

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
MARCH 31, 2023



Bronze

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 12/31/2022).



AS OF MARCH 31, 2023
AMONG 334 GLOBAL LARGE
STOCK BLEND

OVERALL MORNINGSTAR RATING™ FOR CLASS I¹

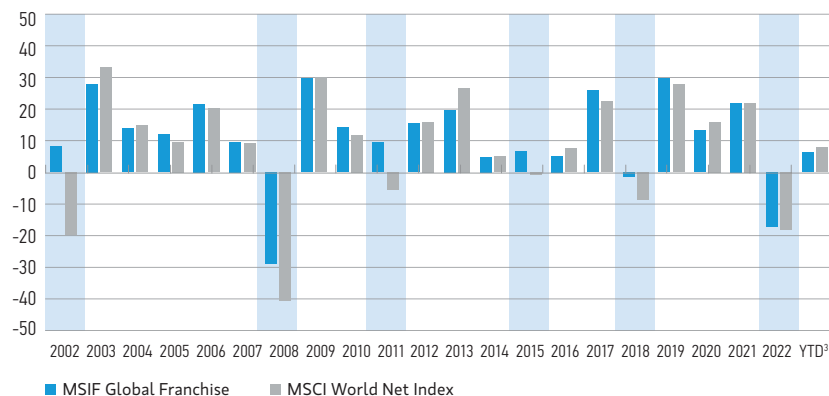
Morningstar ratings may vary among share classes and are based on historical risk-adjusted returns, which are not indicative of future results.

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 334 funds as of 03/31/2023 in the Global Large Stock Blend Category – Class I shares. Ratings: 3 Year 2 stars (334 funds), 5 Year 5 stars (288 funds), 10 Year 5 stars (182 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 March 31, 2023.

SYMBOLS

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

MSIF Global Franchise Portfolio

1 High Quality Focus

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

2 Powerful Brands

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

3 Strong Defense

The Portfolio has a history of reduced downside participation in weak markets, providing performance when it is needed most: e.g., the DotCom collapse, the Credit Crisis, the Sovereign Debt Crisis. Since inception, the Portfolio has returned 10.84% for 385 bps of outperformance versus the index.

High Conviction Approach

Top Ten Holdings (March 31, 2023)

SECURITY NAME	INTANGIBLE ASSETS	COUNTRY	(%)
Microsoft	Office, Windows, Xbox, Skype, Azure, Office365	United States	9.6
Philip Morris	Marlboro, Chesterfield, L&M, Philip Morris and IQOS	United States	6.9
Reckitt Benckiser	Calgon/Finish, Vanish, Scholl, Clearasil, Nurofen, Strepsils, Enfamil	United Kingdom	6.0
SAP	SAP, HANA, Concur, Ariba, SuccessFactors	Germany	5.9
VISA	Visa, Visa Direct	United States	5.6
Danaher	Beckman Coulter, Leica Biosystems, Pall, Sciex, Hach, VideoJet	United States	5.0
Accenture	Accenture, Avanade, Fjord, Accenture Interactive	United States	4.8
Thermo Fisher Scientific	Thermo Scientific, Fisher Scientific, Applied Biosystems, Patheon	United States	4.6
Intercontinental Exchange	ICE, NYSE, Encompass	United States	3.8
Abbott Laboratories	Brufen, Ensure, PediaSure, Similac, Glucerna, FreeStyle Libre	United States	3.4
Total			55.5

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 0.91% for Class I shares and the net expense ratio is 0.91%. Expenses are based on the fund's current prospectus. The minimum initial investment is \$1,000,000 for Class I shares. Performance, expenses, and minimums for other share classes will vary.

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

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

Morningstar Analyst Rating™ ("Rating"): The Rating is a subjective evaluation, is not a credit or risk rating, and a high rating is not a guarantee for relatively strong performance. The Morningstar's Manager Research group ("MRG") evaluates funds based on five key pillars (process, performance, people, parent, and price) 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. The weighting analysis for actively managed strategies are: people and process 45% each; parent 10%; performance has no explicit weight (it is incorporated into people and process); price (share-class level where applicable) is subtracted from an expected gross alpha estimate derived from the analysis of other pillars. The impact of the weighted pillar scores for people, process and parent on the final Rating is further modified by a measure of the dispersion of historical alphas among relevant

History of Outperformance Particularly in Down Markets

Rolling 5-Year Periods vs. MSCI World Net Index (Since Inception through March 31, 2023)



Investment Performance – Class I (% net of fees)

Annualized Total Return (Periods ending March 31, 2023)

	1Q23 ⁴	1 YEAR	5 YEAR	10 YEAR	SINCE INCEPTION (11/28/2001)
MSIF Global Franchise	6.31	-3.28	9.36	9.74	10.84
MSCI World Net Index	7.73	-7.02	8.01	8.85	6.99

peers. Rating scale: Gold, Silver, Bronze, Neutral, and Negative. For active funds, Gold, Silver, or Bronze reflects the MRG's level of expectation that the fund will be able to deliver positive alpha net of fees relative to the standard benchmark index assigned to the Morningstar category. Ratings 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, including its methodology: <https://shareholders.morningstar.com/investorrelations/governance/Compliance--Disclosure/default.aspx>. The Rating (i) should not be used as the sole basis in evaluating a fund, (ii) involves unknown risks and uncertainties which may cause the MRG's 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. As of March 31, 2023, 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.

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Please consider the investment objective, risks, charges and expenses of the fund carefully before investing. The prospectus contains this and other information about the fund. To obtain a prospectus, 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.

NOT FDIC INSURED | OFFER NO BANK GUARANTEE | MAY LOSE VALUE | NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY | NOT A DEPOSIT