

Morgan Stanley

INVESTMENT MANAGEMENT

MORGAN STANLEY INSTITUTIONAL FUND

Global Franchise Portfolio

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

ACTIVE FUNDAMENTAL EQUITY
INTERNATIONAL EQUITY TEAM
INVESTMENT IDEA
SEPTEMBER 30, 2024



MORNINGSTAR MEDALIST RATING™

Analyst-Driven: 100%;
Data Coverage: 100%

Morningstar have rated the fund a bronze medal (effective 11/12/2023).¹



**AS OF SEPTEMBER 30, 2024 AMONG
328 GLOBAL LARGE-STOCK BLEND**

**OVERALL MORNINGSTAR RATING™
FOR CLASS I¹**

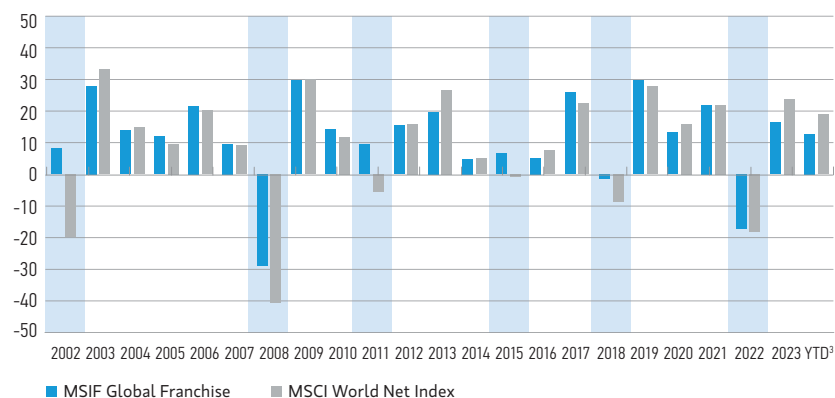
Morningstar ratings may vary among share classes and are based on historical risk-adjusted returns, which are not indicative of future results.

The Importance of Quality

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

Attractive Absolute Returns while Seeking to Manage Downside Risk Global Franchise Portfolio Calendar Year Returns²

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



¹ Morningstar Ratings: Overall Rating based on risk-adjusted return, out of 328 funds as of 09/30/2024 in the Global Large-Stock Blend Category – Class I shares. Ratings: 3 Year 3 stars (328 funds), 5 Year 3 stars (297 funds), 10 Year 5 stars (196 funds).

² Source: Morgan Stanley Investment Management. The portfolio results shown are for Class I shares and are net of investment advisory/management fees, are quoted in U.S.\$ and include the reinvestment of dividends and income. The comparison index is the MSCI World Index with Net dividends reinvested. Performance data quoted represents past performance, which is no guarantee of future results, and current performance may be lower or higher than the figures shown. See next page for standardized performance.

³ Source: Morgan Stanley Investment Management, as of September 30, 2024.

SYMBOLS

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

MSIF Global Franchise Portfolio

1 High Quality Focus

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

2 Powerful Brands

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

3 Strong Defense

The Portfolio has a history of reduced downside participation in weak markets, providing performance when it is needed most: e.g., the DotCom collapse, the Credit Crisis, the Sovereign Debt Crisis. Since inception, the Portfolio has returned 11.1% for 313 bps of outperformance versus the index.

High Conviction Approach

Top Ten Holdings (September 30, 2024)

SECURITY NAME	INTANGIBLE ASSETS	COUNTRY	(%)
Microsoft	Office, Windows, Xbox, Skype, Azure, Office365	United States	7.6
SAP	SAP, HANA, Concur, Ariba, SuccessFactors	Germany	6.9
VISA	Visa, Visa Direct	United States	5.5
Accenture	Accenture, Avanade, Fjord, Accenture Interactive	United States	4.0
Aon	Aon	United States	3.5
L'Oréal	L'Oréal Paris, Lancôme, Kiehl's, YSL Beauté, Maybelline, Garnier	France	3.3
UnitedHealth Group	Optum, UnitedHealthcare	United States	3.2
Intercontinental Exchange	ICE, NYSE, Encompass	United States	3.2
RELX	Elsevier, Lexis Nexis Risk Solutions, Reed Business Information, Reed Exhibitions	United Kingdom	3.2
Becton Dickinson	BD	United States	3.1
Total			43.4

⁴ Cumulative return.

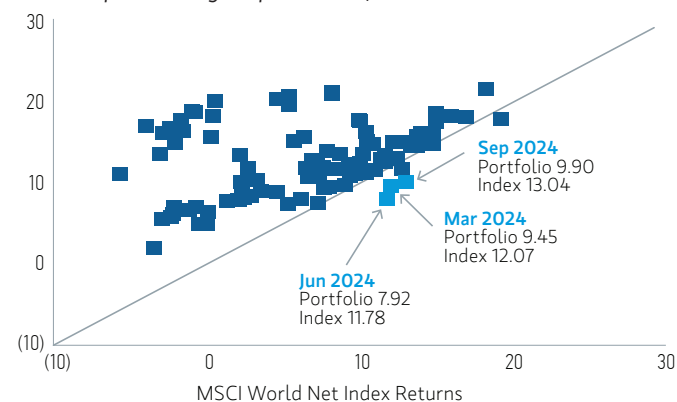
Source: Morgan Stanley Investment Management. Top 10 Holdings are provided for illustrative purposes only and should not be deemed as a recommendation to buy or sell the securities mentioned. Holdings are dated and subject to change daily.

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

The gross expense ratio is 0.92% for Class I shares and the net expense ratio is 0.92%. Expenses are based on the fund's current prospectus, in effect as of the date of this material. For information on the applicable fund's current fees and expenses, please see the fund's current prospectus. The minimum initial investment is \$1,000,000 for Class I shares. Performance, expenses, and minimums for other share classes will vary.

History of Outperformance Particularly in Down Markets

Rolling 5-Year Periods vs. MSCI World Net Index (Since Inception through September 30, 2024)



Investment Performance – Class I (% net of fees)

Annualized Total Return (Periods ending September 30, 2024)

	3Q24 ⁴	1 YEAR	5 YEAR	10 YEAR	SINCE INCEPTION (11/28/2001)
MSIF Global Franchise	9.56	23.40	9.90	10.60	11.11
MSCI World Net Index	6.36	32.43	13.04	10.07	7.98

DEFINITIONS: The MSCI World Index is a free float adjusted market capitalization weighted index that is designed to measure the global equity market performance of developed markets. The term "free float" represents the portion of shares outstanding that are deemed to be available for purchase in the public equity markets by investors. The performance of the Index is listed in U.S. dollars and assumes reinvestment of net dividends. The index is unmanaged and does not include any expenses, fees or sales charges. It is not possible to invest directly in an index. Any index referred to herein is the intellectual property (including registered trademarks) of the applicable licensor.

RISK CONSIDERATIONS: There is no assurance that a portfolio will achieve its investment objective. Portfolios are subject to market risk, which is the possibility that the market value of securities owned by the portfolio will decline and that the value of portfolio shares may therefore be less than what you paid for them. Market values can change daily due to economic and other events (e.g. natural disasters, health crises, terrorism, conflicts and social unrest) that affect markets, countries, companies or governments. It is difficult to predict the timing, duration, and potential adverse effects (e.g. portfolio liquidity) of events. Accordingly, you can lose money investing in this portfolio. Please be aware that this portfolio may be subject to certain additional risks. Changes in the worldwide economy, consumer spending, competition, demographics and consumer preferences, government regulation and economic conditions may adversely affect global franchise companies and may negatively impact the strategy to a greater extent than if the strategy's assets were invested in a wider variety of companies. In general, equity securities' values also fluctuate in response to activities specific to a company. Stocks of small-and medium-capitalization companies carry special risks, such as limited product lines, markets and financial resources, and greater market volatility than securities of larger, more established companies. Investments in foreign markets entail special risks such as currency, political, economic, and market risks. The risks of investing in emerging market countries are greater than the risks generally associated with investments in foreign developed countries. Non-diversified portfolios often invest in a more limited number of issuers. As such, changes in the financial condition or market value of a single issuer may cause greater volatility. Illiquid securities may be more difficult to sell and value than publicly traded securities (liquidity risk). Derivative instruments may disproportionately increase losses and have a significant impact on performance. They also may be subject to counterparty, liquidity, valuation, correlation and market risks. ESG strategies that incorporate impact investing and/or Environmental, Social and Governance (ESG) factors could result in relative investment performance

deviating from other strategies or broad market benchmarks, depending on whether such sectors or investments are in or out of favor in the market. As a result, there is no assurance ESG strategies could result in more favorable investment performance.

The Morningstar Medalist Rating™ is the summary expression of Morningstar's forward-looking analysis of investment strategies as offered via specific vehicles using a rating scale of Gold, Silver, Bronze, Neutral, and Negative. The Medalist Ratings indicate which investments Morningstar believes are likely to outperform a relevant index or peer group average on a risk-adjusted basis over time. Investment products are evaluated on three key pillars (People, Parent, and Process) which, when coupled with a fee assessment, forms the basis for Morningstar's conviction in those products' investment merits and determines the Medalist Rating they're assigned. Pillar ratings take the form of Low, Below Average, Average, Above Average, and High. Pillars may be evaluated via an analyst's qualitative assessment (either directly to a vehicle the analyst covers or indirectly when the pillar ratings of a covered vehicle are mapped to a related uncovered vehicle) or using algorithmic techniques. Vehicles are sorted by their expected performance into rating groups defined by their Morningstar Category and their active or passive status. When analysts directly cover a vehicle, they assign the three pillar ratings based on their qualitative assessment, subject to the oversight of the Analyst Rating Committee, and monitor and reevaluate them at least every 14 months. When the vehicles are covered either indirectly by analysts or by algorithm, the ratings are assigned monthly. For more detailed information about these ratings, including their methodology, please go to global.morningstar.com/managerdisclosures/

The Morningstar Medalist Ratings are not statements of fact, nor are they credit or risk ratings. The Morningstar Medalist Rating (i) should not be used as the sole basis in evaluating an investment product, (ii) involves unknown risks and uncertainties which may cause expectations not to occur or to differ significantly from what was expected, (iii) are not guaranteed to be based on complete or accurate assumptions or models when determined algorithmically, (iv) involve the risk that the return target will not be met due to such things as unforeseen changes in management, technology, economic development, interest rate development, operating and/or material costs, competitive pressure, supervisory law, exchange rate, tax rates, exchange rate changes, and/or changes in political and social conditions, and (v) should not be considered an offer or solicitation to buy or sell the investment product. A change in the fundamental factors underlying the Morningstar Medalist Rating can mean that the rating is subsequently no longer accurate.

The **Data Coverage %** data point is a summary metric describing the level of data completeness used to generate the overall rating. If the pillar is assigned directly or indirectly by analysts, the pillar has complete data availability, as no model was used to estimate the pillar score. If the pillar is assigned directly by algorithm, Morningstar counts the number of data points feeding both the positive and negative models and counts whether the vehicle has strategy-specific data available. A simple percentage is calculated per pillar. The overall data coverage % is then scaled by pillar weights.

The **Analyst-Driven %** data point displays the weighted percentage of a vehicle's pillar ratings assigned directly or indirectly by analysts. For example, if the People and Parent ratings are assigned directly or indirectly by analysts but the Process rating is assigned algorithmically, the Analyst-Driven % for an actively managed vehicle would disclose that 55% of the pillar weight was assigned by analysts and the Analyst-Driven % for a passively managed vehicle would disclose that 20% of the pillar weight was assigned by analysts.

As of September 30, 2024. The **Morningstar Rating™** for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60%

five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. Ratings do not take into account sales loads.

©2024 Morningstar, Inc. All rights reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. **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.

Please consider the investment objective, risks, charges and expenses of the fund carefully before investing. The prospectus contains this and other information about the fund. To obtain a prospectus (which includes the applicable fund's current fees and expenses, if different from those in effect as of the date of this material), download one at morganstanley.com/im or call 1.800.548.7786. Please read the prospectus carefully before you invest or send money.

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

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