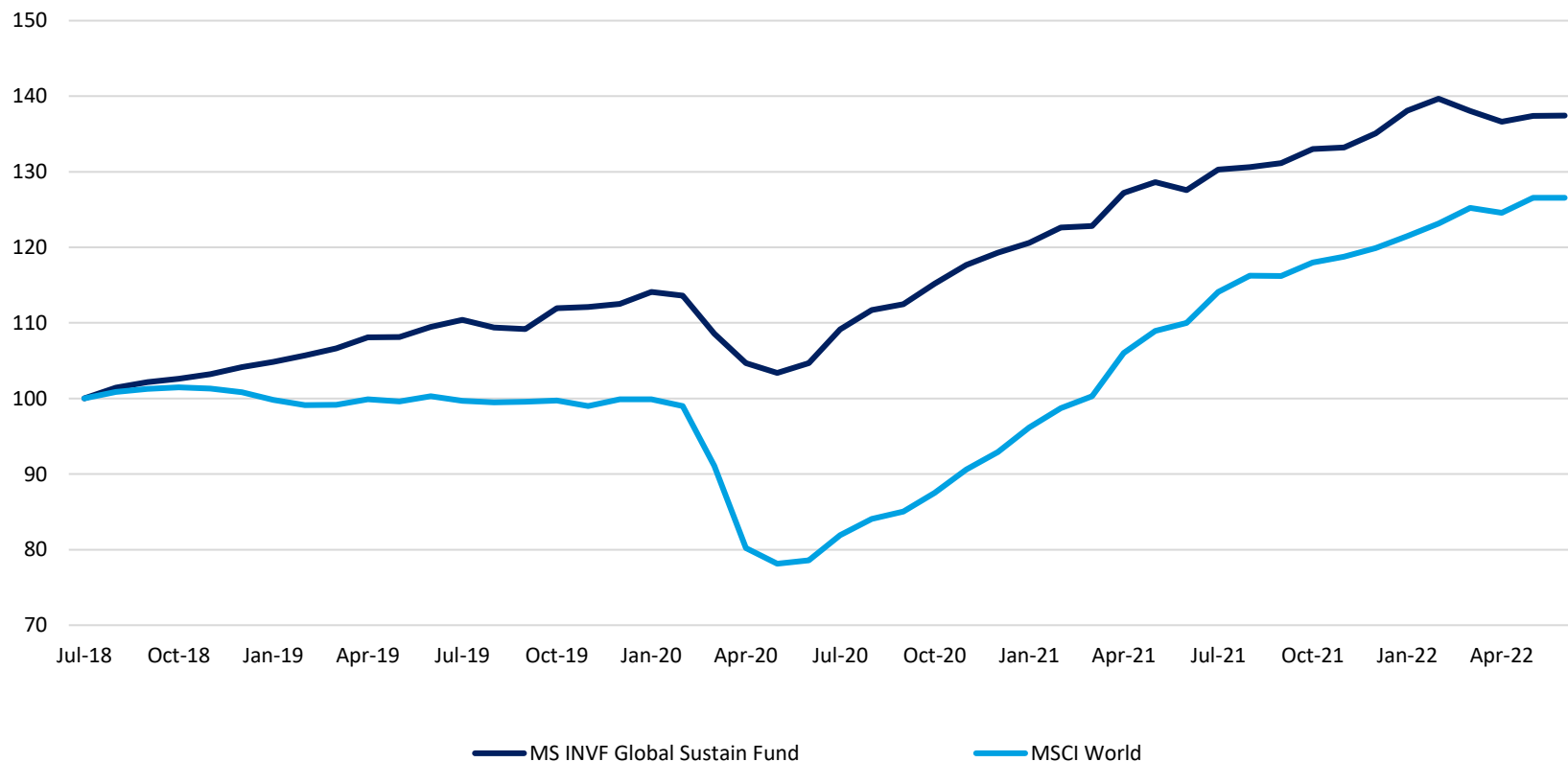
1. The inception date of the Global Franchise Commingled Composite is March 31, 1996. Growth of a dollar using a logarithmic scale.

2. The inception date of the Global Sustain Customised Commingled Composite is April 30, 2014.

Global Sustain's Earnings Have Beaten the Index Since Inception, Despite 2021's Cyclical Rally

MS INV Global Sustain Fund

EPS \$ NTM



Source: FactSet. Data as of June 30, 2022.

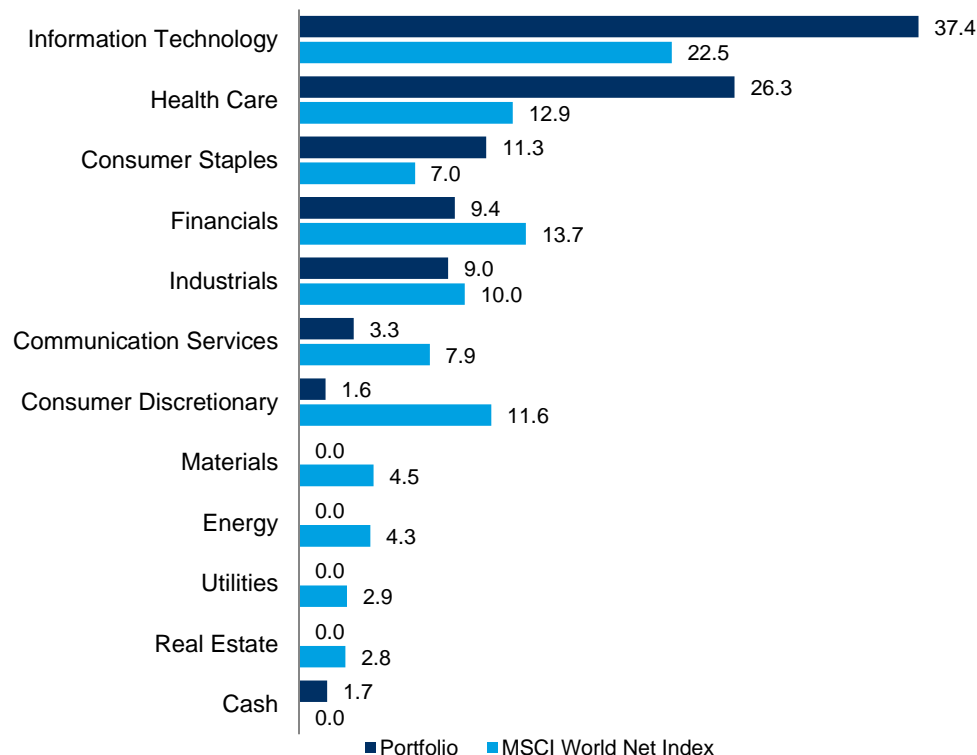
EPS = earnings per share. NTM = next twelve months. Indexed at 100 in USD. Forecasts/estimates are based on current market conditions, subject to change, and may not necessarily come to pass. MSCI World Index shown for comparative purposes only. Inception date of the Global Sustain Representative Account is June 29, 2018.

Portfolio is Concentrated in Three High Quality Sectors

Sector Concentration Reflects Where We Find Compounders

Sector Weightings

MS INVF - Global Sustain Fund, data as of March 31, 2022

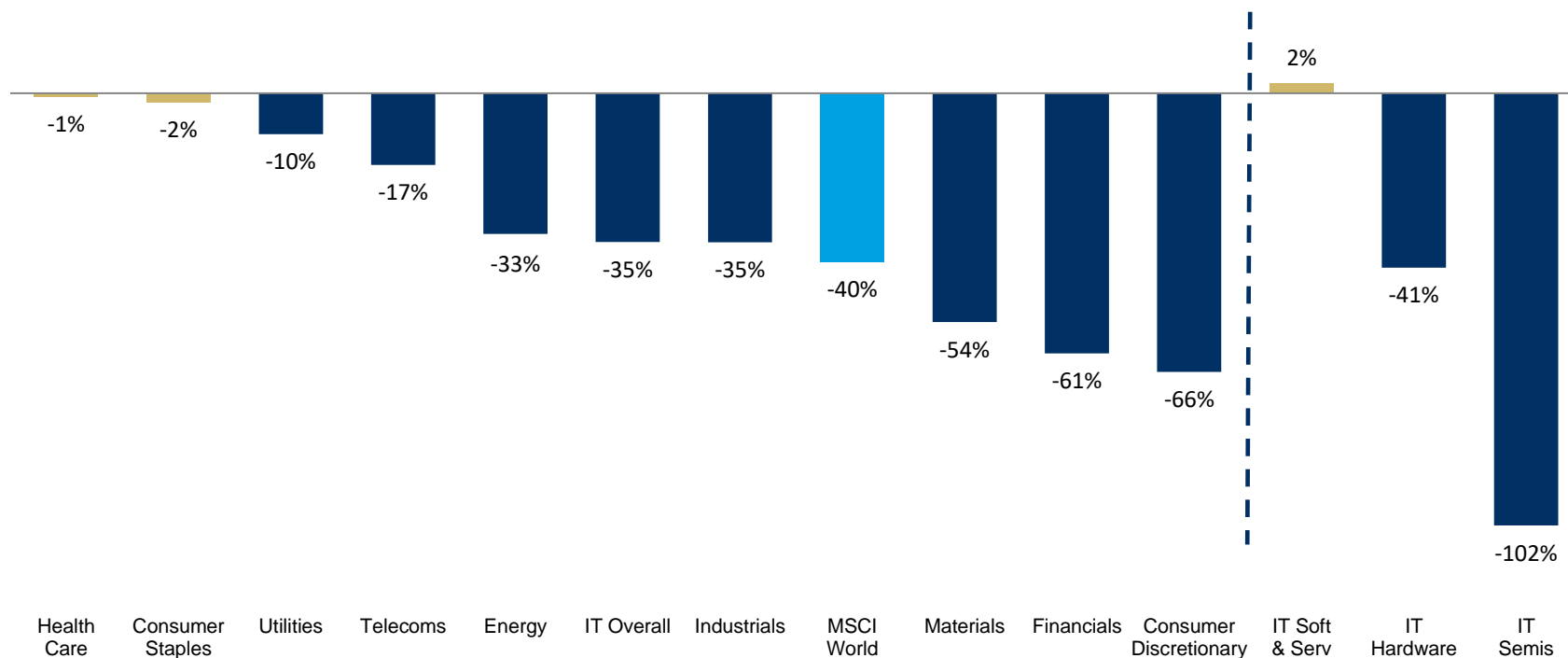


Sector	Largest Securities
Information Technology	Microsoft, Visa, Accenture
Health Care	Danaher, Thermo Fisher, Baxter Int'l
Consumer Staples	Reckitt Benckiser, Procter & Gamble, L'Oréal
Financials	Intercontinental Exchange, Deutsche Börse, AIA
Industrials	Roper Technologies, Stanley Black & Decker, OTIS
Communication Services	Alphabet
Consumer Discretionary	Nike

Source: Morgan Stanley Investment Management. Sector weightings are provided for informational purposes only and should not be deemed as a recommendation to buy or sell securities mentioned or securities within the sectors shown. Up to the three largest holdings are stated for each sector. Holdings and weightings are subject to change.

These sectors have had the most resilient earnings in a downturn...

NTM forward EPS change during financial crisis drawdown (Oct 2007 - Feb 2009)



Source: FactSet. MSCI World Index (sector indices).
 Chart shown for illustrative purposes only. Quoted in USD. NTM = next twelve months.

Global brands used by millions . . .



. . . Throughout the day, every day

This portfolio is actively managed, therefore holdings may not be current. Morgan Stanley and others affiliated with it, may hold positions in or may seek to perform investment banking services for the companies listed. Each portfolio may differ due to specific investment restrictions and guidelines. The securities identified do not represent all of the securities purchased, sold, or recommended. Logos reproduced with the permission of Reckitt Benckiser, Coca-Cola, Microsoft, L'Oréal and Davide Campari and represent companies in which the fund invests and should not be deemed as a recommendation to buy or sell securities referenced.

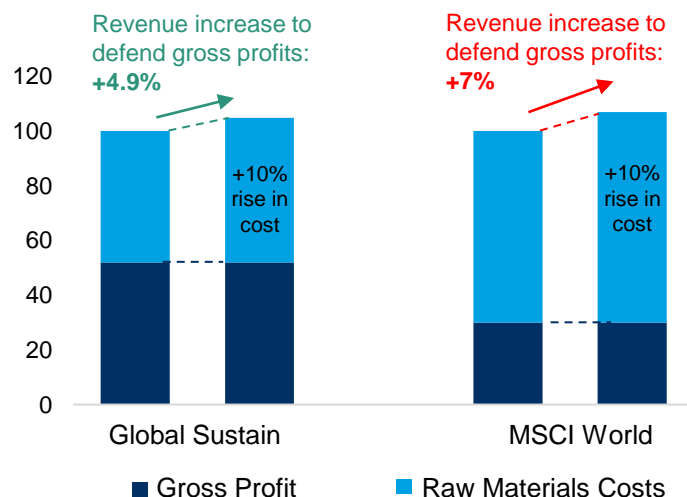
High Gross Margins Can Help Offset Inflationary Pressure

A high gross margin is the signal of pricing power.

Raw material cost increases are a more manageable problem for high quality companies.

Illustration: impact of a 10% rise in raw material costs.

Global Sustain versus MSCI World

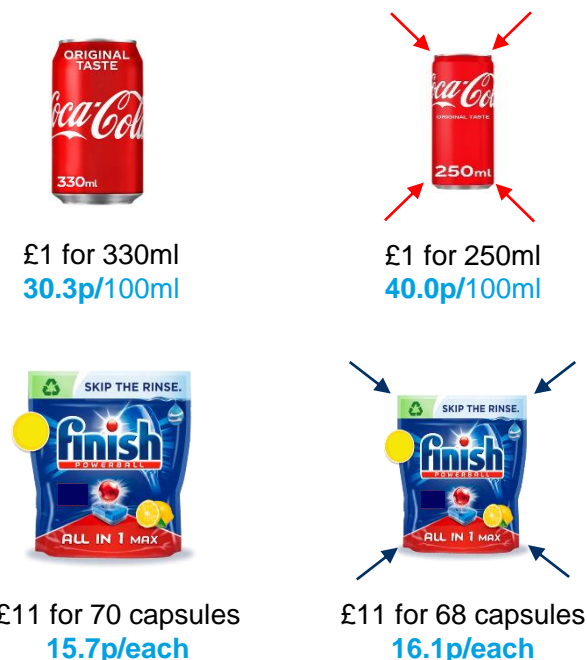


Defending absolute gross profit against a 10% increase in raw material costs requires a **4.9%** price increase for Global Sustain companies compared with **7%** for the market: **it is ~30% easier for our high quality companies.**

What pricing power looks like.

There are many tools quality companies can use to effectively pass through price increases, e.g. **shrinkflation**.

Illustration: shrinkflation at work.

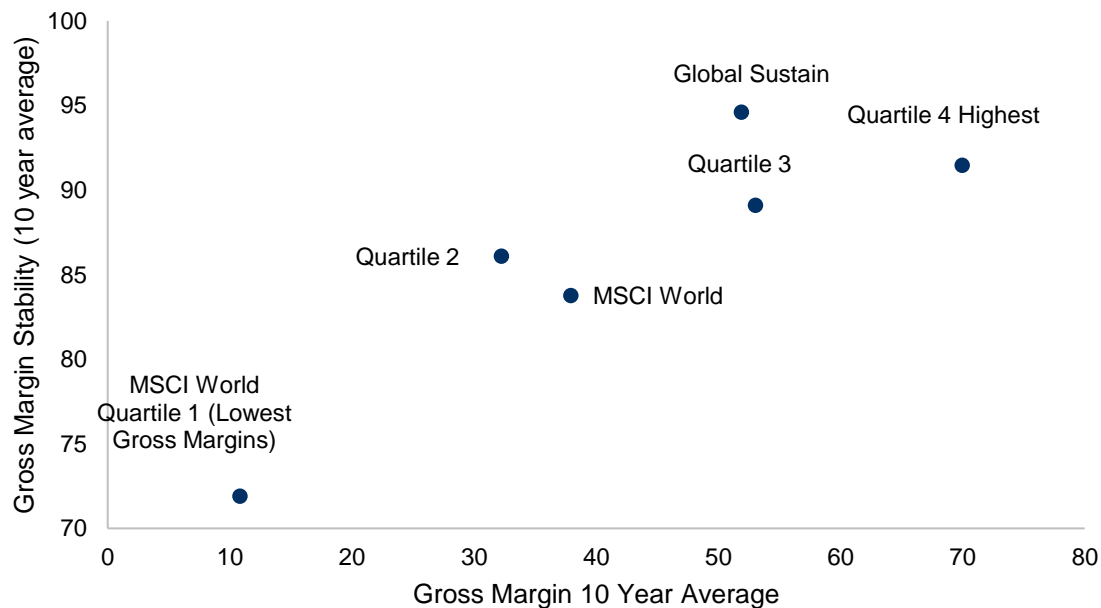


Source: Morgan Stanley Investment Management. Data as of March 2022.

Shown for illustrative purposes only. The views and opinions expressed herein are those of the portfolio management team, are not representative of the Firm as a whole, and are subject to change at any time due to market or economic conditions. There is no assurance that a portfolio will achieve its investment objective or an investment strategy will work under all market conditions. Data is for the Global Sustain Representative Account. Logos reproduced with the permission of Reckitt Benckiser and Coca Cola. Product images sourced from the Reckitt Benckiser and Coca-Cola websites. Product prices as listed on UK supermarket websites.

It Is Not Just Theory

The Importance of Pricing Power



Over the last decade, companies with higher gross margins have also had more stable gross margins. It is easier for companies with pricing power to absorb changes in costs.

Source: Morgan Stanley Investment Management. FactSet.

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The power of strong brands

Examples of pricing power in action, Q1 2022

Consumer Staples companies that sell in-demand products can increase prices even in this tough environment



HEALTH ▸ HYGIENE ▸ HOME

- Reported that their **strong portfolio of brands** has allowed for 'responsible price action', i.e. a **5% price increase** in Q1 across its business

Mission-critical software subscription models enjoy fortress-like pricing power and recurring revenues



- Effected its **commercial product price increase** which took effect 1 March 2022

Payment companies gained revenue without having to increase prices



- Benefit from **higher prices on every transaction** as well as **increased merchant fees**

Within MedTech and Life Sciences, companies enjoy some protection as hospitals and scientists continue to prize reliability and quality



DANAHER

- Company drove price momentum in Q1, with a **2%-plus price increase**



- Announced a **~2% price increase** across its businesses in 2022; 2x the normalized business level

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Substantially Better Quality, at a Reasonable Valuation

Focus on Free Cash Flow rather than Earnings

- Portfolio's premium on Forward Earnings versus market is likely to be lower than shown, as market's forward earnings estimates are unreliable and often overstated.
- Market has higher gap between reported (GAAP/IFRS) and adjusted or "greed" earnings than the portfolio.
- High quality companies are better at converting earnings to cash. Free Cash Flow is a better indicator of valuation

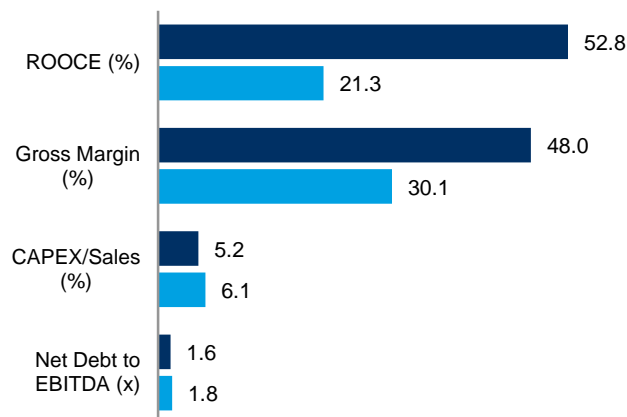
Resilience Ratios^{4,5}:

	10 Year Margin Stability	10 Year Price Volatility
Portfolio	86.6	12.6
MSCI World Net Index	74.7	13.3

MS INVF - Global Sustain Fund

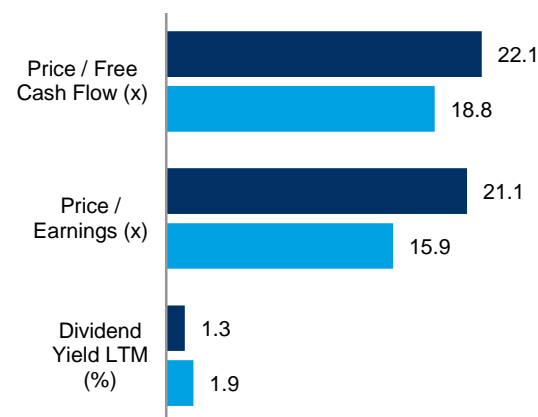
Past performance is no guarantee of future results

Quality Ratios – Historical^{1,2,3}



■ Portfolio

Valuation Ratios^{1,2,3}



■ MSCI World Net Index

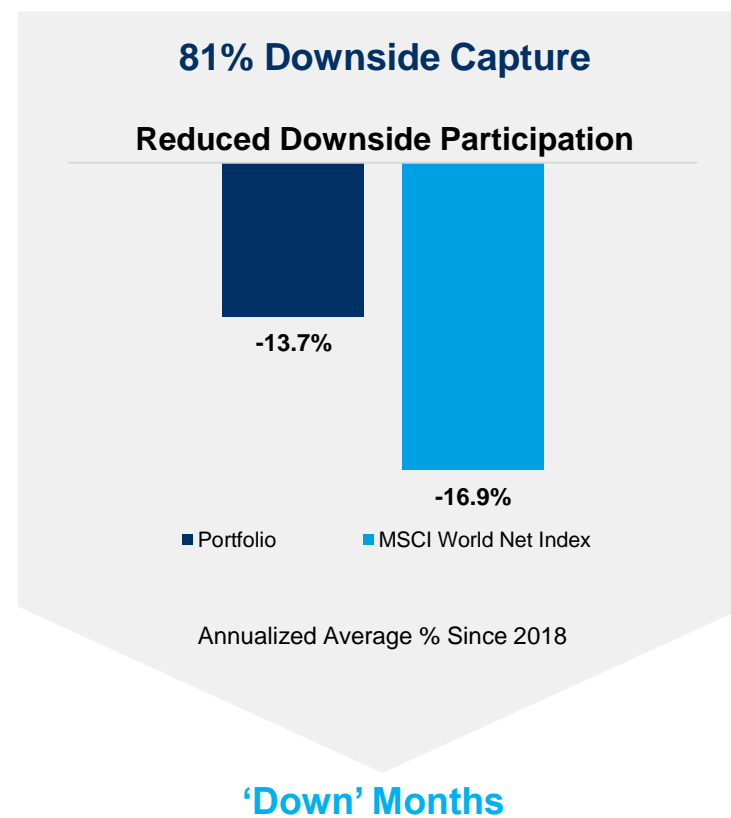
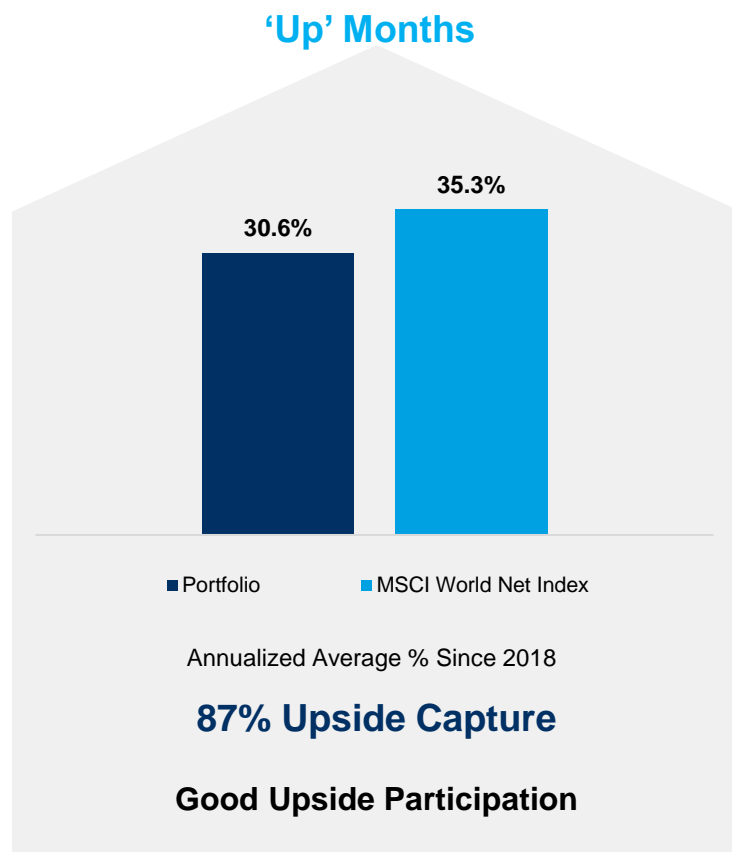
Source: Morgan Stanley Investment Management FactSet / Worldscope/MSCI. Data as of May 31, 2022. There is no guarantee that forecasts and estimates will come to pass due to changing market and economic conditions. Provided for informational purposes only and is subject to change on a daily basis. Each portfolio may differ due to specific investment restrictions and guidelines. Thus, individual results could vary. MSCI World Net Index shown for comparative purposes only. Subject to change daily.

- ROOCE (Return on Operating Capital Employed) = EBITA (Earnings Before Interest, Taxes and Amortization) / PPE (Property, Plant, Equipment) + Trade working capital (excludes goodwill). Ex-Financials.
- ROOCE, Gross Margin, Capex/Sales, and Net Debt to EBITDA use last reported ex-Financials data. Dividend Yield uses last reported including Financials data. The Price/Earnings ratio and Price/Free Cash Flow use FactSet Consensus 12 month forward earnings and free cash flow per share data. Characteristics are calculated using the underlying companies in the Portfolio. There is no guarantee that any portfolio will necessarily yield similar results over the next year.
- Ratio methodology: MSCI World Net Index: $\text{sum}(\text{shares in index} * \text{numerator per share}) / \text{sum}(\text{shares in index} * \text{denominator per share})$. The Portfolio: $\text{sum}(\text{shares in portfolio} * \text{numerator per share}) / \text{sum}(\text{shares in portfolio} * \text{denominator per share})$.
- EBIT margin stability is 1-(std deviation/mean)
- Price volatility is standard deviation of monthly price change for 10 years.

Portfolio has Delivered an Asymmetric Pattern of Performance

MS INV F - Global Sustain Fund, Class Z Shares - USD

Past performance is no guarantee of future results



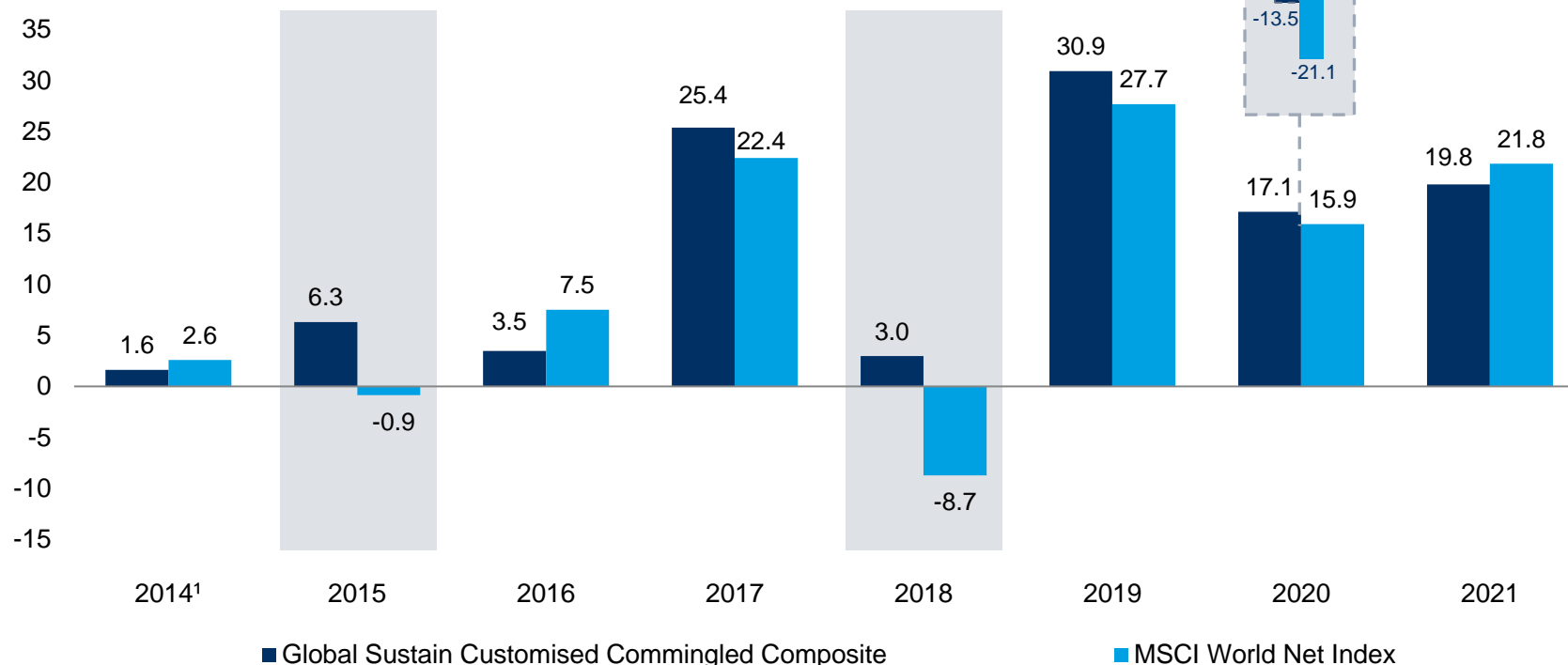
Source: MSCI, Morgan Stanley Investment Management. Data as of March 31, 2022. The MS INV F - Global Sustain Fund's inception date is June 29, 2018. Returns may increase or decrease as a result of currency fluctuations. The comparison index is the MSCI World Net Index with Net dividends reinvested. The Upside or Downside capture ratio measures the portfolio's performance relative to the market in up or down markets. A market is considered down if the return for the benchmark is less than zero and up if the return is greater than or equal to zero. The Downside Capture Ratio is calculated by dividing the portfolio's return during the down market periods by the return of the market during the same periods. The Upside Capture Ratio is calculated by dividing the portfolio's return during the up market periods by the return of the market for the same period. For periods greater than 1 year, returns are annualized. Updated quarterly.

Reduced Downside Participation When it Matters on the Exclusionary Strategies We Have Managed Since 2014

Global Sustain Customised Commingled Composite – USD %

Calendar Year Returns to December 31, 2021

Past performance is no guarantee of future results



Source: Morgan Stanley Investment Management

Returns may increase or decrease as a result of currency fluctuations. The value of the investments and the income from them can go down as well as up and an investor may not get back the amount invested. There are additional risks involved with this type of investment. Performance returns reflect the average annual rates of return. Periods less than 1 year are not annualized. The composite results shown are GROSS of investment advisory/management fees, which include performance fees if applicable, are quoted in USD and include the reinvestment of dividends and income. The comparison index is the MSCI World Index with Net dividends reinvested. If fees had been applied returns would have been lower. Please refer to the Global Sustain Customised Commingled Composite GIPS® Disclosure document for additional information. **The inception date of the Global Sustain Customised Commingled Composite is April 30, 2014.** The composite includes all separately managed accounts and pooled vehicles managed on a fully discretionary basis according to the Global Sustain Customised strategy. ESG considerations are an integrated part of the process and the strategy also excludes one or more contentious industries including but not limited to tobacco, alcohol and gambling.

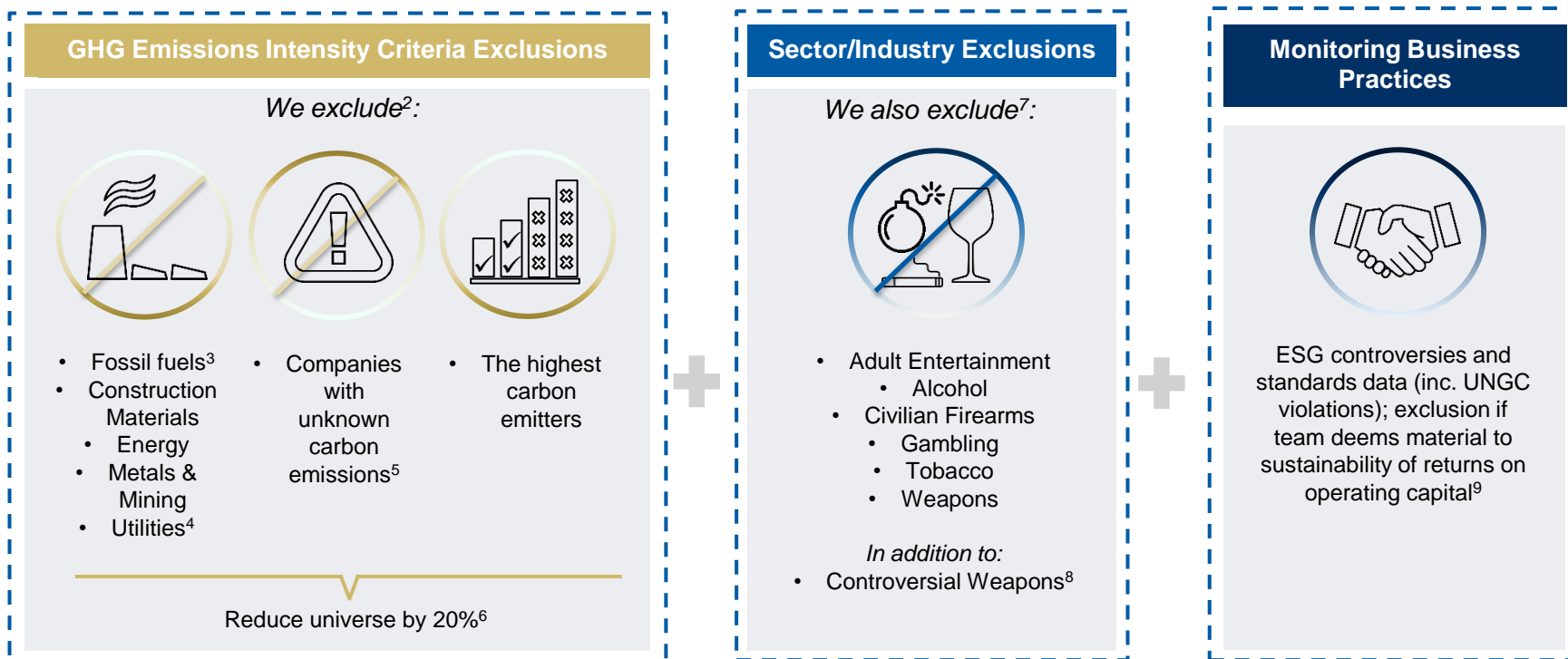
1. Period from April 30, 2014 to December 31, 2014.



ESG and Engagement – a Marathon, Not a Sprint

Global Sustain Restriction Screening

Greenhouse Gas Emissions Intensity Filter and Sector / Industry Exclusions¹



1. The term greenhouse gas "GHG" is as defined by the GHG protocol and includes carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulphur hexafluoride (SF₆) in metric tonnes of CO₂ and CO₂ equivalent.

2. Sectors / industries as assigned by the MSCI Global Industry Classification Standards ("GICS").

3. Companies with any tie to fossil fuels (thermal coal, oil and gas), as classified by the MSCI ESG Business Involvement Screening Research ("MSCI ESG BISR").

4. Utilities (excluding Renewable Electricity and Water Utilities), including any company whose core business activity involves nuclear power generation and/or nuclear power trading.

5. The Strategy will not invest in any company for which GHG emissions intensity estimates are not available and/or cannot be estimated. Remaining issuers are ranked according to GHG emissions intensity estimates; those with the highest intensity are excluded.

6. The reference universe is defined, only for the purposes of comparing GHG emissions intensity, as the MSCI AC World Index.

7. Any company that generates more than 10% of its revenue from any of the listed activities, as classified by the MSCI ESG BISR database. For the MS INV F Funds, the investment team excludes any company that generates more than 5% of its revenue from tobacco-related business activities as classified by the MSCI ESG BISR database. The team also screens out any company assigned to the following MSCI GICS sectors/industries: Brewers, Casinos & Gaming, Distillers & Vintners, Tobacco.

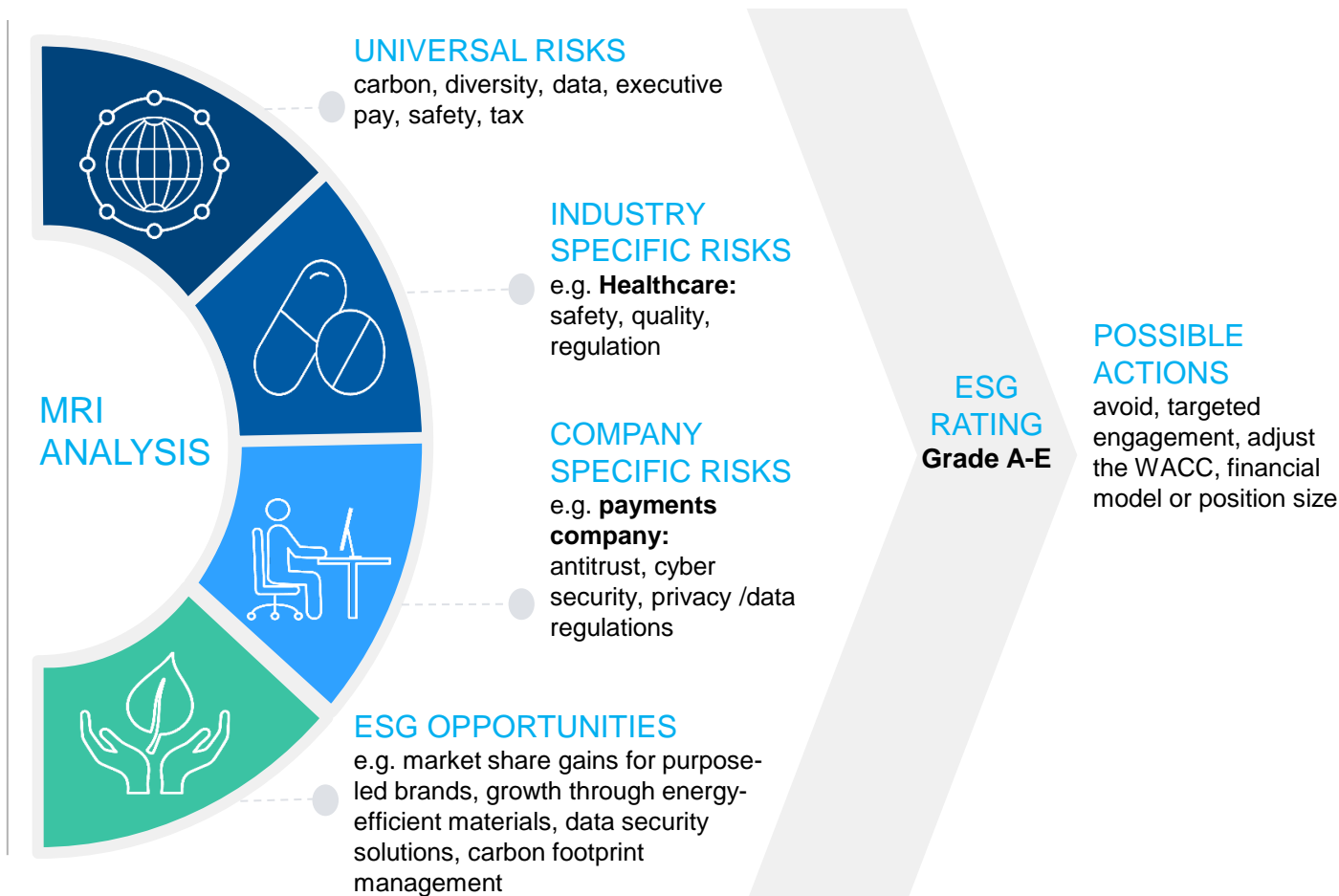
8. The Strategy will not invest in any company that is defined by the MSCI ESG BISR database to have any tie to controversial weapons, in addition to any company that has been excluded from the MSCI World ex Controversial Weapons Index due to its involvement with controversial weapons, as defined by that index.

9. At the team's discretion. See the Global Sustain Restriction Screening Policy on www.MSIM.com for more details.

ESG is Assessed by the Investment Team Directly

Proprietary ESG MRI (Material Risk Indicator) Analysis

- Identifies material ESG risks and opportunities at the company level
- Grades are absolute, not sector-relative
- Reflects ESG factors in valuation and portfolio construction, where relevant



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CRC 3478829

ESG best practice can be an opportunity for well run companies

L'Oréal



Environmentally and socially friendly products help gain market share

- Sustainability is increasingly important for **brand image**
- Have ramped up **sustainable innovation** to strengthen their brands as consumer interest in sustainability grows
- 54% of new or updated products have a **lower carbon footprint** due to a new formula
- 78% of new or updated products have packaging with a **lower environmental footprint**

E

SAP



Strong growth in decarbonisation solutions, ahead of others on employee engagement

- Helps companies **reduce carbon footprint** by optimising supply chain processes; broad coverage across industries is a significant advantage
 - e.g. **Climate21 helps** customers **understand and minimise carbon footprint** of their operations and products
- Growth in cloud business helps **reduce** clients' computing **energy intensity**
- **Frequent tracking** of employee engagement brings **quantifiable business benefits**

E

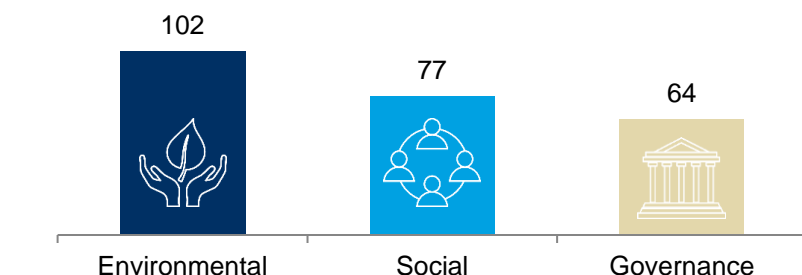
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Source: company Annual reports, company sustainability reports, Morgan Stanley Investment Management.. Securities shown are for illustrative purposes only. Updated quarterly. Any portfolio risk management processes discussed include an effort to monitor and manage risk, but should not be confused with and do not imply low risk or the ability to control risk. References to investment objectives or other goals the strategy seeks to achieve are inspirational only and should not be considered a guarantee that such results will be achieved. For illustrative purposes only. The above example is provided solely to demonstrate the team's investment process and type of analysis used in implementing their investment strategy. This is not a recommendation to buy or sell the security mentioned.

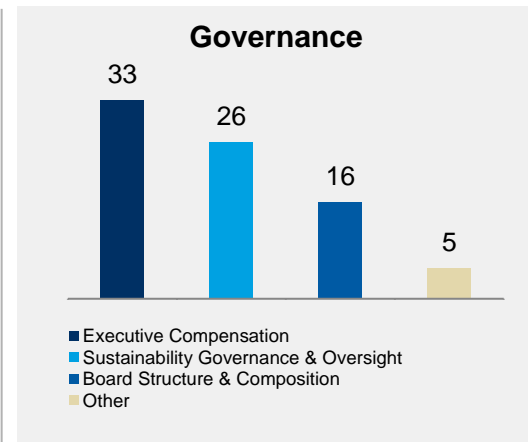
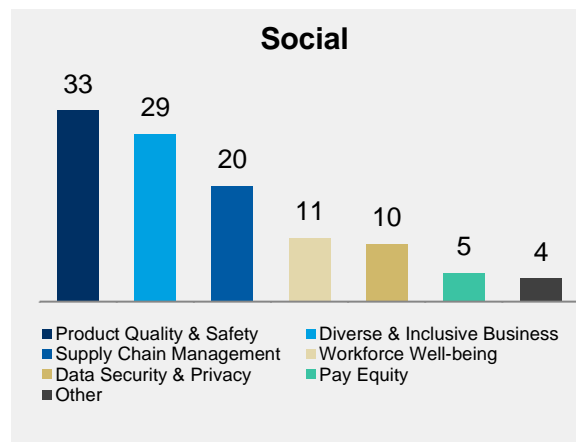
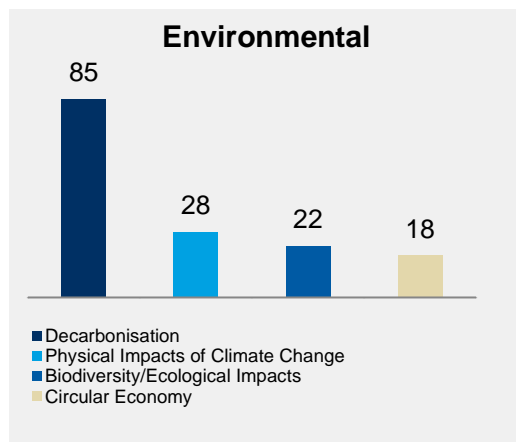
We Engage Directly And Often With Management

Engagement is Our Edge

Number of management engagements on ESG-related topics, in 2021^{2,3}



Topics addressed during our engagements, in 2021^{2,3}



Source: Morgan Stanley Investment Management

1. The International Equity Team defines an engagement as an interaction with senior management or nonexecutive board members.
2. Data shown is for the 12-month period from 1 January 2021 to 31 December 2021.
3. Total count of ESG topics is higher than total number of ESG engagements as more than one topic may be discussed in a meeting.

Seeking Outcomes through Portfolio Manager-Led Engagement

2021 Highlights

Sustainability Governance & Oversight



Decarbonisation



COMPANY

• Roper

• Experian

THE CHALLENGE

- How to implement ESG initiatives across 40+ independent businesses?

- How to increase renewable energy usage in the U.S. and EMs where infrastructure is typically less developed?

THE ACTION

- We pushed for carbon targets, supply/value chain engagement, D&I metrics and a clear framework for data security.

- We engaged to better understand emissions across the value chain. We wanted evidence of progress that the company is on track to meet its reduction targets.

THE OUTCOME

- Invited us to a consultant-led review of ESG best practice, courting our opinion. The meeting offered a strong signal of intent, and we look forward to the development of their ESG roadmap.

- Pleased to hear that improving renewable energy sourcing lies in the company's own efforts; e.g. the installation of solar roofs and the use of purchase power agreements.

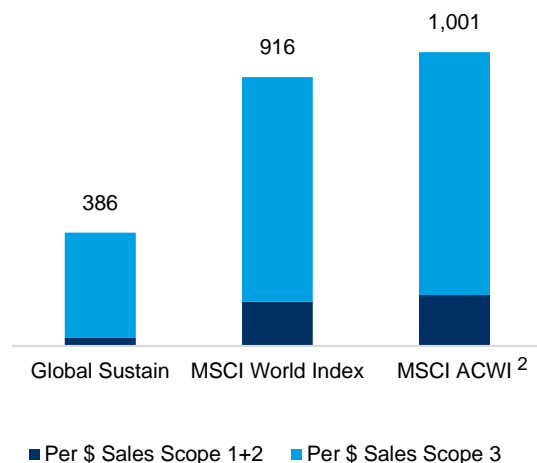


Light on Carbon

Light on carbon today

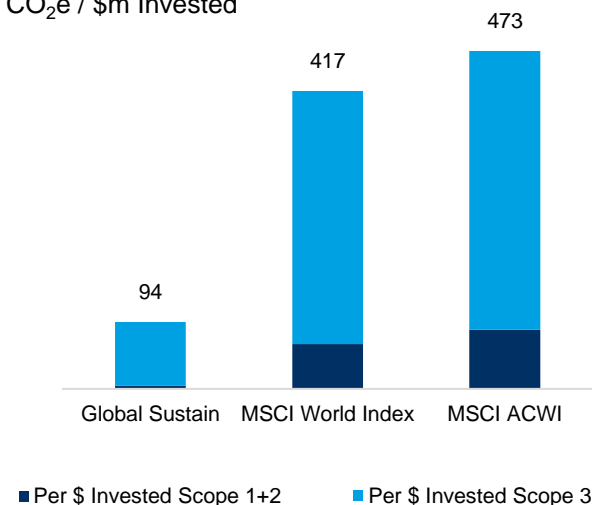
Significantly lower carbon footprint than the index¹

Tons CO₂e / \$m Sales



- **84% lower** (Scope 1 and 2 emissions) and
- **61% lower** (Scope 1, 2 and 3 emissions) than MSCI ACWI per \$1m sales

Tons CO₂e / \$m Invested



- **95% lower** (Scope 1 and 2 emissions) and
- **80% lower** (Scope 1, 2 and 3 emissions) than MSCI ACWI per \$1m invested

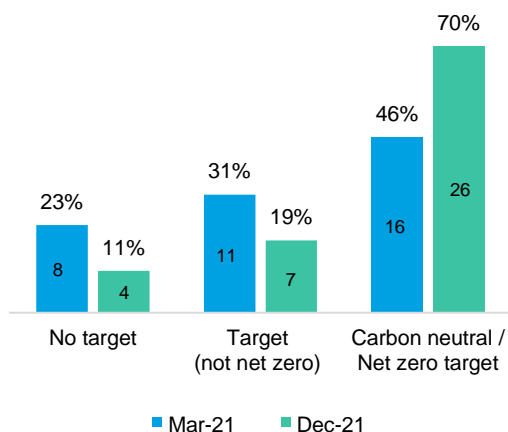
Source: Morgan Stanley Investment Management, Trucost.

1. Data as of March 31, 2022 for the Global Sustain representative account updated quarterly. Trucost defines a portfolio's carbon intensity as the carbon emissions (Scope 1, 2 or 3) of a portfolio per \$1 million invested or per \$1million of portfolio companies' sales. The portfolio-level statistics show the weighted average carbon intensity (WACI).
2. Global Sustain seeks to achieve a GHG emissions intensity that is significantly lower than that of the MSCI AC World Index (which is the reference universe only for the purposes of comparing GHG emissions intensity).

Light on carbon tomorrow: well positioned and resilient for a low carbon transition

Today, almost 90% of the portfolio has carbon reduction targets

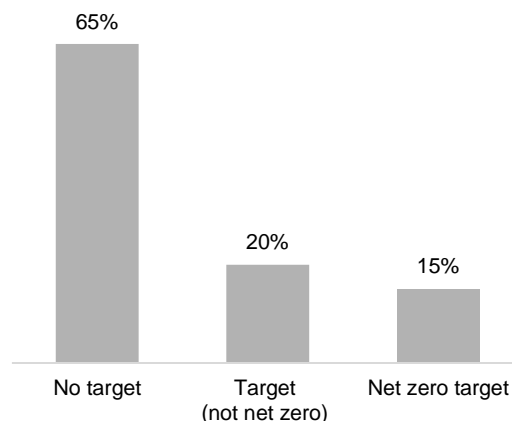
Global Sustain, % companies



- 1-on-1 engagement with **95%** of portfolio
- Considerable progress: **70%** now have **net zero targets**, versus 46% earlier this year
- **50% reduction** in companies with no targets

Significantly more climate aligned than MSCI ACWI

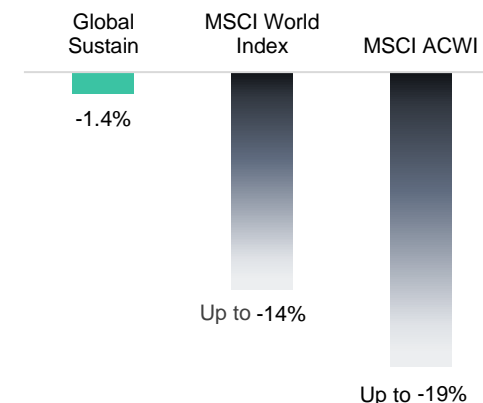
MSCI ACWI, % companies¹



- Relatively few companies in MSCI ACWI have carbon targets, even fewer have net zero
- Encouraging **positive outcomes** in 2022: further engagement on **decarbonisation progress**, **Scope 3 reduction** and **Paris alignment**

Better positioned in the event of higher carbon prices

Impact on EBIT of \$100/t CO₂e price (Scope 1+2)²



- Companies in portfolio typically face significantly **lower carbon disruption risks**
- Compounding ability **should be preserved** in an environment of tightening carbon policies

Source: Morgan Stanley Investment Management, Trucost, MSCI ESG Research

1. MSCI ESG Research, Breaking Down Corporate Net-Zero Climate Targets, May 2021.

2. Data as of November 30, 2021 for the Global Sustain representative account. The \$100 tax/per tonne of CO₂e scenarios for the MSCI indices are illustrative estimates. Impact is calculated using the 5-year average Earnings Before Interest and Taxes (EBIT) and assumed carbon costs for each company in the index, excluding companies without carbon data. Assumed carbon cost is determined as tonnes of carbon equivalent emissions (Scope 1 and 2) multiplied by \$100. Calculations ignore any carbon costs already in existence (e.g. the EU ETS).

Read Our Thematic ESG Research, Global Equity Observer, Sustain magazine and Engage

The Material Risk Indicator



Decarbonisation: The Basics



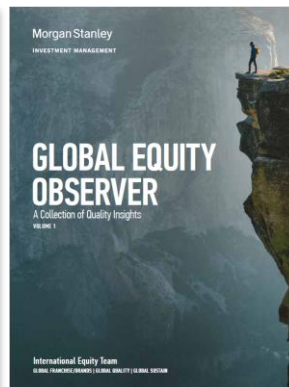
Decarbonisation: The Inevitable Policy Response



**Global Sustain
Magazine**



GEO Collection



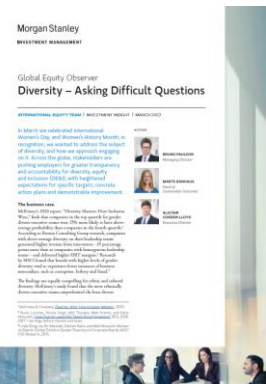
Engage



GEO Advance Warming



GEO Diversity



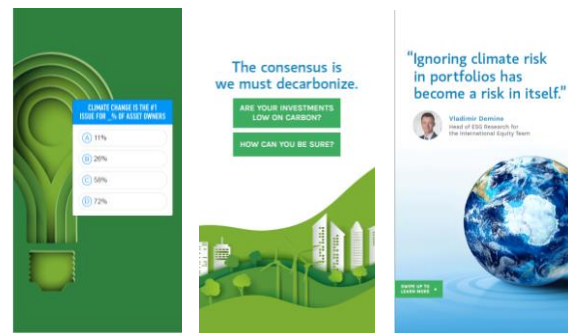
GEO
Climate Change



GEO Insta-engagement



Instagram Carbon Stories



Morgan Stanley

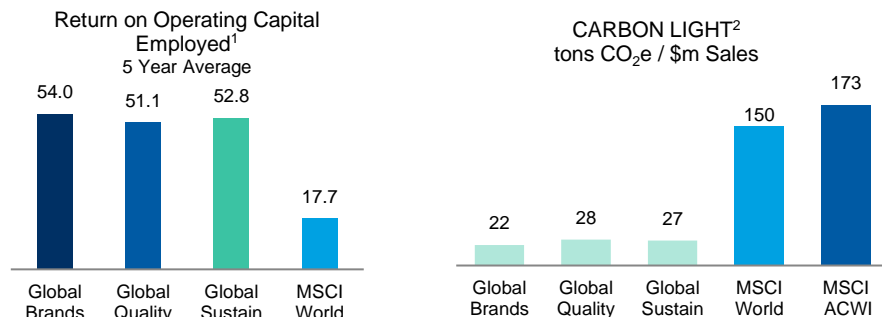
INVESTMENT MANAGEMENT

Appendix

Our Global Strategies Seek to Offer Long-Term Capital Appreciation and Reduced Downside Participation

Our global equity strategies:

- Compound from high, sustainable returns on operating capital and pricing power
- Are underpinned by powerful intangible assets including brands, licences and networks
- Focus on reducing downside participation
- Purchase stocks at or below intrinsic value
- Have strong management teams
- Are ESG integrated



Global Brands (20-40 stocks)

- Most focused on highest quality, least cyclical stocks
- All stocks must be dividend payers
- Climate- and weapons-related restrictions⁴

Global Brands Equity Income

- Income distribution through overwrite on equity indices

Global Quality (35-55 stocks)

- Increased diversification
 - High quality cyclicals
 - Technology hardware
 - Higher capital intensity
- Dividends not obligatory
- Climate- and weapons-related restrictions⁴

Global Sustain (25-50 stocks)

- Same investible universe as Global Quality, plus:
- Second non-financial objective³
- Climate restrictions and carbon filter⁴
- Other sector restrictions: adult entertainment, alcohol, gambling, tobacco, weapons⁴

Source: Morgan Stanley Investment Management. Data as of March 31, 2022.

1. ROOCE = EBITA (Earnings Before Interest, Taxes and Amortization) / PPE (Property, Plant, Equipment) + Trade working capital (excludes goodwill). Ex-Financials. 5yr average and refers to the Global Brands, Global Quality and Global Sustain Representative Accounts.
2. The portfolio-level statistics show the weighted average carbon intensity (WACI).
3. Global Sustain seeks to achieve a GHG emissions intensity that is significantly lower than that of the MSCI AC World Index (which is the reference universe only for the purposes of comparing GHG emissions intensity). Global Brands and Global Quality are not managed with an objective of meeting, exceeding or otherwise tracking any explicit rating, benchmark or target relating to one or more ESG factors. Any data provided with respect to any such rating, benchmark or target (such as MSCI ESG Score or any carbon emission figures etc) is for informational purposes only and is intended to show how the strategy measures up based on one or more ESG factors, using independent criteria. There are different ways of measuring impact on any ESG factor and any data provided is not intended to be a comprehensive representation of impact on any such ESG factor, or to imply that the strategy is managed to such factor.
4. Restrictions apply to the MS INVF Global Brands, MS INVF Global Brands Equity Income, MS INVF Global Quality, and MS INVF Global Sustain funds. For further information on restrictions, please see the relevant Restriction Screening Policy on www.MSIM.com.

Our Global Strategies; Same Team, Same Philosophy

		Global Franchise / Global Brands	Global Quality	Global Quality ex Tobacco	Global Sustain
Number of Stocks ⁽³⁾		20 – 40 (32)	35 – 55 (44)	30-55 (43)	25-50 (40)
ROOCE % ⁽²⁾		55	52	50	54
Sector ⁽¹⁾	MSCI World (%)	(%)	(%)	(%)	(%)
Information Technology	22	31	33	35	37
Health Care	13	24	23	25	26
Staples	7	28	20	15	13
– Tobacco	1	8	6	0	0
– Alcohol	1	4	3	3	0
Other ⁽⁵⁾	58	16	21	23	22

Source: FactSet and Morgan Stanley Investment Management. Data as of March 31, 2022.

1. Current holdings (average weight) are based on the Global Franchise, Global Quality, Global Quality ex-Tobacco and Global Sustain Representative Accounts. Data updated quarterly. Data as of March 31, 2022.

2. ROOCE (Return on Operating Capital Employed) = EBITA (Earnings Before Interest, Taxes and Amortization) / PPE (Property, Plant, Equipment) + Trade working capital (excludes goodwill). Ex-Financials. 10-yr average to December 31, 2021, updated annually.

3. Number of stocks is an indicative range. The number shown in brackets is the total stocks held in the portfolio as of March 31, 2022

4. Other¹ is excluding cash but includes Industrials, Real Estate, Utilities, Energy, Materials, Communication Services and Consumer Discretionary.

Information herein is provided for illustrative and informational purposes only.

Past performance is no guarantee of future results. A client's portfolio may differ due to specific investment restrictions and guidelines. This chart is not intended to depict how the actual strategies would have or have performed.

Our Global Strategies

Overlap

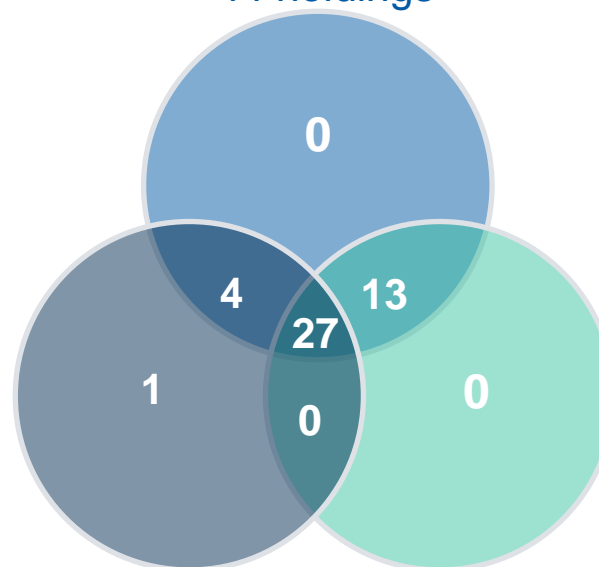
	GS OVERLAP ² WITH	GF/GB OVERLAP ² WITH	GQ OVERLAP ² WITH
GS	--	83%	87%
GF/GB	72%	--	75%
GQ	100%	97%	--

MINIMUM MARKET CAP

GQ	>\$5Bn
GF	>\$2Bn
GS	>\$5Bn

Global Brands
= 32 holdings

Global Quality
= 44 holdings³



Global Sustain
= 40 holdings³

Total stocks = 44^{1,3}

Source: Morgan Stanley Investment Management

Holdings as of March 31, 2022 in the Global Franchise, Global Quality and Global Sustain representative accounts Data updated quarterly. Subject to change daily. Provided for informational purposes only. Each portfolio may differ due to specific investment restrictions and guidelines.

1. Total represents unique company names invested across all three strategies.

2. Total percentage is based on number of stocks and excludes cash.

3. Includes Henkel as residual position still held as at March 31, 2022 but final liquidation completed early April

Top Ten Names Show the Concentration... and the Quality

MS INV F - Global Sustain Fund, Class Z Shares - USD

Top ten holdings illustrate companies with:

- Dominant intangibles
- Historically high ROOCE¹, repeat business
- Diversified exposure
 - Product
 - Customer
 - Geography
- Portfolio concentration

SECURITY NAME	INTANGIBLE ASSETS	COUNTRY	(%)
Microsoft	Office, Windows, Xbox, Skype, Azure, Office365, LinkedIn	United States	7.3
Visa	Visa, Visa Direct	United States	5.6
Reckitt Benckiser	Calgon/Finish, Vanish, Scholl, Clearasil, Nurofen, Strepsils, Enfamil	United Kingdom	4.7
Accenture	Accenture, Avanade, Fjord, Accenture Interactive	United States	4.5
SAP	SAP, HANA, Concur, Ariba, SuccessFactors	Germany	4.5
Danaher	Beckman Coulter, Leica Biosystems, Pall, Sciex, Hach, VideoJet	United States	4.4
Thermo Fisher	Thermo Scientific, Fisher Scientific, Applied Biosystems, Patheon	United States	4.2
Baxter Int'l	Baxter	United States	4.1
Abbott Labs.	Brufen, Ensure, PediaSure, Similac, Glucerna, FreeStyle Libre	United States	3.8
Constellation Software	CPR Vision, GEMMS, Smyth Systems, FRS	Canada	3.6
Total			46.6

Source: Morgan Stanley Investment Management. Data as of March 31, 2022. Top ten equity holdings are provided for informational purposes only and should not be deemed as a recommendation to purchase or sell the securities mentioned. This portfolio is actively managed, therefore holdings may not be current. Morgan Stanley and others affiliated with it, may hold positions in or may seek to perform investment banking services for the companies listed. Each portfolio may differ due to specific investment restrictions and guidelines. The securities identified do not represent all of the securities purchased, sold, or recommended for advisory clients. Investors should not assume that investments in the securities identified and discussed were or will be profitable.

1. ROOCE (Return on Operating Capital Employed) = EBITA (Earnings Before Interest, Taxes and Amortization) / PPE (Property, Plant, Equipment) + Trade working capital (excludes goodwill). Ex-Financials

Significant Movements in the Portfolio – Q1 2022

MS INV F - Global Sustain Fund, Class Z Shares - USD

Q1 2022 Turnover: 10.37%

Major Transactions: January 01, 2022 to March 31, 2022

INITIAL PURCHASES	ADDITIONS	REDUCTIONS	FINAL SALES
IQVIA	Nike	Becton Dickinson	Henkel ¹
Otis	TSMC	Procter & Gamble	Cerner
Atlas Copco	Prudential	ADP	FactSet
Equifax	Danaher		
	AIA		

Source: Morgan Stanley Investment Management. All information is provided for information purposes only and should not be deemed as a recommendation to buy or sell the securities mentioned. Our portfolio activity comprises new purchases, all final sales, if any and additions/reductions based on the net strategic weight change for each holding within the portfolio which is +/- 35bps during the stated period. Each portfolio may differ due to specific investment restrictions and guidelines. There is no guarantee that the securities shown, or the holdings in general, will perform well. The holdings identified do not represent all securities purchased, sold or recommended to our advisory clients. Holdings are subject to change. Turnover is calculated as (Total of the lesser of buys or sales over a 3 month period / Averaged market values over period) x 100.

1. The decision to exit Henkel was made end of Q1 2022, with final sales made early April 2022.

Significant Movements in the Portfolio – 2021

MS INV Global Sustain Fund

2021 Turnover: 25.40%¹

Major Transactions: January 01, 2021 to December 31, 2021

INITIAL PURCHASES	ADDITIONS	REDUCTIONS	FINAL SALES
Deutsche Boerse	Roper Technologies	Microsoft	Unilever plc
Estée Lauder	Becton Dickinson	RELX ³	Fox Corporation
Broadridge²	Intercontinental Exchange	Alphabet	GlaxoSmithKline
Steris	Baxter International	ADP	Sanofi
	Stanley Black & Decker	L'Oréal	Topicus.com ⁴
	Fidelity Information Services	Accenture	Jackson Financial ⁵
	Thermo Fisher		
	Visa		
	SAP		

Source: Morgan Stanley Investment Management

All information is provided for information purposes only and should not be deemed as a recommendation to buy or sell the securities mentioned. Our portfolio activity comprises new purchases of 50bps and above, all final sales, if any and additions/reductions based on the net strategic weight change for each holding within the portfolio which is c. +/- 50bps during the stated period. Each portfolio may differ due to specific investment restrictions and guidelines. There is no guarantee that the securities shown, or the holdings in general, will perform well. The holdings identified do not represent all securities purchased, sold or recommended to our advisory clients. Holdings are subject to change. Turnover is calculated as (Total of the lesser of buys or sales over a 12 month period / Averaged market values over period) x 100. **Companies in bold and italic represent activities in Q4 2021.**

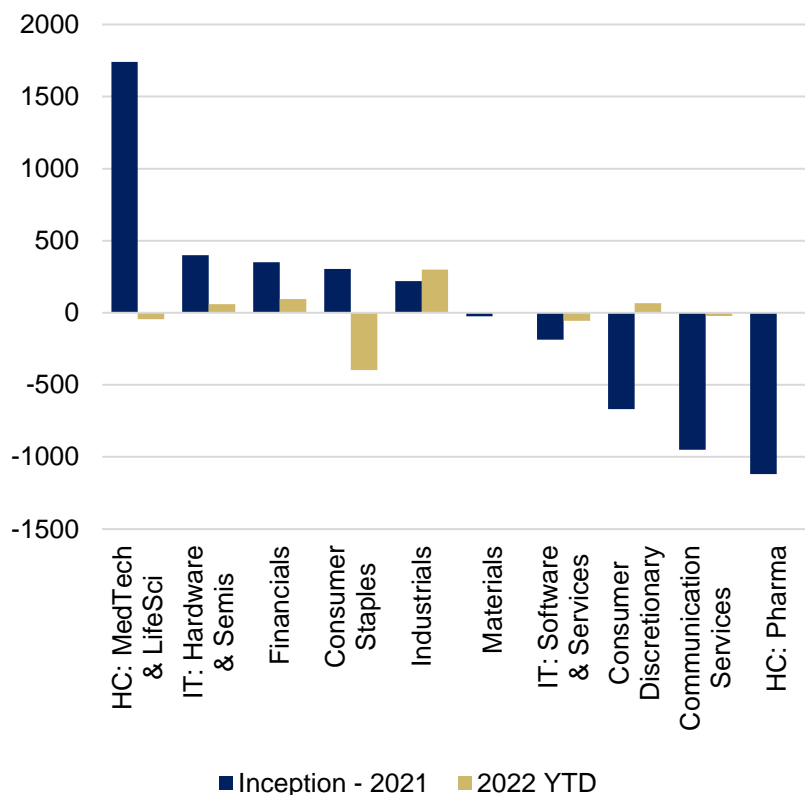
1. Our Representative Account turnover is high due to two-way flows. 10.8% is an example of turnover for a separately managed account for the 2021 period.
2. Initial purchase made in Q1 2021 with additions in Q4 2021.
3. Following the simplification of RELX Group's corporate structure, the position relating to RELX consists of RELX PLC shares traded on the London Stock Exchange and Euronext Amsterdam.
4. Topicus.com was spun out of Constellation Software in Q4 2020 and sold in Q1 2021.
5. Jackson Financial was spun out of Prudential and sold in Q3 2021

Portfolio Rotation Since Inception, Q1 Saw a Reversal of our Shift Away From 'Growthier' Sectors and Stocks

We reduced Consumer Staples and MedTech & Life Sciences...

Inception – 2021 and 2022 YTD

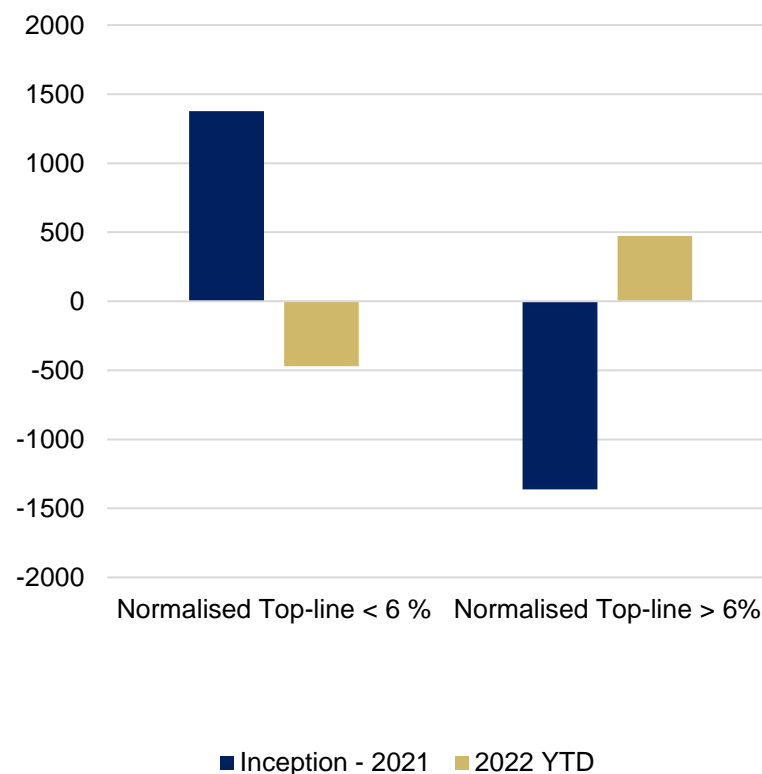
Net Transactions by Sector (bps)



...and moved back towards 'growthier' stocks

Inception – 2021 and 2022 YTD

Net Transactions High vs Low Growth (bps)



Source: FactSet, MSIM Analysis.

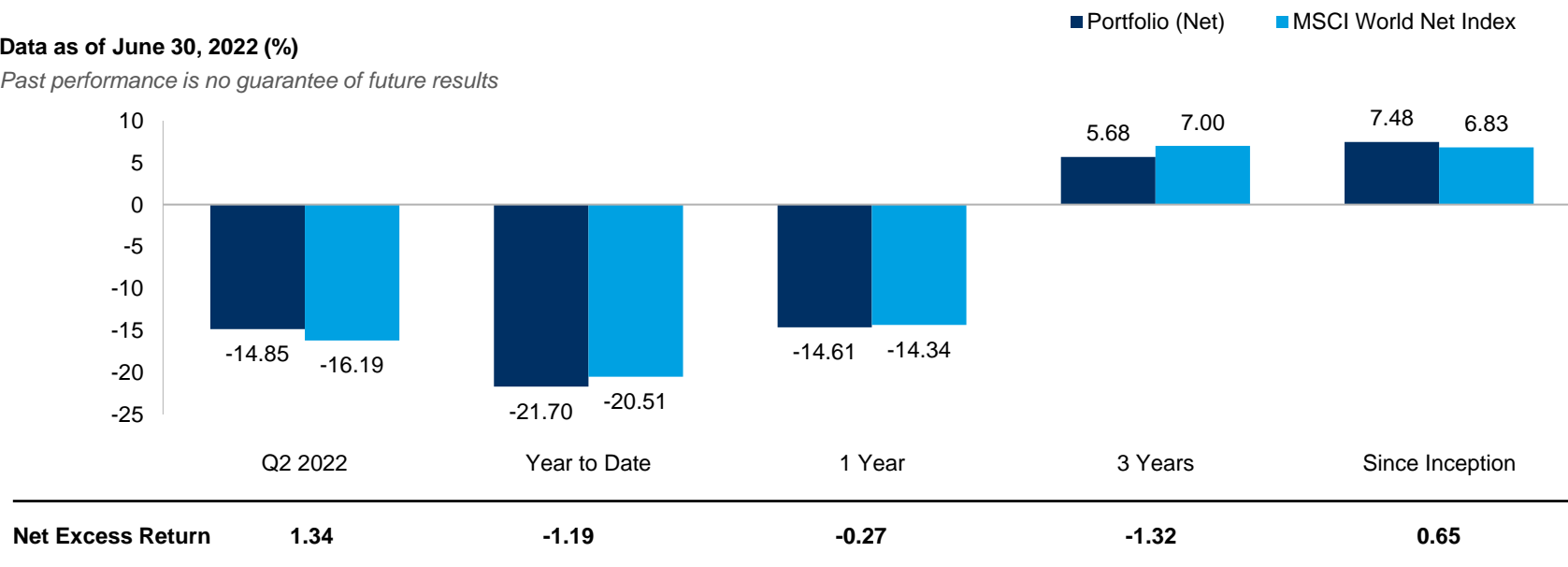
Global Sustain Representative Account period from June 29, 2018 to March 31, 2022.

Performance Returns

MS INV F Global Sustain Fund, Class Z Shares - USD

Data as of June 30, 2022 (%)

Past performance is no guarantee of future results



12M performance periods to latest month end (%)	Jun '21 - Jun '22	Jun '20 - Jun '21	Jun '19 - Jun '20	Jun '18 - Jun '19	Jun '17 - Jun '18
Global Sustain Fund (Net)	-14.61	9.84	0.83	19.36	--
MSCI World Net Index	-14.34	13.05	-5.77	16.98	--

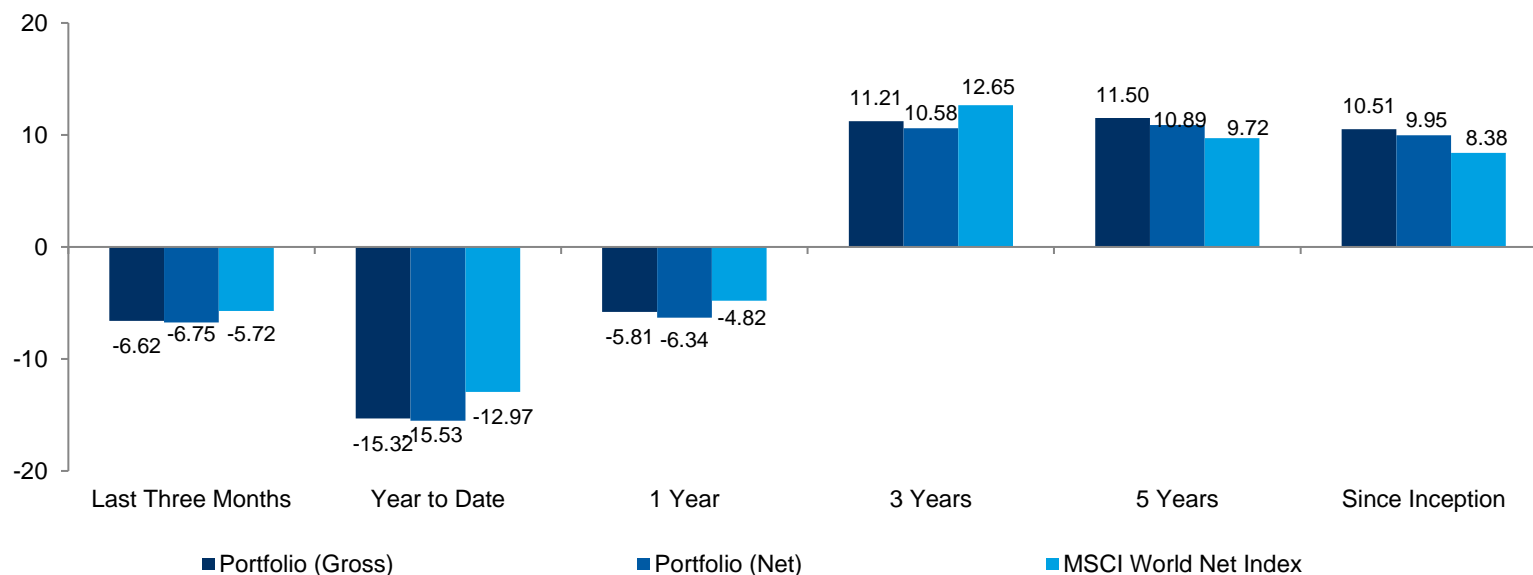
Source: Morgan Stanley Investment Management. The inception date of the MS INV F - Global Sustain Fund Z Share is June 29, 2018. It includes all separately managed accounts and pooled vehicles managed on a fully discretionary basis according to the Strategy. Returns may increase or decrease as a result of currency fluctuations. The value of the investments and the income from them can go down as well as up and an investor may not get back the amount invested. There are additional risks involved with this type of investment. Performance returns reflect the average annual rates of return. Periods less than 1 year are not annualized. The returns shown are GROSS and NET of investment advisory/management fees, which include performance fees if applicable, are quoted in USD and include the reinvestment of dividends and income. The comparison index is the MSCI World Net Index with Net dividends reinvested. If fees had been applied returns would have been lower. Shown for illustrative purposes only.

Performance Returns: Supplemental

Global Sustain Customised Commingled Composite - USD

Data as of May 31, 2022 (%)

Past performance is no guarantee of future results



Gross Excess
Return

-0.90

-2.36

-0.99

-1.44

1.78

2.13

Net Excess
Return

-1.03

-2.56

-1.53

-2.07

1.17

1.57

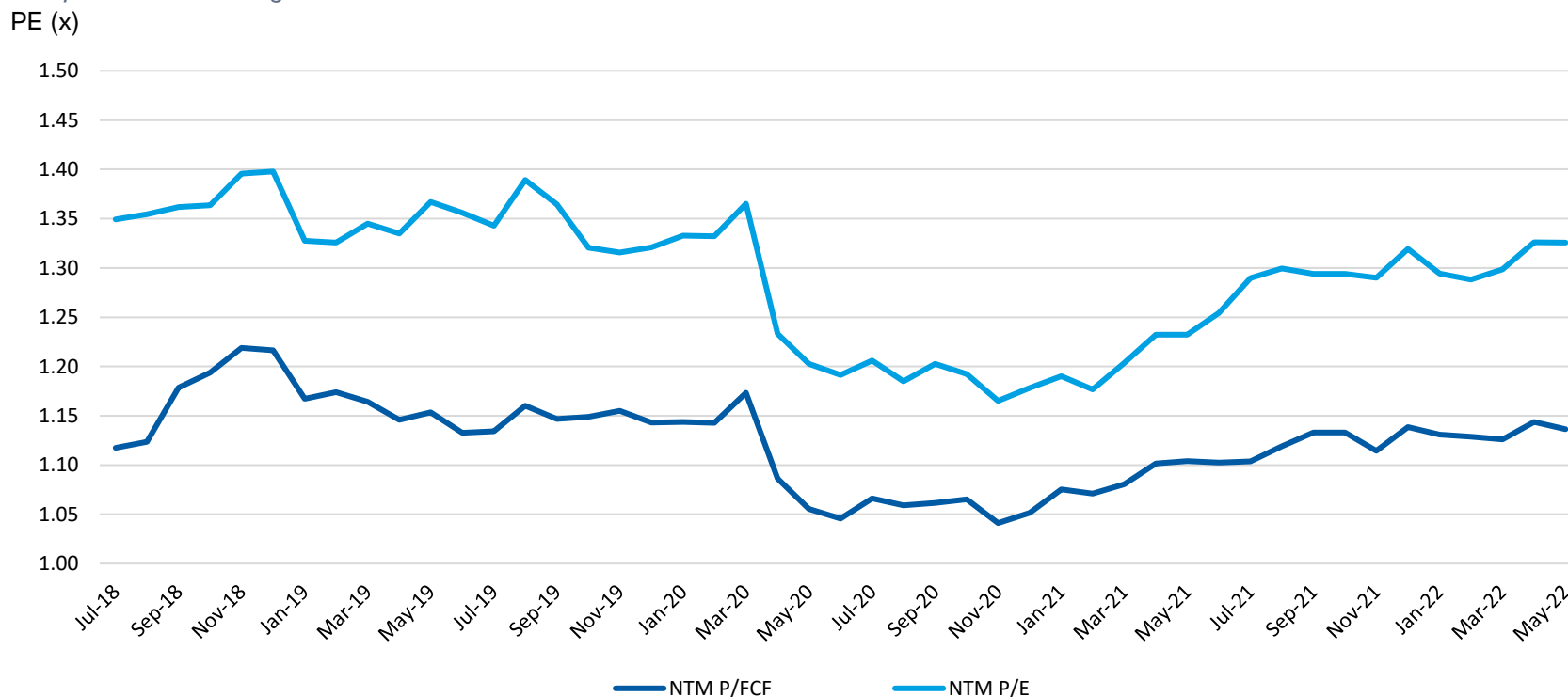
Source: Morgan Stanley Investment Management. The inception date of the Global Sustain Customised Commingled Composite is April 30, 2014. Returns may increase or decrease as a result of currency fluctuations. The value of the investments and the income from them can go down as well as up and an investor may not get back the amount invested. There are additional risks involved with this type of investment. Performance returns reflect the average annual rates of return. Periods less than 1 year are not annualized. The returns shown are GROSS and NET of investment advisory/management fees, which include performance fees if applicable, are quoted in USD and include the reinvestment of dividends and income. The comparison index is the MSCI World Net Index with Net dividends reinvested. If fees had been applied returns would have been lower. Shown for illustrative purposes only. It includes all separately managed accounts and pooled vehicles managed on a fully discretionary basis according to the Global Sustain Customised strategy. ESG considerations are an integrated part of the process and the strategy also excludes one or more contentious industries including but not limited to tobacco, alcohol and gambling.

Portfolio at 33% PE Premium, but 18% FF Premium Far Lower

MS INVF Global Sustain Fund

P/FCF and PE Relative to MSCI World

Past performance is no guarantee of future results



Source: FactSet. Data as of May 31, 2022.

P/FCF – Price to Free Cash Flow (Next 12 months).

P/E = Price to Earnings (Next 12 months).

Information presented for the periods shown are based on the underlying companies in the strategy's representative account. It is not intended to depict the historical or future characteristics of the strategy's representative account. A client's results could be materially different from those results presented here. Past performance should not be construed as a guarantee of future results. Provided for informational purposes only. Forecasts/estimates are based on current market conditions, subject to change, and may not necessarily come to pass. The inception date of the Global Sustain Representative Account is June 29, 2018.

ESG lens helps to make better long-term investment decisions

Risks for some are opportunities for others

Facebook (rebranded Meta)

- **Entirely dependent** on monetizing consumer data
- Chairman and CEO Zuckerberg **lacked** until recently **separate checks and balances**
- **Insufficient appreciation** of the risks of violating data privacy
- **Insensitive** to alienating potential stakeholders, e.g. with Libra the potential currency
- Business **model** under **threat**

VS.

Microsoft

- **Less reliant** on monetizing **consumer data**; core business is providing services to corporates (e.g. Office 365, Azure)
- **Strong governance** structure (separate Chair and CEO, risk oversight committee)
- Experience of anti-trust issues in late 1990s means the company is **alert to broader stakeholder concerns**, as shown by actions of Brad Smith, Chief Legal Officer & President
- **Not** under **regulatory challenge**

Any portfolio risk management processes discussed include an effort to monitor and manage risk, but should not be confused with and do not imply low risk or the ability to control risk. References to investment objectives or other goals the strategy seeks to achieve are inspirational only and should not be considered a guarantee that such results will be achieved. For illustrative purposes only. The above example is provided solely to demonstrate the team's investment process and type of analysis used in implementing their investment strategy. This is not a recommendation to buy or sell the security mentioned.

Engagement Case Studies Q1 2022

Outcome-Orientated Engagement on a Range of ESG Topics



- **Say on pay:**
 - **ESG:** we pressed for inclusion of environmental metrics in management incentives. They will take to the board for discussion.
 - **Disclosure:** after pressing for more detailed transparency on management targets for a while to help us understand if they are sufficiently stretching, the company acknowledged our position and recognised that we've been consistently pushing for better disclosure. They also asked us for examples of what we'd like to see, which is a positive first step. We will monitor for outcomes.
 - **Escalation:** Due to the lack of disclosure and failure to improve, we voted against the pay plan again, and against the chair of the compensation committee.
- **Decarbonisation** – We challenged whether they would meet their 2023 renewables target, especially via their Asian region. They outlined their confidence.



- **Decarbonisation** – We probed why new targets are not approved by SBTi¹. Discussed internal carbon pricing and main sources of emissions. They reassured on plans to include Scope 3 and are seeking SBTi approval.
- **Deforestation** – We explored targets and risk mitigation. They are founding member of industry sustainable paper initiative and have 2025 targets. We urged audit of paper suppliers.
- **Diversity & Inclusion** – We discussed new goals. Managers are measured on diverse hiring. Focused on better data and training. We urged pay gap disclosure and an update on flexible working standards policy.



- **Decarbonisation** – We probed on progress on carbon across value chain. We encouraged nature-based offset solutions as complementary solution given the challenges in reducing emissions in the supply chain.
- **Cotton supply chains** – We sought details on ethical sourcing and traceability. Committed to no sourcing from Xinjiang, have factory standards and made senior hires. We encouraged partnership with NGOs and verification tools.

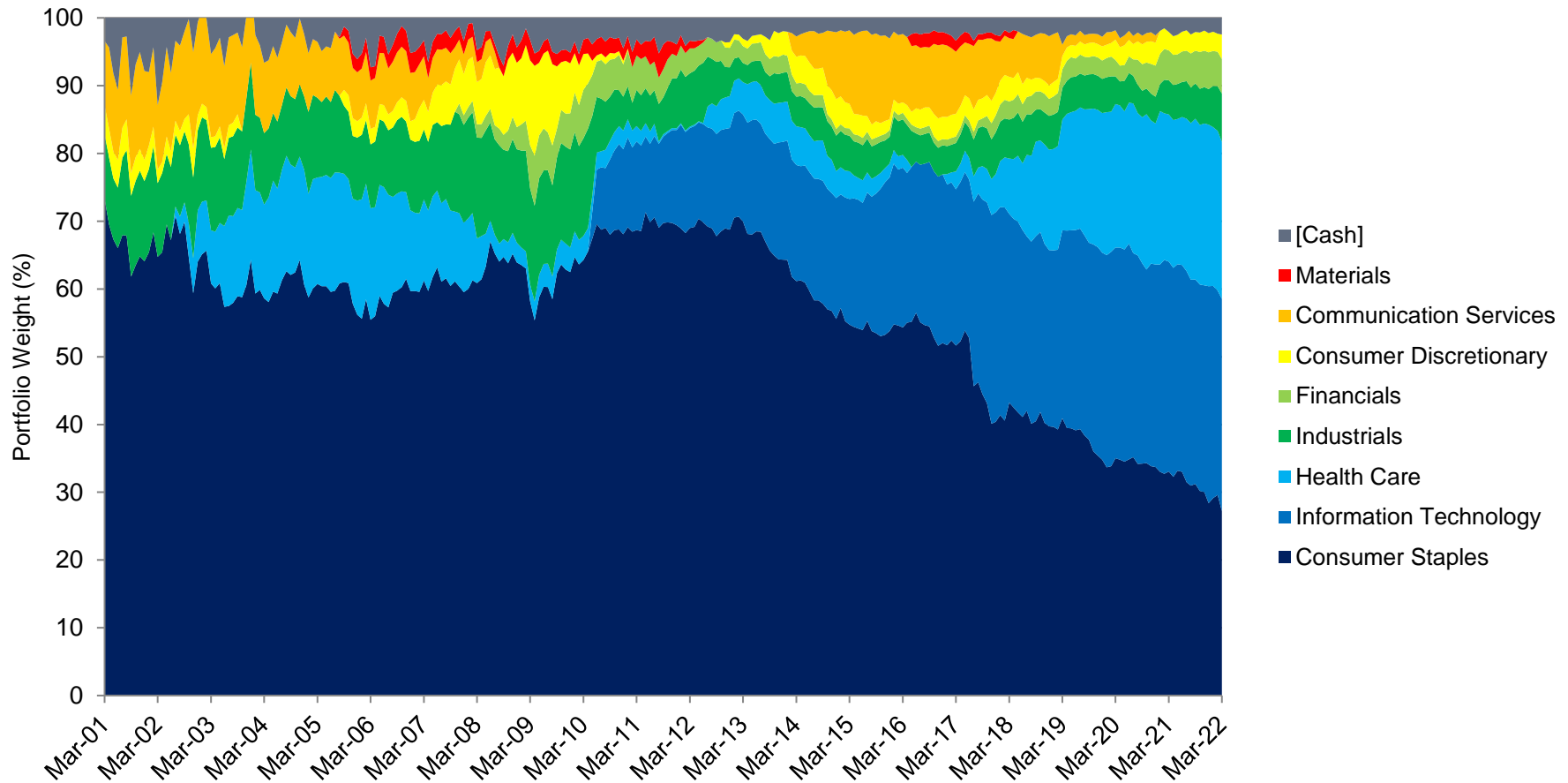
Source: Morgan Stanley Investment Management. Data as of March 31, 2022.

1. Science-Based Targets initiative.

The views and opinions expressed herein are those of the portfolio management team, are not representative of the Firm as a whole, and are subject to change at any time due to market or economic conditions. Provided for informational purposes only and should not be deemed as a recommendation to buy or sell the securities mentioned. There is no assurance that a portfolio will achieve its investment objective or an investment strategy will work under all market conditions.

Our Sector Exposure Has Evolved Over Time

MS INV Global Brands Fund (%)



Source: FactSet, Morgan Stanley Investment Management
Chart data as of March 31, 2022.

The Market's Recent Earnings Growth Has Been Exceptionally Strong

MSCI World Net Index

Indexed EPS

Data from May 2012 to March 2022



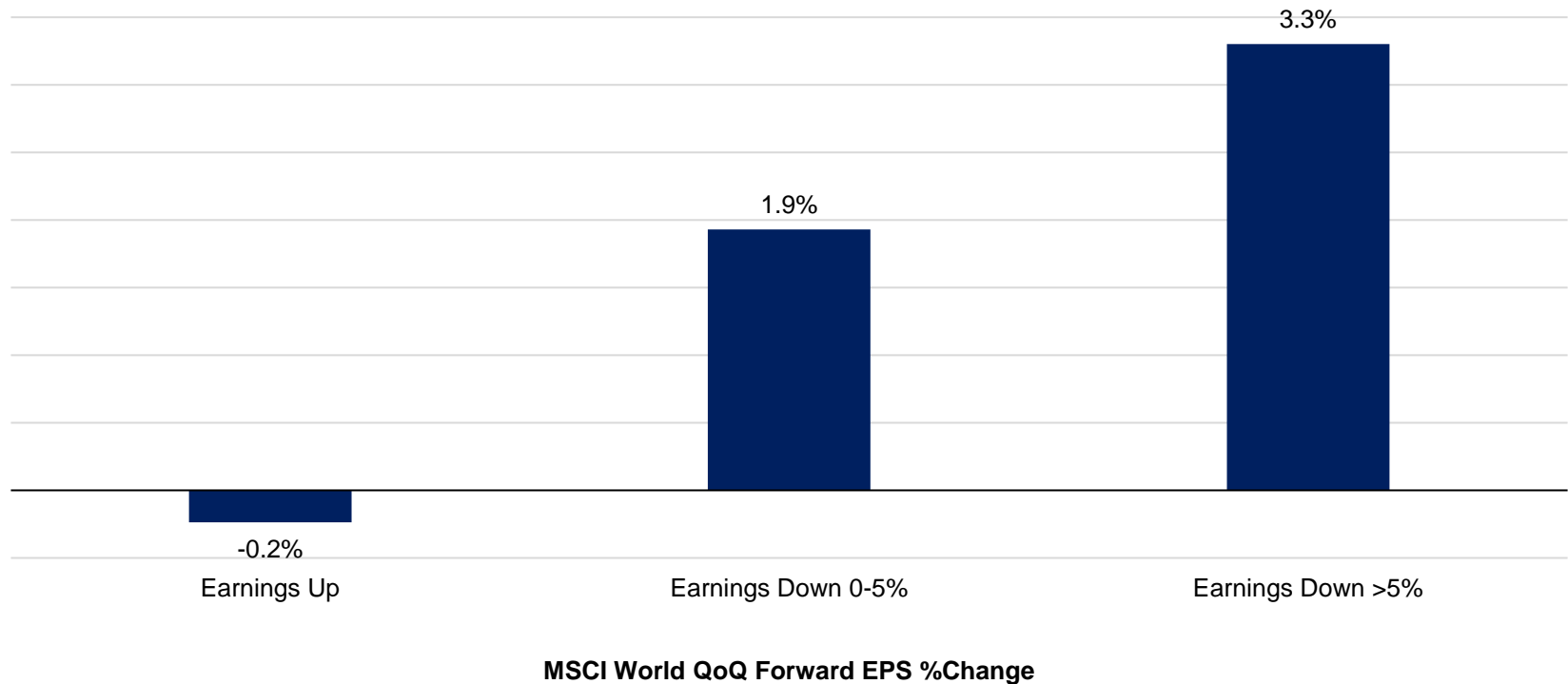
Source: FactSet. Data as of March 31, 2022.

Global Brands Relative Performance Driven by Direction and Magnitude of Change in Earnings

Average QoQ Total Return Relative to the Index

Global Brands Representative Account vs. MSCI World

Data from June 2002 to March 2022



Global Sustain Commingled Composite

Presented in USD Terms

YEAR	GROSS COMPOSITE RETURN (%)	NET COMPOSITE RETURN (%)	INDEX RETURN (%)	COMPOSITE 3-YR EX-POST STANDARD DEVIATION (%)	INDEX 3-YR EX-POST STANDARD DEVIATION (%)	NUMBER OF ACCOUNTS	COMPOSITE MARKET VALUE (M)	FIRM ASSETS (B)	INTERNAL DISPERSION (%)
01 May 18 - 31 Dec 18	1.05	0.32	(8.58)	N/A	N/A	2	25	369.3	N/A
2019	31.01	30.12	27.67	N/A	N/A	6	903	451.1	N/A
2020	17.04	16.38	15.90	N/A	N/A	11	2,779	661.8	0.4

Morgan Stanley Investment Management ("MSIM") claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. MSIM has been independently verified for the periods January 1, 1994 through December 31, 2020. The verification reports are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

Morgan Stanley Investment Management ("MSIM") is the asset management business of Morgan Stanley. Assets are managed by teams representing different MSIM investment platforms. The GIPS® firm for MSIM ("The Firm") is defined as the Active Fundamental Equity, Global Fixed Income, and Global Liquidity investment platforms, as well as the Global Listed Real Assets, Global Balanced and Risk Control, Global Multi Asset, Managed Solutions, and Applied Equity Advisors investment teams. Effective February 26, 2016, the Firm was redefined to reflect a realignment of the legal entities into investment platforms, which did not impact the Firm assets under management.

Prior to January 1, 2002, the Firm was defined as an investment management firm consisting of investment advisory operations within various legal entities. As of January 1, 2002, the Firm definition was expanded to include all investment advisory operations within MSIM excluding affiliated and unaffiliated wrap fee programs. From January 1, 2007 to May 31, 2010, the Firm definition included wrap fee programs, which were sold May 31, 2010. Due to an acquisition of assets from Morgan Stanley Smith Barney LLC ("MSSB") business on October 1, 2015, the Firm definition was expanded to include wrap fee programs. The Fundamental Equity Advisors wrap fee program was transferred to another firm in October 2018.

The Global Sustain Commingled Composite was created on November 13, 2020 and its inception date is April 30, 2018. The composite is designed to include all separately managed accounts and pooled vehicles managed on a fully discretionary basis according to the Global Sustain strategy. The strategy is a concentrated global equity strategy seeking to generate attractive long-term returns by investing in high quality businesses characterized by dominant intangible assets, high and sustainable returns on operating capital employed and strong free cash flow generation. Given the strategy's focus on the sustainability of long term returns on capital, Environmental, Social and Governance (ESG) considerations are an integrated part of this process as material weaknesses or opportunities in any of these areas can impact company fundamentals and the long term sustainability of a company's returns. Furthermore, the strategy excludes contentious industries including but not limited to tobacco, alcohol, gambling, and adult entertainment. With the exception of foreign currency forward exchange contracts, no derivatives are used in this strategy. Using derivatives involves specific risks, including those related to counterparty, liquidity, valuation, correlation, and market risks. A complete list and description of all composites and limited distribution pooled funds (LDPF) is available upon request. A list of the firm's broad distribution pooled funds is available on the firm's website (MSIM.com).

Performance data quoted represents past performance, which is no guarantee of future results. Each portfolio may differ due to specific investment restrictions and guidelines. Any double digit return cannot be sustained and investors should be aware that these returns were primarily achieved during favourable market conditions. Returns are reported in USD. The composite can include portfolios with different currencies which have been converted to the reported currency. The internal dispersion of annual returns is measured by the standard deviation of asset-weighted portfolio gross of fees returns included in the composite for the full year. The internal dispersion is not applicable ("N/A") for any period if fewer than 6 accounts are in the composite for the full year. The three-year annualized ex-post standard deviation measures the variability of the gross composite and benchmark returns over the preceding 36-month period. The three-year ex-post standard deviation is not applicable ("N/A") for any period if 36 monthly returns for the composite are not available. Policies for valuing investments, calculating performance and preparing GIPS Reports are available upon request.

Global Sustain Commingled Composite

Presented in USD Terms

The MSCI World Index is used as a benchmark. This index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. The benchmark is calculated with net dividends reinvested. The index is unmanaged and does not include any expenses, fees or sales charges, which would lower performance. The benchmark is used for comparative purposes only. It is not possible to invest directly in an index.

Gross performance is net of all transaction costs and withholding taxes. Net performance is net of all transaction costs, withholding taxes, actual investment/advisory fees which include performance fees if applicable and applicable administrative expenses. Any performance fees are accounted for and deducted when earned. Performance returns include the reinvestment of dividends and income. The firm's standard advisory fee schedule is as follows: 0.725% per annum on the first \$50 million of assets; 0.650% per annum on next \$50 million of assets; 0.600% per annum on assets in excess of \$100 million; 0.530% per annum on assets in excess of \$200 million; 0.50% per annum on assets in excess of \$350 million under management. Actual investment advisory fees incurred by clients may vary. For the Canadian Pooled Trust - Global Sustain Fund I (Formerly Global Quality I), the maximum management fee is 0.70% of the first \$25 million and highest total expense ratio is 0.90%.

Global Sustain Customised Commingled Composite

Presented in USD Terms

YEAR	GROSS COMPOSITE RETURN (%)	NET COMPOSITE RETURN (%)	INDEX RETURN (%)	COMPOSITE 3-YR EX-POST STANDARD DEVIATION (%)	INDEX 3-YR EX-POST STANDARD DEVIATION (%)	NUMBER OF ACCOUNTS	COMPOSITE MARKET VALUE (M)	FIRM ASSETS (B)	INTERNAL DISPERSION (%)
01 May 14 - 31 Dec 14	1.62	1.34	2.58	N/A	N/A	1	497	331.9	N/A
2015	6.30	5.83	(0.87)	N/A	N/A	1	516	334.0	N/A
2016	3.47	2.96	7.51	N/A	N/A	1	520	337.2	N/A
2017	25.38	24.78	22.40	10.80	10.38	1	603	394.1	N/A
2018	2.96	2.43	(8.71)	9.99	10.53	3	297	369.3	N/A
2019	30.91	30.20	27.67	9.99	11.29	6	903	451.1	N/A
2020	17.12	16.45	15.90	15.21	18.53	12	3,094	661.8	0.4

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Prior to January 1, 2002, the Firm was defined as an investment management firm consisting of investment advisory operations within various legal entities. As of January 1, 2002, the Firm definition was expanded to include all investment advisory operations within MSIM excluding affiliated and unaffiliated wrap fee programs. From January 1, 2007 to May 31, 2010, the Firm definition included wrap fee programs, which were sold May 31, 2010. Due to an acquisition of assets from Morgan Stanley Smith Barney LLC ("MSSB") business on October 1, 2015, the Firm definition was expanded to include wrap fee programs. The Fundamental Equity Advisors wrap fee program was transferred to another firm in October 2018.

The Global Sustain Customised Commingled Composite was created on January 11, 2019 and its inception date is April 30, 2014. This composite is designed to include all separately managed accounts and pooled vehicles managed on a fully discretionary basis according to the Global Sustain Customised strategy. The strategy seeks to generate attractive long-term returns by investing in high quality businesses characterized by dominant intangible assets, high and sustainable returns on operating capital employed and strong free cash flow generation. Given the strategy's focus on the sustainability of long term returns on capital, Environmental, Social and Governance (ESG) considerations are an integrated part of this process as material weaknesses or opportunities in any of these areas can impact company fundamentals and the long term sustainability of a company's returns. The strategy also excludes one or more contentious industries including but not limited to tobacco, alcohol and gambling. With the exception of foreign currency forward exchange contracts, no derivatives are used in this strategy. Using derivatives involves specific risks, including those related to counterparty, liquidity, valuation, correlation, and market risks. A complete list and description of all composites and limited distribution pooled funds (LDPF) is available upon request. A list of the firm's broad distribution pooled funds is available on the firm's website (MSIM.com).

Global Sustain Customised Commingled Composite

Presented in USD Terms

Performance data quoted represents past performance, which is no guarantee of future results. Each portfolio may differ due to specific investment restrictions and guidelines. Any double digit return cannot be sustained and investors should be aware that these returns were primarily achieved during favourable market conditions. Returns are reported in USD. The composite can include portfolios with different currencies which have been converted to the reported currency. The internal dispersion of annual returns is measured by the standard deviation of asset-weighted portfolio gross of fees returns included in the composite for the full year. The internal dispersion is not applicable ("N/A") for any period if fewer than 6 accounts are in the composite for the full year. The three-year annualized ex-post standard deviation measures the variability of the gross composite and benchmark returns over the preceding 36-month period. The three-year ex-post standard deviation is not applicable ("N/A") for any period if 36 monthly returns for the composite are not available. Policies for valuing investments, calculating performance and preparing GIPS Reports are available upon request.

The MSCI World Index is used as a benchmark. This index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. The benchmark is calculated with net dividends reinvested. The index is unmanaged and does not include any expenses, fees or sales charges, which would lower performance. The benchmark is used for comparative purposes only. It is not possible to invest directly in an index.

Gross performance is net of all transaction costs and withholding taxes. Net performance is net of all transaction costs, withholding taxes, actual investment/advisory fees which include performance fees if applicable and applicable administrative expenses. Any performance fees are accounted for and deducted when earned. Performance returns include the reinvestment of dividends and income. The firm's standard advisory fee schedule is as follows: 0.725% per annum on the first \$50 million of assets; 0.650% per annum on next \$50 million of assets; 0.600% per annum on assets in excess of \$100 million; 0.530% per annum on assets in excess of \$200 million; 0.50% per annum on assets in excess of \$350 million under management. Actual investment advisory fees incurred by clients may vary. For the Canadian Pooled Trust - Global Sustain Fund I (Formerly Global Quality I), the maximum management fee is 0.70% of the first \$25 million and highest total expense ratio is 0.90%.

Global Franchise Commingled Composite

Presented in USD Terms

YEAR	GROSS COMPOSITE RETURN (%)	NET COMPOSITE RETURN (%)	INDEX RETURN (%)	COMPOSITE 3-YR EX-POST STANDARD DEVIATION (%)	INDEX 3-YR EX-POST STANDARD DEVIATION (%)	NUMBER OF ACCOUNTS	COMPOSITE MARKET VALUE (M)	FIRM ASSETS (B)	INTERNAL DISPERSION (%)
2011	10.13	8.90	(5.54)	15.72	20.44	11	7,348	233.3	0.3
2012	15.49	14.19	15.83	13.67	16.98	21	12,219	279.7	0.7
2013	21.12	19.91	26.68	12.15	13.73	27	13,372	309.7	0.2
2014	6.18	5.11	4.94	11.58	10.37	27	11,859	331.9	0.3
2015	7.00	5.90	(0.87)	12.93	10.96	25	10,836	334.0	0.3
2016	6.26	5.18	7.51	12.27	11.08	27	11,995	337.2	0.2
2017	27.13	25.83	22.40	11.17	10.38	32	15,650	394.1	0.2
2018	(1.01)	(2.04)	(8.71)	9.40	10.53	31	15,930	369.3	0.3
2019	30.67	29.36	27.67	9.87	11.29	32	23,994	451.1	0.4
2020	14.09	12.95	15.90	14.48	18.53	34	29,605	661.8	0.4

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Global Franchise Commingled Composite

Presented in USD Terms

The Global Franchise Commingled Composite was created on November 13, 2020 and its inception date is March 31, 1996. The composite is designed to include all separately managed accounts and pooled vehicles managed on a fully discretionary basis according to the Global Franchise strategy. The strategy is a concentrated global equity strategy seeking to generate attractive long term returns by investing in high-quality franchise businesses, characterized by dominant intangible assets, high and sustainable returns on operating capital employed and strong free cash flow generation. Given the strategy's focus on the sustainability of long term returns on capital, Environmental, Social and Governance (ESG) considerations are an integrated part of this process as material weaknesses or opportunities in any of these areas can impact company fundamentals and the long term sustainability of a company's returns. With the exception of foreign currency forward exchange contracts, no derivatives are used in this strategy. Using derivatives involves specific risks, including those related to counterparty, liquidity, valuation, correlation, and market risks. A complete list and description of all composites and limited distribution pooled funds (LDPF) is available upon request. A list of the firm's broad distribution pooled funds is available on the firm's website (MSIM.com).

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Glossary

Glossary:

Compound Annual Growth Rate (CAGR) is the year-over-year growth rate of an investment over a specified period.

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) is essentially net income with interest, taxes, depreciation, and amortization added back to it, and can be used to analyze and compare profitability between companies and industries because it eliminates the effects of financing and accounting decisions.

Free cash flow (FCF) is operating cash flows (net income plus amortization and depreciation) minus capital expenditures and dividends.

Return On Operating Capital Employed (ROOCE) is a ratio indicating the efficiency and profitability of a company's trade working capital. Calculated as: earnings before interest and taxes/property, plant and equipment plus trade working capital (ex-financials and excluding goodwill).

NTM = Next Twelve Months.

Indices:

The **MSCI World Consumer Staples Index** is designed to capture the large and mid-cap segments across 23 Developed Markets (DM) countries around the world. All securities in the indices are classified in the Consumer Staples sectors, respectively, as per the Global Industry Classification Standard (GICS®).

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 **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 **MSCI All Country World Index (ACWI)** is a free float-adjusted market capitalization weighted index designed to measure the equity market performance of developed and emerging 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.

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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.

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Important Information Continued

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