Morgan Stanley

INVESTMENT MANAGEMENT

CRC#5651844-EXP.04.30.2024

International Equity Trust

City of Fort Pierce Retirement and Benefit System

May 18, 2023

International Equity Trust

Data as of March 31, 2023

Original Investment (September 1, 1991)	$2,767,286.72
+ Contributions	9,045,000.00
-Withdrawals	(15,131,563.00)
- Investment Management Fees	(3,113,488.02)
+ Interest Income	287,731.17
+ Dividend Income	9,468,780.99
+ Realized Gain/(Loss)	17,371,765.57
- Other Expenses	(25,645.65)
+/- Market Appreciation/(Depreciation)	1,323,237.11
Market Value	$23,199,348.73[1]

1. State Street custodial accounting information reflects time period beginning January 1993. Data not available for client inception of September 1, 1991. Fund Accounting Systems changed effective August 1, 2001. All cumulative numbers past July 31, 2001 should be considered estimates. Our figures represent investments in the Morgan Stanley Investment Management International Equity Trust.

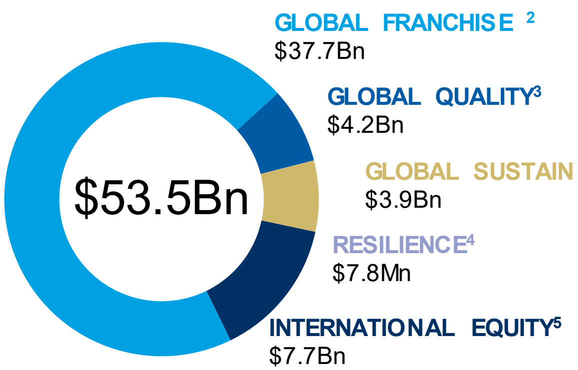
Morgan Stanley | INVESTMENT MANAGEMENT

+25yrs experience in quality investing

International Equity Team

A disciplined and well-resourced team

Assets Under Management[1]



- Fourteen investment professionals with ~200 years of combined investment experience
- Incentives aligned with those of our clients
- Accessible portfolio managers with access to company managements
- Dedicated portfolio specialists to oversee client servicing requirements

Portfolio Management Team [6]

- **William Lock (Head)** — Managing Director (31/29 years)
- **Bruno Paulson[7]** — Managing Director (29/14 years)
- **Nic Sochovsky** — Managing Director (25/8 years)
- **Alex Gabriele, CFA** — Managing Director (14/11 years)
- **Marcus Watson** — Managing Director (15/15 years)
- **Isabelle Mast, PhD** — Executive Director (18/1 years)
- **Nathan Wong, CFA[8]** — Executive Director (23/6 years)
- **Richard Perrott, CFA** — Executive Director (17/8 years)
- **Marte Borhaug[9]** — Head of Sustainable Outcomes, Executive Director (13/1 years)
- **Vlad Demine, CFA** — Head of ESG Research, Executive Director (21/14 years)
- **Anton Kryachok, CFA** — Executive Director (13/1 years)

Research

- **Helena Miles** — Vice President (10/4 years)
- **Fei Teng** — Vice President (10/4 years)
- **Jinny Hyun** — (1/1 year)

Portfolio Specialists[10]

- **Laura Bottega, COO** — Head of Client Experience, Managing Director (25/17 years)
- **Jill Ytuarte** — Managing Director (25/19 years)
- **David Bernard** — Executive Director (15/15 years)
- **Monica Carta** — Executive Director (21/21 years)
- **Alistair Corden-Lloyd** — Executive Director (31/26 years)
- **Candida de Silva** — Executive Director (23/4 years)
- **Colleen Dyer** — Executive Director (22/16 years)
- **Munenori Yoshimi, CFA** — Executive Director (29/24 years)
- **Anna Baron** — Vice President (33/22 years)
- **Julia Forde** — Vice President (35/30 years)
- **Teppei Adachi** — (12/4 years)

Cash & Data Analytics

- **Rob Butler, CFA** — Vice President (12/7 years)

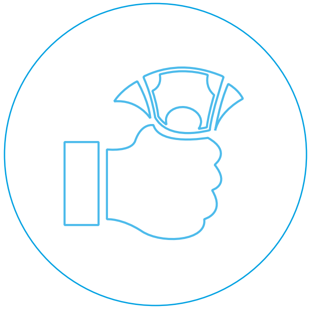
1. AUM as of March 31, 2023, quoted in USD. Figures include assets managed globally under this strategy within a number of separate products, jurisdictions and mandates. The team also provides advisory services to a range of clients.
2. Includes $594 million in Global Brands Equity Income.
3. Includes $214 million in Global Quality ex Tobacco.
4. Includes $2 million in International Resilience and $6 million in American Resilience.
5. Includes $3.1 billion in International Equity Plus
6. As of January 2023. Years of investment experience / years on the International Equity Team.
7. Years of investment experience (7 years as a consultant, 22 years in financial services)/years on the International Equity Team.
8. Years of investment experience (3 years as an accountant, 19 years in financial services)/years on the International Equity Team.
9. Years of experience (12 years in sustainability, 6 years of which in financial services)/years on the International Equity Team.
10. As of January 2023. Years of industry experience / years with the Firm.

Team members may change from time to time.

International Equity Strategy

We seek to generate long-term outperformance by investing in a combination of high quality compounders and value opportunities, the mix of which adjusts over time based on price and prospects

Hold High Quality Compounders



Exploit Value Opportunities

Key is to avoid fading returns

Source: Morgan Stanley Investment Management. 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.

International Equity Strategy

Price and Prospects Determine the Balance Between the Two Over Time

- Overall bias towards High Quality Compounders, providing price is reasonable
  - Typically asymmetric returns
  - Superior underlying long-term compounding
- Mix between High Quality Compounders and Value Opportunities is not a top-down allocation and will vary across the market cycle, but the portfolio will typically maintain an overweight to quality
- Currently at top end of High Quality Compounder weighting as Value Opportunities do not provide the greater "margin of safety" required given their prices and prospects

- Valuation of High Quality Compounders vs Value Opportunities
- Earnings prospects for more cyclical / lower quality industries

1. Typical ranges. For illustrative purposes only.

Investment Process

Stock Selection

		High Quality Compounders	Value Opportunities
1	**SCREEN** ~ MSCI ACWI ex USA ~ 2000 stocks > $2bn market capitalization	• Have high returns[1] been sustained? • Is valuation fair value or better?	• Do price or price movements look interesting? • Do returns look reasonable or unusually depressed?

2	**ANALYZE**
	~300-400 stocks
		• Engine of returns[1] and profitability
		• Direction of returns[1]
		• Market shares and distinct competitive advantages
		• Degree of cyclicality and capital intensity
		• Financial strength
			• Threats & opportunities for sustainable returns
			  • industry dynamics
			  • company developments
			  • material ESG factors
			• Management
			  • Response to potential threats & opportunities
			  • Incentives
			  • Capital Allocation

3	**VALUE**	• A focus on free cash flow (FCF)[2], not accounting numbers	• FCF yield and other measures such as P/E, ROE, P/B, DCF, EV/NOPAT[3] where relevant
4	**CONSTRUCT** ~55-85 stocks	• Does new idea have a better risk / reward trade-off? • Weights influenced by absolute level of risk and team's level of conviction	• Compounders tend to have larger positions – lower absolute risk • 5% max security weight • No country or sector limits

The information presented represents how the portfolio management team applies their investment process under normal market conditions.
1. ROOCE: Earnings Before Interest and Taxes (EBIT)/ Property Plant and Equipment (PPE) + trade working capital ex Financials (excludes goodwill)
2. Free cash flow = operating cash flow minus capital spending, working capital growth, interest and tax.
3. EV = Enterprise Value = Market Value plus Net Debt. NOPAT = Net operating profit after tax

The Overall Return Pattern of the Portfolio Reflects How We Invest

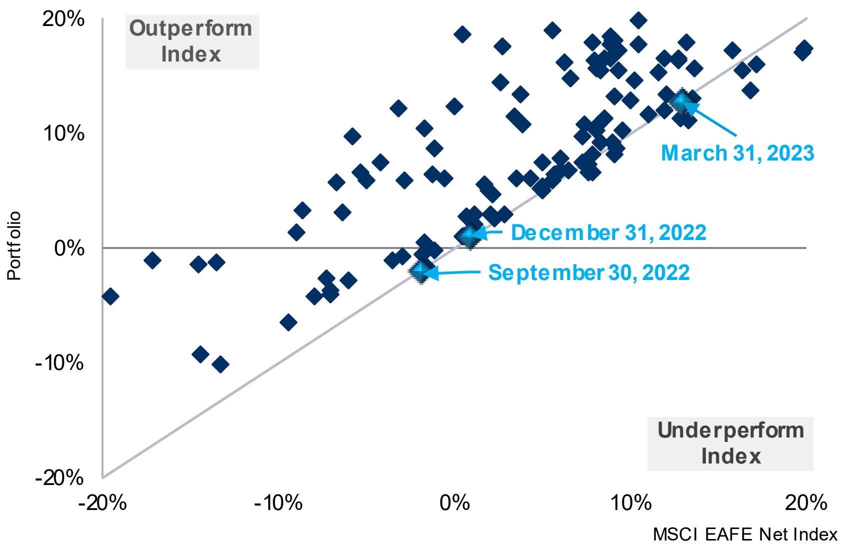
International Equity Trust - USD

Data from Since Inception to March 31, 2023

Past performance is no guarantee of future results

An Asymmetric Return Profile

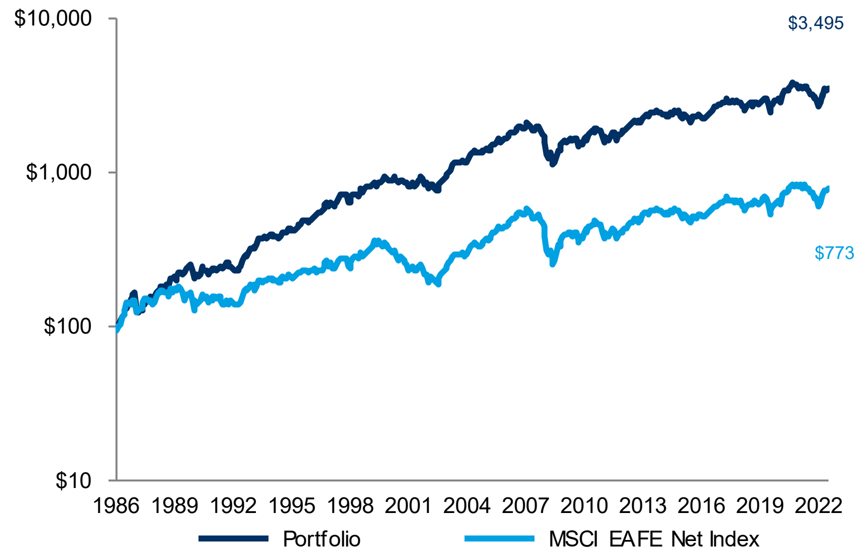
Rolling 3 Year Annualized Returns - Quarterly Data



- A measure of capital preservation in down markets
- Reasonable participation in strong up markets

... Underpins Long-Term Compounding

Value of $100 Today



Compound	Net
• Portfolio	10.2 %
• EAFE	5.8 %

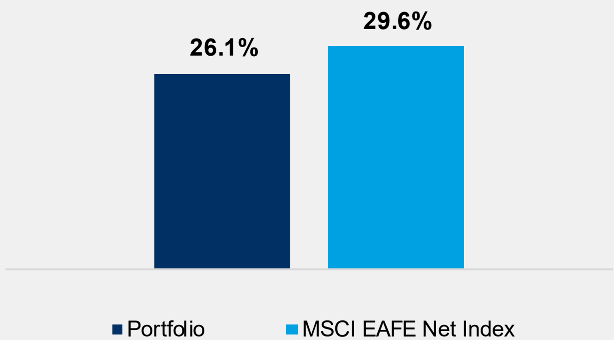
Source: Morgan Stanley Investment Management. The inception date for the International Equity Trust is September 30, 1986. . Growth of a dollar using a logarithmic scale. Each portfolio may differ due to specific investment restrictions and guidelines. Individual results will vary. Performance returns reflect the average annual rates of return. The investment returns are **Gross** of custody as well as investment management fees, in USD terms, and assume the reinvestment of all dividends and income. If expenses were deducted returns would have been lower. Investment returns and principal value will fluctuate and an investor's shares, when redeemed, may be worth more or less than their original cost. Performance returns are compared to those of an unmanaged index and are considered to be a relevant comparison to the Portfolio. Comparisons of performance assume the reinvestment of all dividends and income. Please refer to the standardized performance slide for additional information.

Portfolio has Delivered an Asymmetric Pattern of Performance

International Equity Trust - USD

Past performance is no guarantee of future results

‘Up’ Months



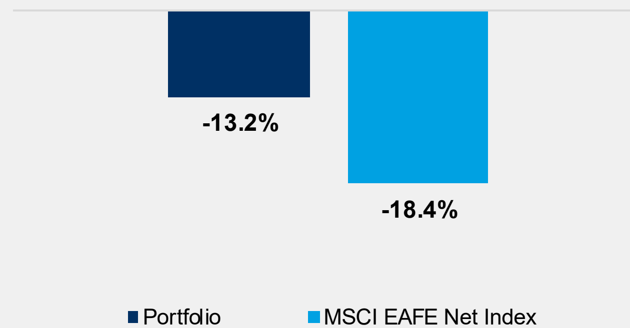
Annualized Average % Since 1986

88% Upside Capture

Good Upside Participation

72% Downside Capture

Reduced Downside Participation



Annualized Average % Since 1986

‘Down’ Months

Source: MSCI, Morgan Stanley Investment Management. Data as of March 31, 2023. The International Equity Trust’s inception date is September 30, 1986. Returns may increase or decrease as a result of currency fluctuations. The comparison index is the MSCI EAFE 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. Please refer to the standardized performance slide for additional information.

Performance Returns

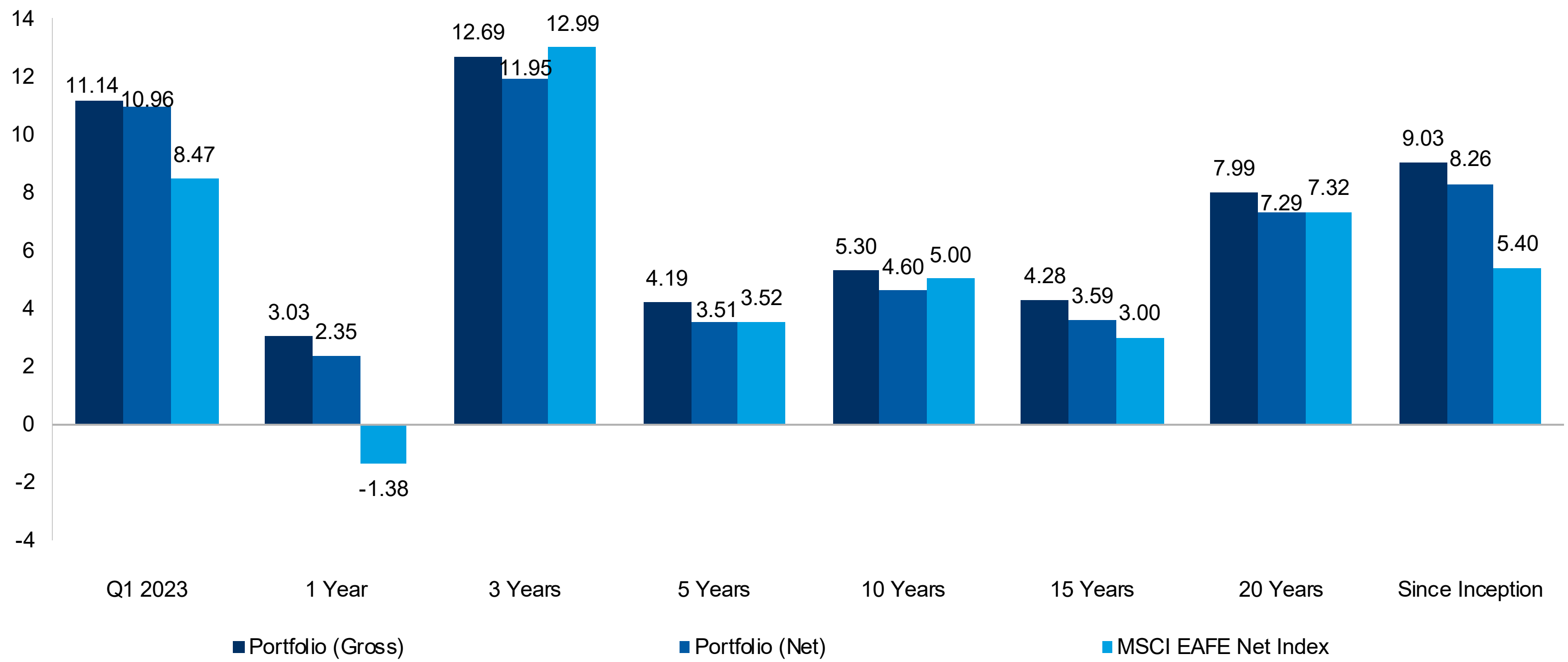
City of Fort Pierce Retirement and Benefit System

Data as of March 31, 2023 (%)

Past performance is no guarantee of future results

Inception Date: September 01, 1991

Market Value as of March 31, 2023: $23,199,348.73



	Q1 2023	1 Year	3 Years	5 Years	10 Years	15 Years	20 Years	Since Inception
Gross Excess Return	2.67	4.41	-0.30	0.67	0.30	1.28	0.67	3.63
Net Excess Return	2.49	3.73	-1.04	-0.01	-0.40	0.59	-0.03	2.86

Source: Morgan Stanley Investment Management. Performance returns reflect the average annual rates of return. Periods less than 1 year are not annualized. The returns shown are net of investment advisory/management fees, are quoted in USD and include the reinvestment of dividends and income. Performance returns are compared to those of the MSCI EAFE Net Index with Net dividends reinvested, which is an unmanaged market index and is considered to be a relevant comparison to the Portfolio. The index does not include any expenses, fees or sales charges. Comparisons of performance assume the reinvestment of all dividends and income. It is not possible to invest directly in an index.

Sector Attribution – 1 Year

International Equity Trust - USD

Top Five Absolute Contributors:

Safran	+73 bps
LVMH	+71 bps
SAP	+69 bps
Moncler	+61 bps
Carlsberg	+49 bps

Top Five Absolute Detractors:

Roche	-72 bps
Fresenius	-67 bps
Grifols	-60 bps
Barrick Gold	-59 bps
Teleperformance	-55 bps

Cumulative Returns from April 01, 2022 to March 31, 2023 [1,2,3]

Past performance is no guarantee of future results

	SECTOR PERFORMANCE	AVERAGE SECTOR WEIGHTINGS		PERFORMANCE ATTRIBUTION		
	INDEX (%)	PORTFOLIO (%)	INDEX (%)	SELECTION (%)	ALLOCATION (%)	TOTAL (%)
Consumer Staples	1.33	19.39	10.58	1.13	0.48	1.61
Financials	-1.41	19.88	18.37	0.71	0.16	0.87
Industrials	-0.62	18.69	15.26	0.60	0.14	0.74
Information Technology	-3.62	13.63	7.44	0.46	0.14	0.60
Real Estate	-20.39	--	2.74	--	0.57	0.57
Consumer Discretionary	4.98	6.88	11.46	0.55	-0.32	0.24
Communication Services	-6.82	1.24	4.71	-0.05	0.18	0.13
Utilities	-1.20	--	3.44	--	-0.00	-0.00
Materials	-6.53	2.12	7.74	-0.31	0.29	-0.02
Health Care	-2.64	11.60	13.49	-0.83	0.25	-0.58
Energy	9.60	3.33	4.78	-0.45	-0.26	-0.71
Cash	--	3.24	--	--	-0.01	-0.01
Total	**-1.38**	**100.00**	**100.00**	**1.81**	**1.63**	**3.44**

Source: Morgan Stanley Investment Management and FactSet.

1. Portfolio weight and MSCI EAFE Net Index are an average for the period. Attribution total return shows the impact to the portfolio's return; it is not representative of the portfolio's total return. Information shown is quoted in USD terms and include the reinvestment of all dividends and income. Provided for informational purposes only and should not be deemed as a recommendation to buy or sell the securities in the sectors shown above.
2. The 'Cash' line in the attribution includes cash balances as well as other cash instruments.
3. On March 17, 2023 the GICS Industry Group, Industry and Sub-Industry classifications were amended and consequently a number of securities within Consumer Discretionary, Consumer Staples, Financials, Industrials, Information Technology and Real Estate were re-classified. This may impact the Portfolio's overall sector positioning.

This material has been prepared on the basis of publicly available information, internally developed data and other third-party sources believed to be reliable. Any third-party data or methodology used to derive such data is subject to change without notice. No assurance is provided regarding the reliability of such information and the Firm may not independently verify all information taken from public and third-party sources. The holdings identified do not represent all of the securities purchased, sold, or recommended for advisory clients. Each portfolio is actively managed; therefore, holdings referenced may or may not be currently represented in each portfolio.

Significant Movements in the Portfolio – 2022

International Equity Trust

Portfolio Turnover

2022: 32.13%

Major Transactions: January 1, 2022 – December 31, 2022

INITIAL PURCHASES	ADDITIONS	REDUCTIONS	FINAL SALES
Royal Dutch Shell[1]	Legrand	***Tencent***	Henkel
MTU Aero Engines[1]	***Samsung***	Novartis	United Overseas Bank
Carlsberg[1]	Infineon	BAT	Bayer
Worldline[1]	Prudential	RELX	SMFG
Teleperformance[1]	UBS	Fresenius	***Grifols***
SK Hynix	Deutsche Post	Sanofi	GlaxoSmithKline
St James' Place[1]	Knorr-Bremse	Pernod Ricard	M&G
Atlas Copco[1]	L'Oréal	Roche	Anglo American
Kone[2]	Svenska Handelsbanken	***AIA***	Cameco
KBC[1]	LVMH[3]	Thales	JD.com[5]
Tourmaline	ABF	***Constellation Software***	EuroAPI[6]
Partners Group[2]	Epiroc	Mowi	
Halma	TSMC	***Deutsche Boerse***	
	Hoya	***Imperial Brands***	
	Qiagen	Reckitt Benckiser	
	Shiseido	Barrick Gold[4]	
	Tryg	***LVMH***[3]	
	Moncler	Legal & General	
	Adidas	***Kirin***	
	Aristocrat	DBS	
	Safran	Fanuc	
	SAP	Hexagon	
	Barrick Gold[4]	Keyence	

Source: Morgan Stanley Investment Management All information is provided for informational purposes only and should not be deemed as a recommendation to buy or sell the securities mentioned. There is no guarantee that the securities shown, or holdings in general, will perform well. Holdings are subject to change. Significant movement is based on all new purchases and final sales and at least 20 basis points weight changes for other existing positions for the period shown. ***Companies in bold/Italics represent activity in Q4 2022.***

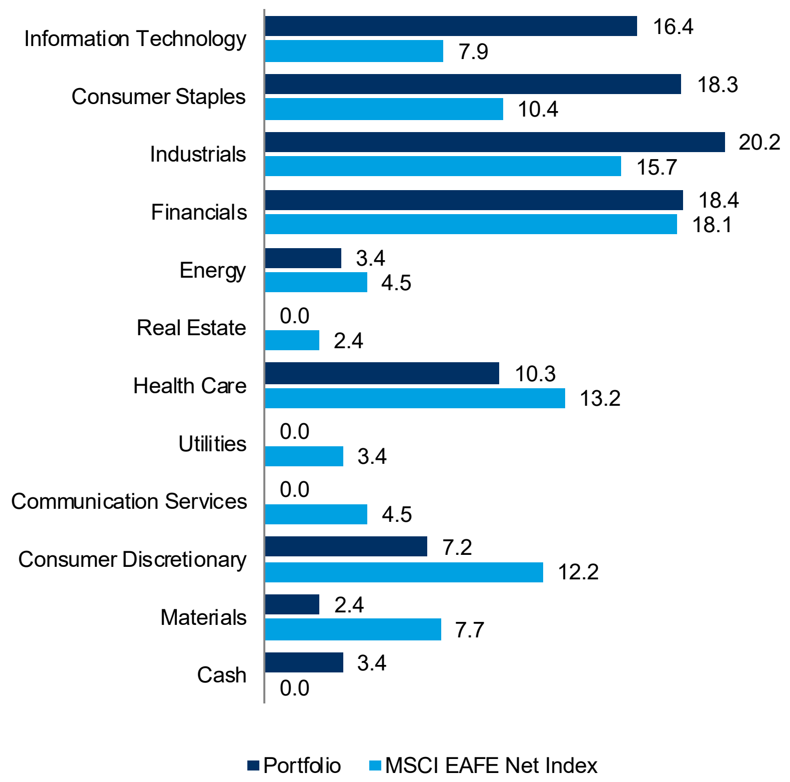
1. Initially purchased in Q1 2022 and added to during later quarters.
2. Initially purchased in Q2 2022 and added to during Q3 2022.
3. LVMH was added to in Q1 2022 and reduced in Q4 2022.
4. Barrick Gold was reduced in Q1 2022 and Q2 2022 and added to during Q4 2022.
5. Special dividend received from Tencent and was sold in Q1 2022. Position size was <10bps.
6. Spun out of Sanofi and sold in Q2 2022. Position size was <5bps.

Portfolio Remains Defensively Positioned

Sector weights result from bottom-up stock selection process

Sector Weightings

International Equity Trust, data as of March 31, 2023



Sector	Largest Securities
Information Technology	SAP, Constellation Software, Samsung Electronics
Consumer Staples	Heineken, Reckitt Benckiser, Carlsberg
Industrials	Deutsche Post, RELX, Safran
Financials	AXA, Prudential, Svenska Handelsbanken
Energy	Shell, Tourmaline
Health Care	AstraZeneca, Sanofi, Hoya
Consumer Discretionary	Moncler, LVMH, Adidas
Materials	Barrick Gold

- Overweight defensive sectors (32.1% vs. 27.0%)
- Underweight cyclical sectors (67.9% vs. 73.0%)

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.
On March 17, 2023 the GICS Industry Group, Industry and Sub-Industry classifications were amended and consequently a number of securities within Consumer Discretionary, Consumer Staples, Financials, Industrials, Information Technology and Real Estate were re-classified. This may impact the Portfolio's overall sector positioning.

Top Ten Skewed Towards Defensive Quality Sectors

International Equity Trust - USD

SECURITY	INDUSTRY	COUNTRY	(%)
SAP	Software & Services	Germany	3.4
Constellation Software	Software & Services	Canada	2.9
Heineken	Food, Beverage & Tobacco	Netherlands	2.8
Samsung Electronics	Technology Hardware & Equipment	South Korea	2.7
Shell	Energy	United Kingdom	2.7
Reckitt Benckiser	Household & Personal Products	United Kingdom	2.7
TSMC	Semiconductors & Semiconductor Equipment	United States	2.4
Barrick Gold	Materials	Canada	2.4
Deutsche Post	Transportation	Germany	2.3
RELX	Commercial & Professional Services	Netherlands, United Kingdom	2.3
Total			**26.7**

Source: Morgan Stanley Investment Management. Data as of March 31, 2023. Subject to change daily. Provided for informational purposes only and should not be deemed as a recommendation to buy or sell the securities mentioned or securities in the industries and countries shown above.

Indirect Exposure to the Right Kind of Emerging Market Growth

Focus on Revenue Exposure not Listed Exposure

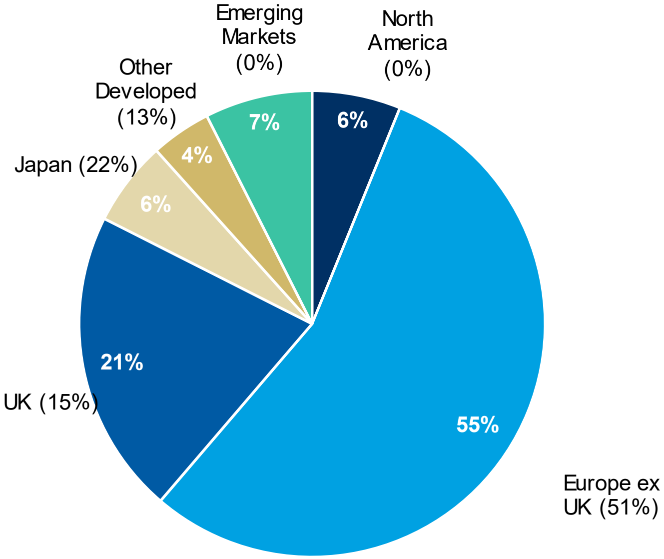
- Where a company does business is more important than where it is listed
- Country weights are a residual of our bottom up stock selection

Selected Company EM Exposure[3]

Minth	60%
Epiroc	54%
Teleperformance	52%
Pernod Ricard	51%
Infineon	50%
Prudential	50%
Samsung	50%
AIA	50%
Shiseido	49%
Atlas Copco	48%
Barrick Gold	47%
SMC	47%
Kone	45%
LVMH	44%
L'Oréal	43%
Heineken	42%

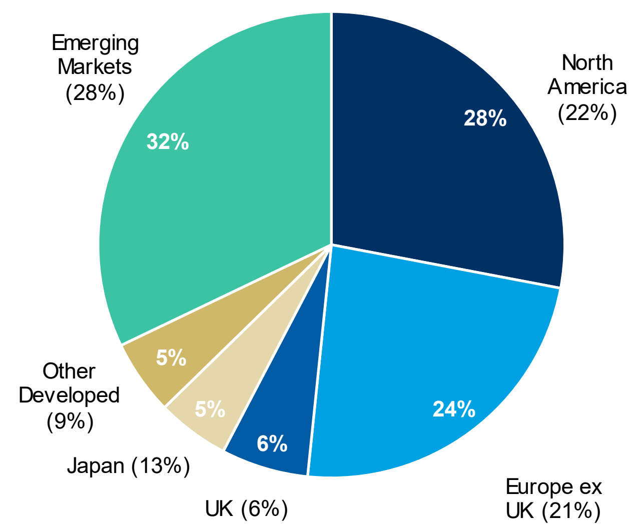
Regional Breakdown: MSCI Country[1]

International Equity Trust
(MSCI EAFE Net Index)



Revenue Exposure[2]

International Equity Trust
(MSCI EAFE Net Index)



Source: MSCI, FactSet and Morgan Stanley Investment Management. Data as of March 31, 2023. Subject to change. Updated quarterly.
1. Regional Breakdown excludes cash and re balanced to 100%.
2. Weighted Regional Exposure – Percentage of Company Sales. Excludes cash and rebalanced to 100%. Unassigned stocks are excluded from the index and may not add up to 100%.
3. Securities shown are for illustrative purposes only and should not be deemed as a recommendation to purchase or sell the securities mentioned or securities within the regions shown. The percentages represent the weighted average based on revenues from emerging market sales over 35%.

This portfolio is actively managed, therefore holdings may not be current. 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.

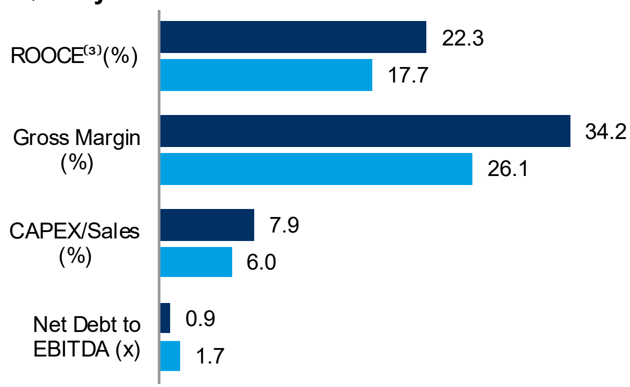
Higher Quality Portfolio, at a Reasonable Valuation

International Equity Trust - USD

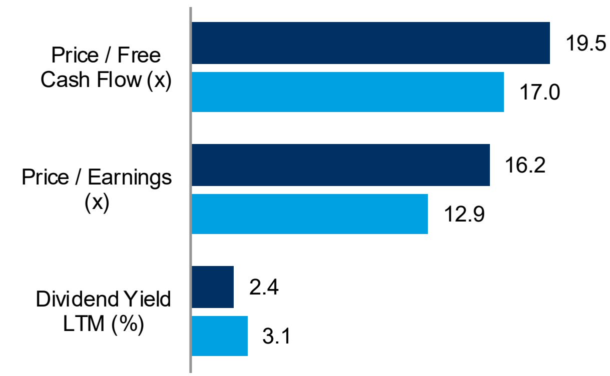
- Portfolio's Forward Earnings vs market is likely to be lower than shown, as market's forward earnings estimates are unreliable, often overstated.
- Market has higher gap between reported (GAAP/IFRS) and adjusted or "greed" earnings than the portfolio.
- High quality companies are better at converting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

Past performance is no guarantee of future results

Quality Ratios– Historical[1,2,3]



Valuation Ratios[1,2,3]



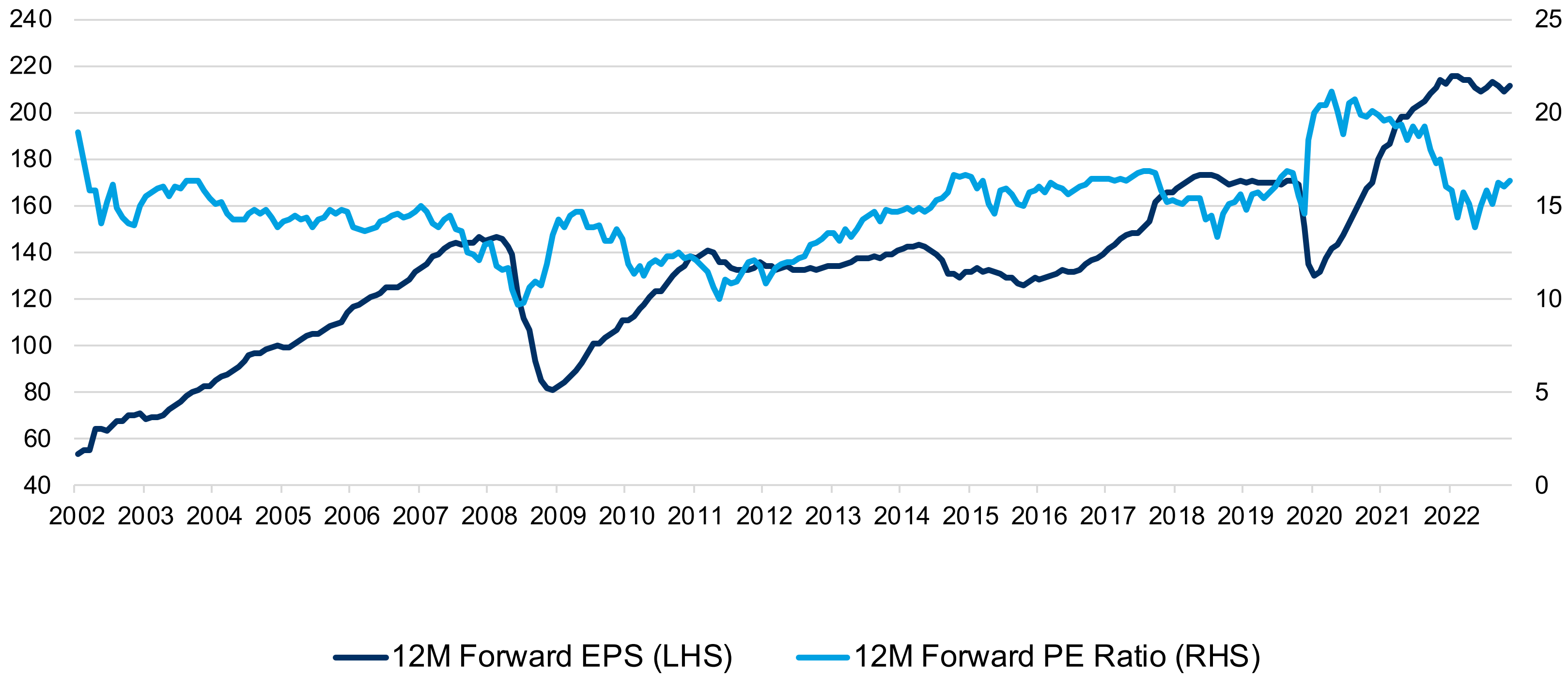
Portfolio   MSCI EAFE Net Index

Market Cap Weights	Portfolio %	MSCI EAFE Net Index %
Mega Cap > $100 Bn	24	28
Large Cap > $50 - 100 Bn	24	21
Mid Cap > $10 - 50 Bn	49	41
Small/Mid Cap > $1 - 10 Bn	4	10
Weighted Average Market Cap ($Bn)	83.9	85.7

Source: Morgan Stanley Investment Management FactSet / Worldscope/MSCI. Data as of March 31, 2023. 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 EAFE Net Index shown for comparative purposes only. Subject to change daily. Please refer to the standardized performance slide for additional information.
1. Portfolio data as of ROOCE (Return on Operating Capital Employed) = EBITA (Earnings Before Interest, Taxes and Amortization) / PPE (Property, Plant, Equipment) + Trade working capital (excludes goodwill). Ex-Financials.
2.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.
3.Ratio methodology: MSCI EAFE Net Index: sum(shares in index * numerator per share)/sum(shares in index * denominator per share). Portfolio: sum(shares in portfolio * numerator per share)/sum(shares in portfolio * denominator per share).

Q1 Gains Were A Re-Rating as Earnings Were Flat

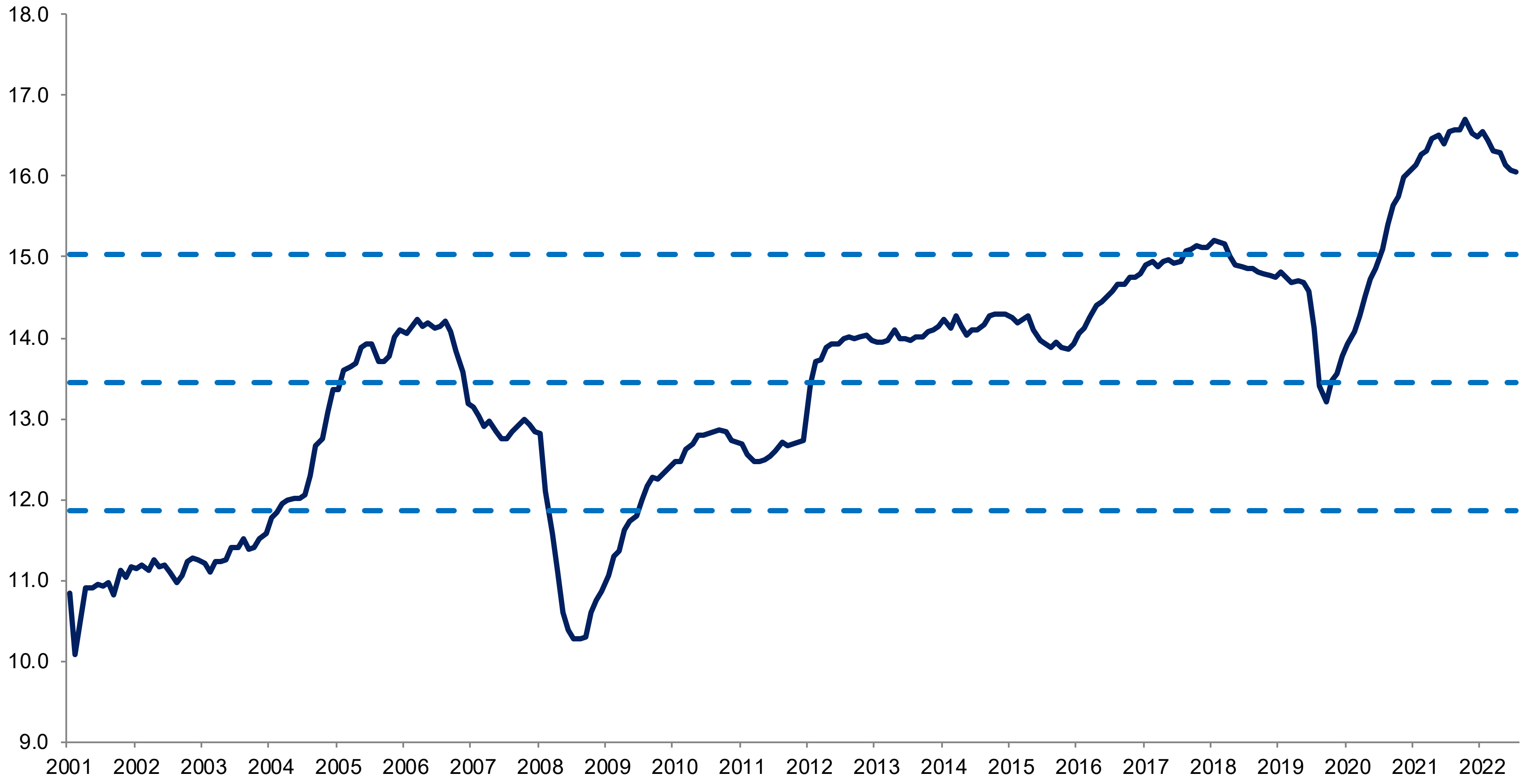
MSCI World 12 Month EPS Expectations Forward and 12 Month Forward PE



Source: FactSet. Data as of March 31, 2023.

Margins Still remain High... and Thus Vulnerable

MSCI World – 12 Month Forward EBIT Margin



Source: FactSet. Data as of March 31, 2023.

International Equity Relative Performance Driven by Direction and Magnitude of Change in Earnings

Average QoQ Total Return Relative to the Index

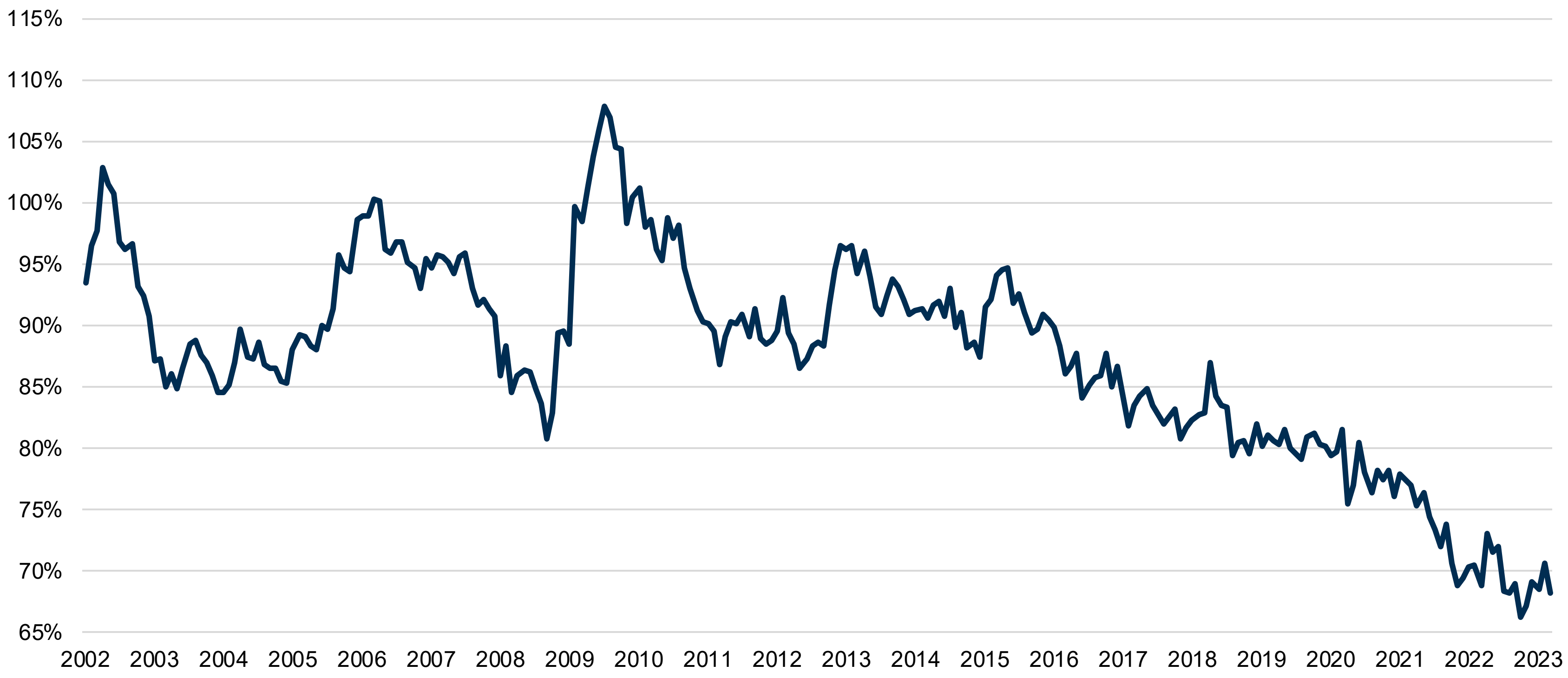
International Equity Trust vs. MSCI EAFE

Data from June 2003 to March 2023

Source: FactSet. Data as of March 31, 2023. The inception date of the International Equity Trust is September 30, 1986.

EAFE Remains Cheap Versus the US

Relative 12 Month Forward PE: MSCI EAFE vs MSCI USA



Source: FactSet. Data as of March 31, 2023

Our Outlook Remains Cautious

- **Market seems to be pricing in an optimistic scenario**
  - MSCI World multiple has re-rated over the last two quarters from 13.7x to 16.2x the next 12 months' earnings, 14% above the 2003-19 average with earnings flat
  - Earnings expected to be resilient, with 2% rise in 2023 and 10% in 2024, and forward margins at 16.1% are still close to peaks, and well above the 15.2% pre-COVID high
  - Neither multiples nor earnings seem to be discounting any kind of recession
- **Markets have been helped by good news in Q1**
  - Warm winter and China reopening have helped 2023 economic growth forecasts
  - Disinflation in goods prices as shortages and supply chain issues ease
- **Situation still uncertain: Reckoning may be deferred rather than avoided**
  - US labor markets remain tight with unemployment below 4% and vacancies hard to fill, so wage pressure remains
  - Impact of near 5% rise in US rates yet to be fully felt by the economy
  - Multiple leading indicators, such as tightening lending standards, warn of potential recession, and expected 2024 growth rates falling
- **Earnings at risk from both margin normalization and any economic downturn**
- **Both pricing power and recurring revenues are again likely to become more evident and valuable in the case of any slowdown**
  - Inflation: will the pricing environment change as shortages ease?
  - Pricing power, underpinned by brands, networks or mission-critical products, allow companies to pass on input costs to customers
  - Recurring revenues, due to purchasing habits or subscription models, protect top-line in any slowdown
- **MSCI EAFE remains at a significant 30% discount to MSCI US which may limit downside risk**
  - EAFE has actually out-earned the USA since the end of 2021

Quality focus should offer resilient earnings at reasonable relative valuations

Source: Morgan Stanley Investment Management, FactSet. As of March 31, 2023.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.

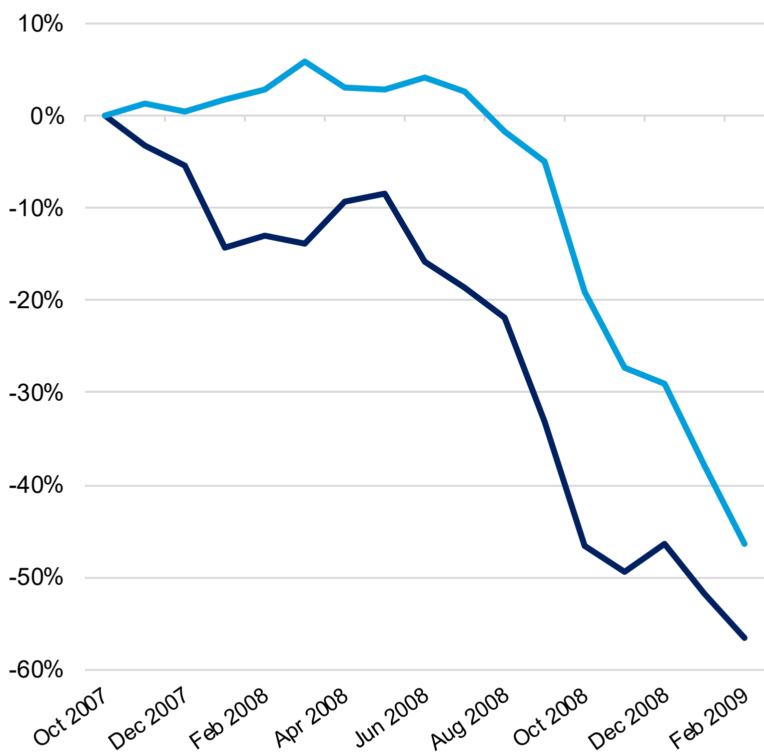
Morgan Stanley

INVESTMENT MANAGEMENT

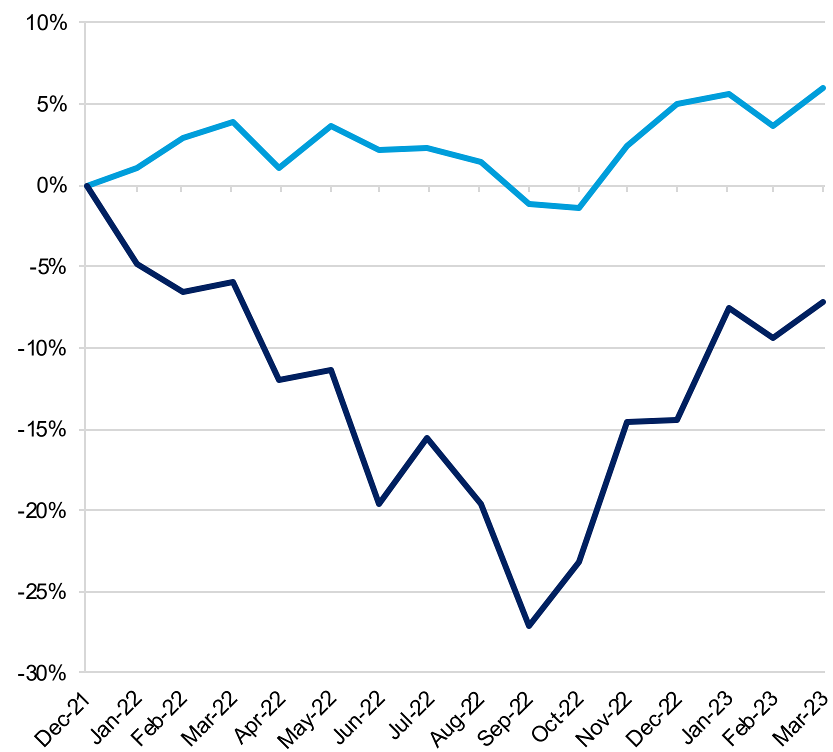
Appendix

Earnings Peaked 8 Months After Markets in GFC

MSCI EAFE Returns and Forward EPS in Global Financial Crisis



MSCI EAFE Returns and EPS

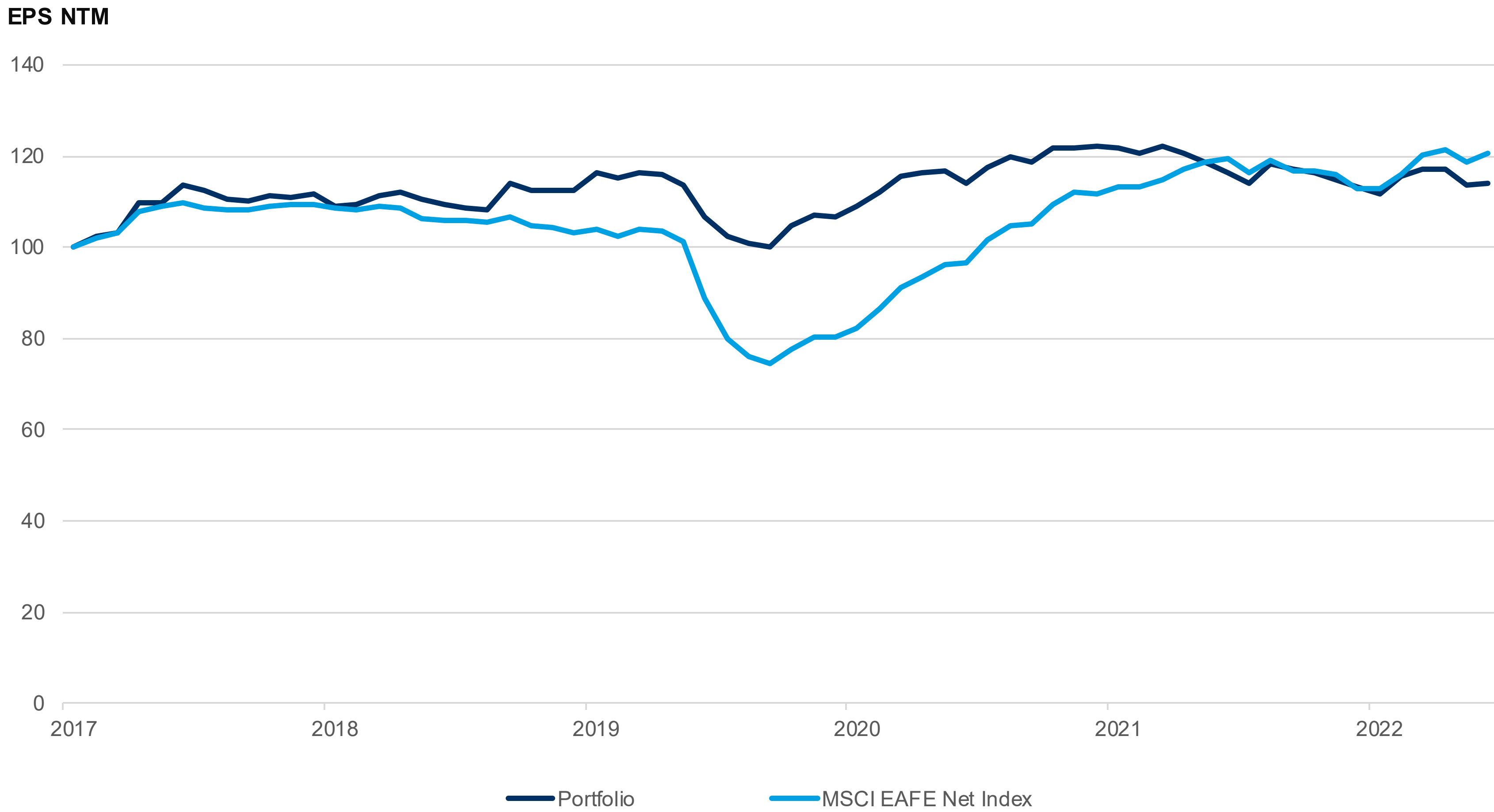


MSCI EAFE – Net Returns %   MSCI EAFE EPS NTM

Source: Factset. Data as of March 31, 2023.

Benefits of Quality Bias Have Shown Up in Robustness of Earnings

International Equity Trust - USD



Source: FactSet. Data as of March 31, 2023. Past performance should not be construed as a guarantee of future performance.

How We Are Different From the Market

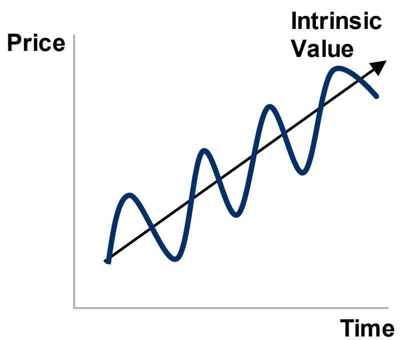
International Equity Team	Market
✓ Sustainably Long-Term	✓ Tactically Short-Term
✓ Absolute Risk	✓ Relative Risk
✓ Cash Based	✓ Earnings Based
✓ Returns Focused	✓ Growth Fixated
✓ Downside-averse	✓ Chasing Upside

Our genuine long-term view and focus on price & prospects give us the flexibility to exploit both high quality and value opportunities in a time proven process

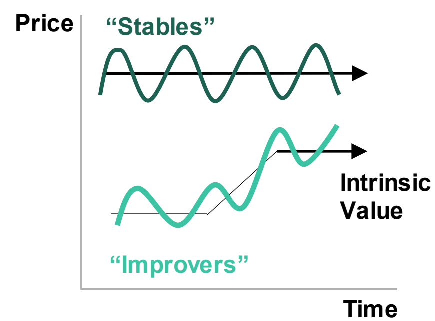
Source: Morgan Stanley Investment Management. The views and opinions expressed herein are those of the portfolio management team, are not representative of the Firm as a whole, and are subject to change at any time due to market or economic conditions. There is no assurance that a portfolio will achieve its investment objective or an investment strategy will work under all market conditions.

How We Categorize Businesses

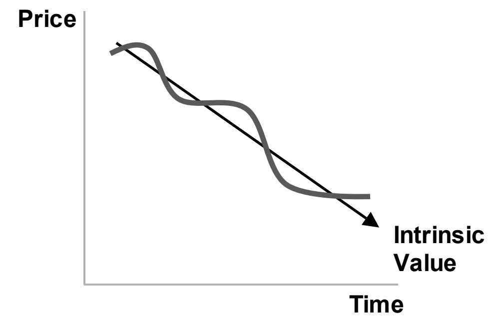
High Quality Compounders



Value Opportunities



Value Traps



	High Quality Compounders	Value Opportunities	Value Traps
QUALITY	• Sustainable high returns on capital due to intangible assets • Low volatility and cyclicality • Management dedicated to preserving returns on capital	• Reasonable to improving returns on capital due to management actions or cyclical tailwinds • Low probability of failure • Management looking to improve returns on capital (if poor) and preserve returns on capital (if good)	• Deteriorating returns on capital • Management unable / unwilling to improve returns on capital • Company fails minimum quality threshold – High risk of failure / binary bets – No prospect of acceptable returns
PRICE	• Fair value or better	• Enough of a discount to intrinsic value to compensate for absolute risk	• Avoid at any price
OUR OPPORTUNITY	• Longer time horizon than the market	• Disagreement with the market on shape of cycle or size of restructuring opportunity • Longer time horizon than market	• Not owning can be as important as owning

Source: MSIM. For illustrative purposes only. There is no guarantee any security within each category will perform as outlined above.

Combining Compounders and Value Opportunities Should Deliver Outperformance Over the Long Term

- EAFE Index does not care about quality or price
- Both investment approaches, used separately, should give higher returns than the EAFE index in the long term
- Combining the two approaches, subject to price and prospects, should give asymmetric profile and long term outperformance

	HOLD HIGH QUALITY COMPOUNDERS	EXPLOIT VALUE OPPORTUNITIES
RISK / REWARD	• Lower Absolute Risk of Companies = Lower Margin of Safety Required • Lower volatility • Smaller universe of potential candidates	• Higher Absolute Risk of Companies = Price and Prospects Critical to Determine Margin of Safety Required • Higher volatility but can be offset by price • Larger universe of potential candidates
BUY DECISION	• If bought at a discount to fair value, initial close-up of discount gives good upside • If bought at fair value, underlying compounding drives intrinsic value past fair value over time	• Close-up of discount to fair value or overshoot gives substantial upside • Need constant source of new value opportunities as investment ideas mature
SELL DECISION	• Sustained High Returns = Superior Long Term Compounding • Hold unless price gets too expensive	• Initial buying of changed path of returns gives accelerated returns • Normalised Mediocre Returns = Mediocre Long-Term Compounding • Sell when returns normalise and price adjusts to reflects this • Move on to next opportunity

The Portfolio has a Substantial Quality Bias

International Equity Trust - USD

- Quality bias mainly comes through holdings of High Quality Compounders but Value Opportunities are also higher quality than Index.
- Current heavy skew towards High Quality Compounders versus history:
  - Absolute valuation of High Quality Compounders reasonable at roughly intrinsic value
  - Low "margin of safety" a worry given valuations in lower quality areas for Value Opportunities
  - Given macro, tough to find improving businesses in lower quality sectors

	High Quality Compounders[1]	Value Opportunities[1]	Total Portfolio[1]	MSCI EAFE Net Index[1]
Portfolio Weight %	52% (58%*)[2]	26% (39%*)[2]	--	--
ROOCE[3] %	38%	17%	22%	18%
Gross Margin %	49%	24%	34%	26%
Capex / Sales %	6%	9%	8%	6%
Net Debt / EBITDA	1.05	0.7	0.88	1.67

Data as of March 31, 2023
1. Excluding Financials, apart from portfolio weight in parenthesis
2. Value Opportunities 26% excluding Financials; 39% including Financials (*Some financials in High Quality Compounders: AIA, Prudential)
3. ROOCE is Earnings Before Interest and Taxes (EBIT) / Property Plant and Equipment (PPE) + trade working capital (excludes goodwill)
For illustrative purposes only. There is no guarantee any security within each category will perform as outlined above.

Investment Process

Active Ownership

5 ACTIVE OWNERSHIP

Ongoing

Test investment thesis with management

- Direction of returns
- Developing opportunities or threats
- Capital allocation intentions
- Incentive structure changes
- Material ESG developments & direction
- Management changes

Proxy Voting & Engagement

– not outsourced

Event driven

Assess materiality and management action

- Capital allocation
  - What?
  - Why?
  - Impact?
- Material event
  - What?
  - Why?
  - Impact?
  - Fix?

6 SELL DISCIPLINE

- No sale is automatic
- Does valuation exceed intrinsic or fair value?
- A negative development for the investment thesis?
- A source of funding for new, better ideas?

Meet weekly to review portfolio and stock ideas

The information presented represents how the portfolio management team applies their investment process under normal market conditions.

Risk Management

Seek to Minimize Risk of Permanent Destruction of Capital

- We worry about absolute risk – permanent loss of capital – not relative risk
- We believe that cap-weighted benchmarks are inherently risky

Risks We Worry About

Overpayment

Business risk

- What can go wrong?
- Have we got the competitive landscape right?
- Have we assessed capital intensity correctly?
- Are we right on the cycle?
- Is there long term stakeholder alignment?

Changing regulatory environment / industry dynamics / government threats / material ESG risk

Financial risk

Management actions and motivations

Overall portfolio diversification

Risks We Don't

Tracking error

Missing out on latest investment trend

Short term "noise"

Risk management implies an effort to monitor risk but should not be confused with and does not imply low risk.

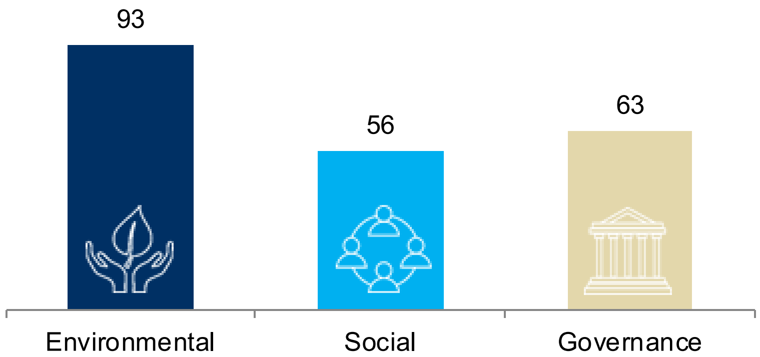
ESG and Sustainability

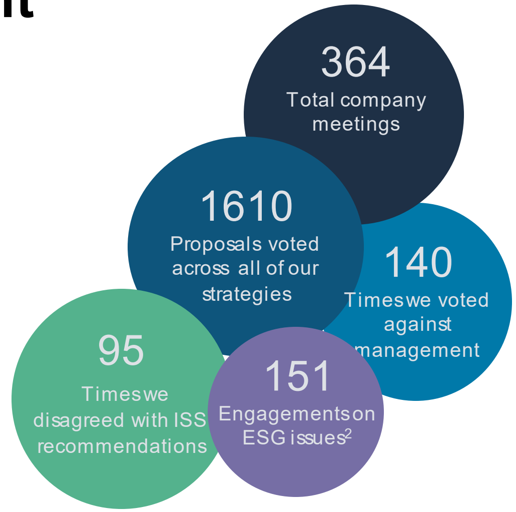
- Our investment process focuses on the **sustainability and direction of future returns** because we believe companies with sustained high long-term returns are expected to outperform.
- ESG is an integral part of risk management and the assessment of long-term sustainability of returns
  - **Environmental** can impact government/regulatory risks
  - **Social** can affect reputational risk with customers and/or governments
  - **Governance** in our opinion is the cornerstone of sustainable returns – without it, all else fails
- We believe that this is so important that the team has **engaged directly with companies on issues of sustainability and governance for over 20 years** rather than outsourcing the process.
- Our bottom-up stock picking approach including the use of MSCI ESG data, Sustainalytics and access to management enable us to **review material ESG issues at the company level and engage** where relevant
- We believe our approach **focuses on issues that could threaten company fundamentals** and/or the sustainability of returns.

We Engage Directly And Often With Management

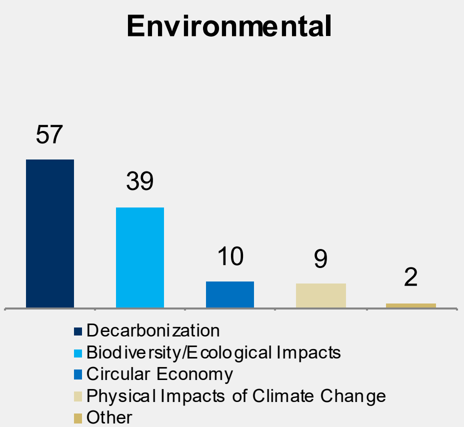
Engagement is Our Edge

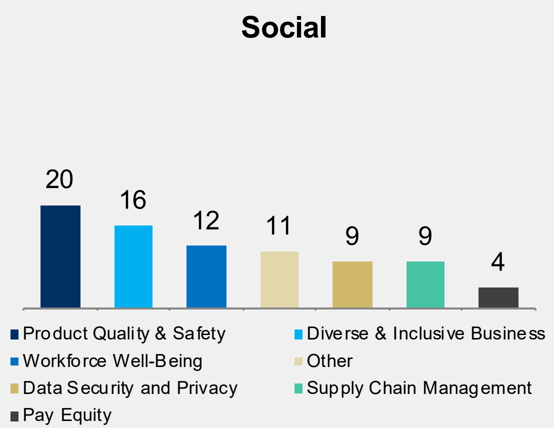
Number of engagements on ESG-related topics, in the last 12 months[1]

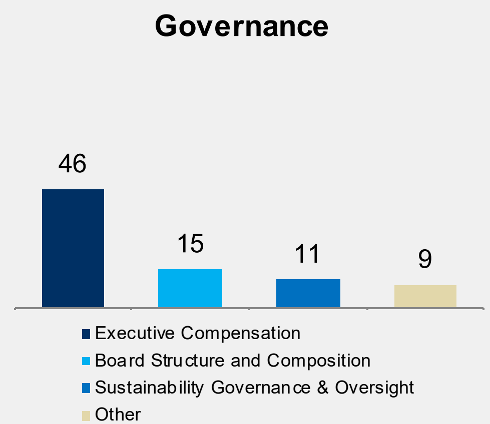




Topics addressed during our engagements, in the last 12 months[1]







Source: Morgan Stanley Investment Management. Data shown is December 31, 2022. Reflects data at the time of publication. Updated semi-annually.

1. Total count of ESG topics is higher than total number of ESG engagements as more than one topic may be discussed in a meeting.
2. The International Equity Team defines an engagement as an interaction with senior management or nonexecutive board members.

Significant Movements in the Portfolio – Q1 2023

International Equity Trust

Portfolio Turnover

Q1: 7.46%

Major Transactions: January 01, 2023 – March 31, 2023

INITIAL PURCHASES	ADDITIONS	REDUCTIONS	FINAL SALES
SMC	Pernod Ricard	KBC	Fanuc
	Qiagen	Prudential	Fresenius
	Samsung	Associated British Foods	Tencent
	Roche	LVMH	Lumine[1]
	Heineken	Kirin	Meituan[2]
	RELX	Safran	
	Tryg	Deutsche Boerse	
	Hoya	RELX	
	Astra Zeneca	Moncler	
	Carlsberg	MTU Aero Engines	
	Barrick Gold		
	Deutsche Boerse		
	Partners Group		
	Shell		
	Svenska Handelsbanken		

Source: Morgan Stanley Investment Management. All information is provided for informational purposes only and should not be deemed as a recommendation to buy or sell the securities mentioned. There is no guarantee that the securities shown, or holdings in general, will perform well. Holdings are subject to change. Significant movement is based on all new purchases and final sales and at least 25 basis points weight changes for other existing positions for the period shown.

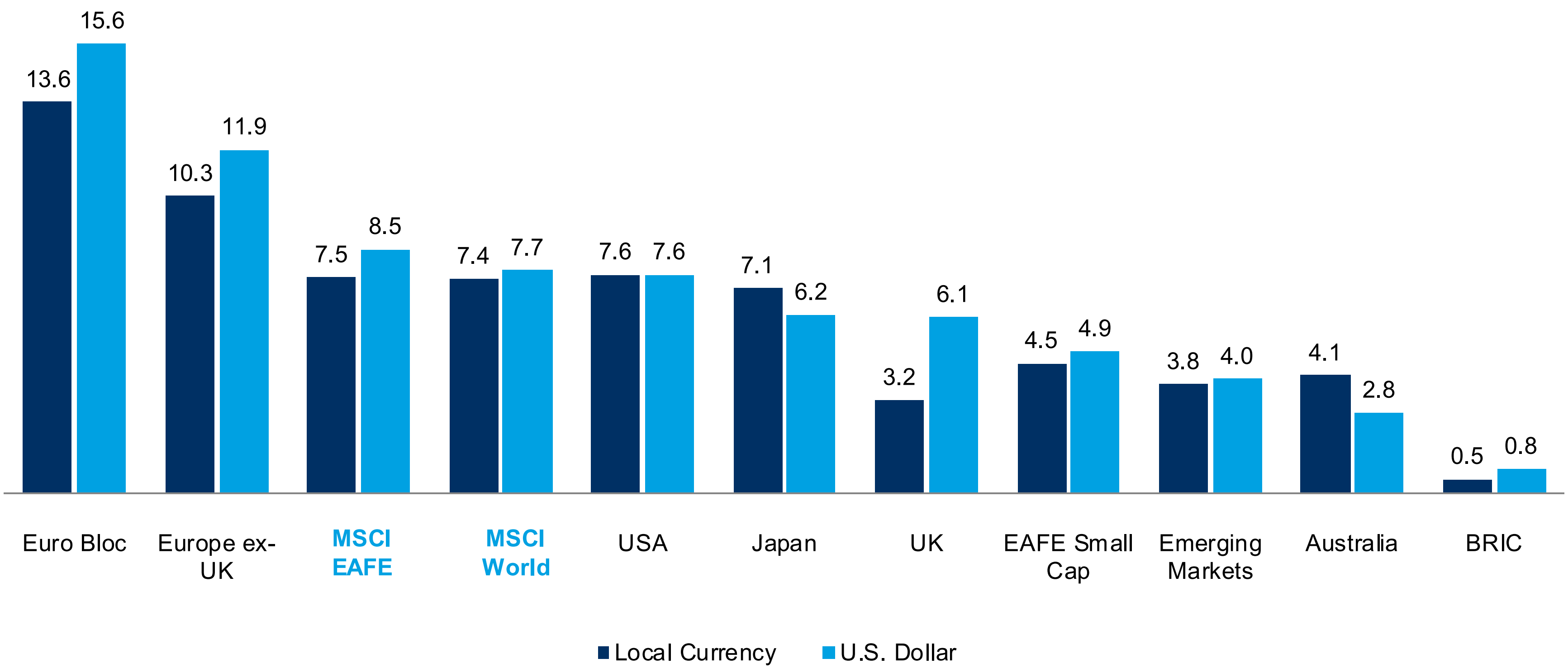
1. Lumine was spun out of Constellation Software. Position size <10bps
2. Meituan was spun out of Tencent. Position size 1bp

Q1 Was Another Strong Quarter For Markets

MSCI Net Official Indices Performance by Country

(%)

Past performance is no guarantee of future results



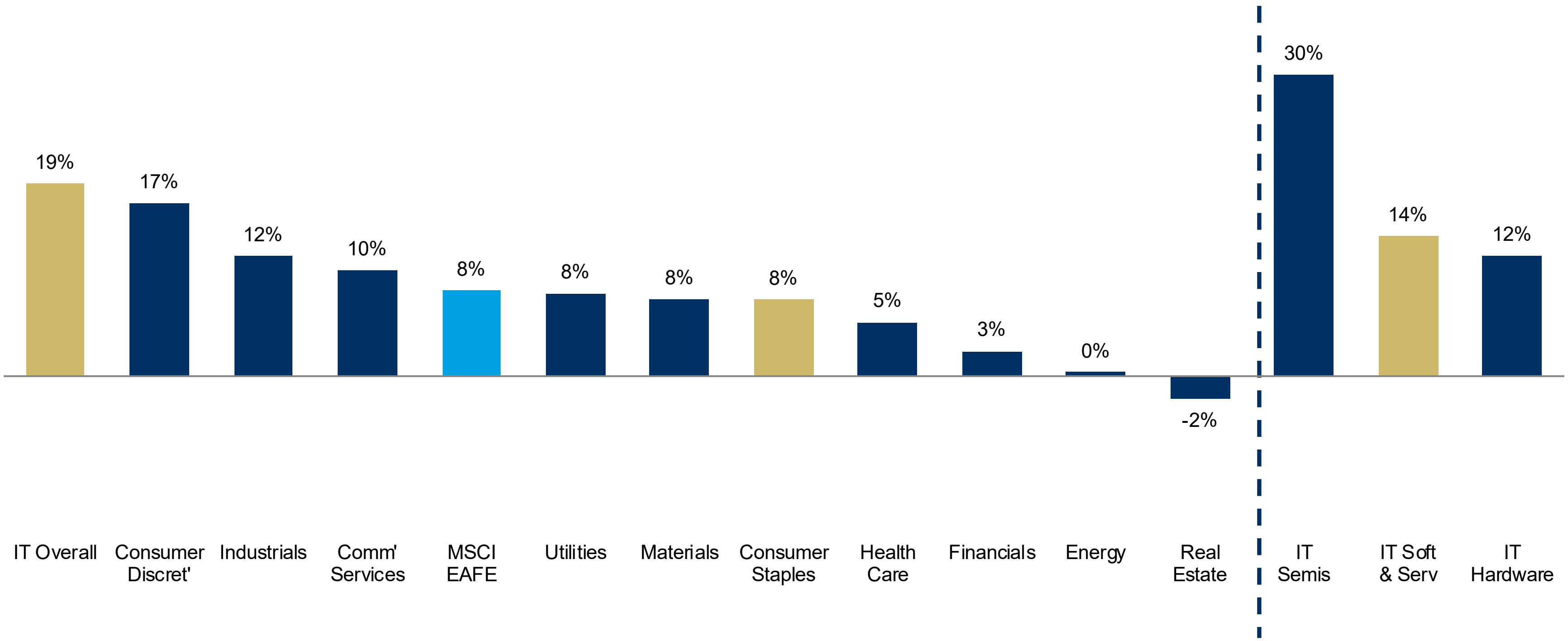
Source: FactSet. Data as of March 31, 2023. For illustrative purposes only and should not be deemed as a recommendation to buy or sell securities in the regions shown. It is not possible to invest directly in an index.

The Expensive Sectors that Lagged in 2022 Were Strongest in Q1

MSCI EAFE Indices Performance by Sector

(%)

Past performance is no guarantee of future results



Source: FactSet. Data as of March 31, 2023. Quoted in USD. Chart shown for illustrative purposes only.
On March 17 2023 some revisions came into effect for the Global Industry Classification Standard (GICS) Industry Group, Industry and Sub-Industry classifications and consequently a number of securities within Consumer Discretionary, Consumer Staples, Financials, Industrials, Information Technology and Real Estate were re-classified.

Consumer Staples Weights Dissected

International Equity Trust - USD

- 13% of staples portfolio is invested in industries outside the classic staples ones. Namely:

  Apparel retailing (ABF)[1]
  Pharmaceuticals (Kirin)[2]
  Fish farming (Mowi)[3]

INDUSTRY SUB GROUP	MSCI EAFE Net Index (%)	PORTFOLIO (%)	HOLDINGS
Beverages	2.2	8.0	Heineken, Carlsberg, Pernod Ricard, Kirin
Personal Care Products	2.1	2.9	Shiseido, L'Oréal
Household Products	0.7	2.7	Reckitt Benckiser
Tobacco	0.8	2.6	Imperial Brands, BAT
Food Products	3.3	2.2	ABF, Mowi
Consumer Staples Distribution & Retail	1.4	--	
	10.4	**18.4**	

Source: MSCI and FactSet. Data as of March 31, 2023. Subject to change daily. All companies held in the portfolio for the sector are listed. Provided for informational purposes only and should not be deemed as a recommendation to buy or sell the securities mentioned or securities in the industries shown above. On March 17, 2023 some revisions came into effect for the Global Industry Classification Standard (GICS) Industry Group, Industry and Sub-Industry classifications and consequently a number of securities within Consumer Discretionary, Consumer Staples, Financials, Industrials, Information Technology and Real Estate were re-classified. This may impact the Portfolio's overall sector positioning.

1. ABF is 1.8% of the Portfolio. Whilst the stock is categorized by MSCI as a Consumer Staple company, the majority of the company is Apparel retailing.
2. Kirin is 0.9% of the Portfolio. Whilst the stock is categorized by MSCI as a Consumer Staple company, approximately 11% of the company is Pharmaceuticals.
3. Mowi is 0.4% of the Portfolio. Whilst the stock is categorized by MSCI as a Consumer Staple company, the majority of the company is Fish farming.

Health Care Weights Dissected

International Equity Trust - USD

INDUSTRY SUB GROUP	MSCI EAFE Net Index (%)	PORTFOLIO (%)	HOLDINGS
“Big 6” Pharmaceuticals[1]	5.3	6.6	AstraZeneca, Sanofi, Roche Holding, Novartis
Health Care Equipment & Services	2.4	2.3	Hoya, Alcon
Life Sciences	0.6	1.4	Qiagen
Other Pharmaceuticals	3.9	--	
Biotechnology	0.9	--	
	13.2	**10.3**	

Source: MSCI and FactSet. Data as of March 31, 2023. Subject to change daily. All companies held in the portfolio for the sector are listed. Provided for informational purposes only and should not be deemed as a recommendation to buy or sell the securities mentioned or securities in the industries show n above. On March 17, 2023 some revisions came into effect for the Global Industry Classification Standard (GICS) Industry Group, Industry and Sub-Industry classifications and consequently a number of securities w ithin Consumer Discretionary, Consumer Staples, Financials, Industrials, Information Technology and Real Estate w ere re-classified. This may impact the Portfolio’s overall sector positioning.
1. Defined as Roche, Novartis, AstraZeneca, Sanofi, GlaxoSmithKline, Bayer

Financials Weights Dissected

International Equity Trust - USD

- Remain underweight banks. Our strategy remains choosy and opportunistic. Few bank franchises can beat their cost of capital – de-levering and forced alterations to the business model require a heavy discount to account for the considerable risks
- Overweight insurers given their limited solvency, liquidity and regulatory risks. Wary of exposure to vulnerable sovereigns and low long-run interest rates

FINANCIALS WEIGHTINGS	MSCI EAFE Net Index (%)	PORTFOLIO
Banks	9.2	3.8
Capital Markets	2.7	4.9
Financial Services	1.2	1.6
Insurance	5.1	8.2
	18.1	**18.4**

BANKS WEIGHTING	MSCI EAFE Net Index (%)	PORTFOLIO (%)	HOLDINGS
Italy	0.6	--	
France	0.6	--	
Spain	0.8	--	
Japan	1.3	--	
U.K.	1.6	--	
Australia	1.7	--	
Other	2.5	3.8	Svenska Handelsbanken (Sweden), DBS (Singapore), KBC Group (Belgium)

INSURANCE WEIGHTING	MSCI EAFE Net Index (%)	PORTFOLIO (%)	HOLDINGS
U.K.	0.5	3.8	Prudential, Hiscox, Legal & General
France	0.4	1.8	AXA
Australia	0.3	--	
Japan	0.7	--	
Switzerland	0.8	--	
Germany	1.0	--	
Other	1.4	2.5	AIA (Hong Kong), Tryg (Denmark)

CAPITAL MARKETS WEIGHTING	MSCI EAFE Net Index (%)	PORTFOLIO (%)	HOLDINGS
Switzerland	0.7	2.3	UBS, Partners Group
Germany	0.4	1.5	Deutsche Boerse
U.K.	0.5	1.1	St. James Place
Japan	0.2	--	
Australia	0.3	--	
Hong Kong	0.4	--	
Other	0.2	--	

Source: MSCI and FactSet. Data as of March 31, 2023. Subject to change daily. All companies held in the portfolio for the sector are listed. Provided for informational purposes only and should not be deemed as a recommendation to buy or sell the securities mentioned or securities in the countries or industries shown above. . On March 17, 2023 some revisions came into effect for the Global Industry Classification Standard (GICS) Industry Group, Industry and Sub-Industry classifications and consequently a number of securities within Consumer Discretionary, Consumer Staples, Financials, Industrials, Information Technology and Real Estate were re-classified. This may impact the Portfolio's overall sector positioning. The views and opinions are those of the portfolio management team as of the date of this presentation, are subject to change, and may not be representative of the firm as a whole.

Materials Weights Dissected

International Equity Trust - USD

- Against a challenging macro backdrop of inflation and weakening China demand, we favour gold miners as a way to hedge against inflation.

INDUSTRY SUB GROUP	MSCI EAFE Net Index (%)	PORTFOLIO (%)	HOLDINGS
Metals and Mining	3.5	2.4	Barrick Gold
Chemicals	3.1	--	
Construction Materials	0.6	--	
Paper and Forest Products	0.3	--	
Containers and Packaging	0.1	--	
	7.7	**2.4**	

Source: MSCI and FactSet. Data as of March 31, 2023. Subject to change daily. All companies held in the portfolio for the sector are listed. Provided for informational purposes only and should not be deemed as a recommendation to buy or sell the securities mentioned or securities in the industries shown above. . On March 17, 2023 some revisions came into effect for the Global Industry Classification Standard (GICS) Industry Group, Industry and Sub-Industry classifications and consequently a number of securities within Consumer Discretionary, Consumer Staples, Financials, Industrials, Information Technology and Real Estate were re-classified. This may impact the Portfolio's overall sector positioning.

Industrials Weights Dissected

International Equity Trust - USD

- Overweight is due to better risk/reward and our capital goods holdings are among the higher returns and more cash generative companies in the sector.

INDUSTRY SUB GROUP	MSCI EAFE Net Index (%)	PORTFOLIO (%)	HOLDINGS
Capital Goods	11.6	13.6	Safran, MTU Aero Engines, Legrand, Thales, Kone, Atlas Copco, Epiroc, Knorr Bremse, SMC CORP
Commercial and Professional Services	2.0	4.3	RELX, Teleperformance, Experian
Transportation	2.1	2.3	Deutsche Post
	15.7	**20.2**	

Source: MSCI and FactSet. Data as of March 31, 2023. Subject to change daily. All companies held in the portfolio for the sector are listed. Provided for informational purposes only and should not be deemed as a recommendation to buy or sell the securities mentioned or securities in the industries shown above. On March 17, 2023 some revisions came into effect for the Global Industry Classification Standard (GICS) Industry Group, Industry and Sub-Industry classifications and consequently a number of securities within Consumer Discretionary, Consumer Staples, Financials, Industrials, Information Technology and Real Estate were re-classified. This may impact the Portfolio's overall sector positioning.

Energy Weights Dissected

International Equity Trust - USD

INDUSTRY SUB GROUP	MSCI EAFE Net Index (%)	PORTFOLIO (%)	HOLDINGS
Diversified “Super-Majors”[1]	3.0	2.7	Shell
Other Oil, Gas and Consumable Fuels[2]	1.4	0.6	Tourmaline
Energy Equipment and Services	0.0	--	
	4.5	**3.4**	

Source: MSCI and FactSet. Data as of March 31, 2023. Subject to change daily. All companies held in the portfolio for the sector are listed. Provided for informational purposes only and should not be deemed as a recommendation to buy or sell the securities mentioned or securities in the industries shown above. . On March 17, 2023 some revisions came into effect for the Global Industry Classification Standard (GICS) Industry Group, Industry and Sub-Industry classifications and consequently a number of securities within Consumer Discretionary, Consumer Staples, Financials, Industrials, Information Technology and Real Estate were re-classified.

1. Defined as Royal Dutch Shell, Total and BP within EAFE.
2. Oil, Gas and Consumable Fuels ex-Super-Majors.

Consumer Discretionary Weights Dissected

International Equity Trust - USD

INDUSTRY SUB GROUP	MSCI EAFE Net Index (%)	PORTFOLIO (%)	HOLDINGS
Consumer Durables and Apparel	4.9	5.4	Moncler, LVMH, Adidas
Consumer Services	1.9	1.1	Aristocrat Leisure
Automobiles and Components	3.8	0.7	Minth Group
Consumer Discretionary Distribution & Retail	1.6	--	
	12.2	**7.2**	

Source: MSCI and FactSet. Data as of March 31, 2023. Subject to change daily. All companies held in the portfolio for the sector are listed. Provided for informational purposes only and should not be deemed as a recommendation to buy or sell the securities mentioned or securities in the industries show n above. On March 17, 2023 some revisions came into effect for the Global Industry Classification Standard (GICS) Industry Group, Industry and Sub-Industry classifications and consequently a number of securities w ithin Consumer Discretionary, Consumer Staples, Financials, Industrials, Information Technology and Real Estate w ere re-classified. This may impact the Portfolio's overall sector positioning.

Communication Services Weights Dissected

International Equity Trust - USD

INDUSTRY SUB GROUP	MSCI EAFE Net Index (%)	PORTFOLIO (%)	HOLDINGS
Telecom Services	3.0	--	
Media & Entertainment	1.5	--	
	4.5	**--**	

Source: MSCI and FactSet. Data as of March 31, 2023. Subject to change daily. All companies held in the portfolio for the sector are listed. Provided for informational purposes only and should not be deemed as a recommendation to buy or sell the securities mentioned or securities in the industries shown above. On March 17, 2023 some revisions came into effect for the Global Industry Classification Standard (GICS) Industry Group, Industry and Sub-Industry classifications and consequently a number of securities within Consumer Discretionary, Consumer Staples, Financials, Industrials, Information Technology and Real Estate were re-classified. This may impact the Portfolio's overall sector positioning.

Information Technology Weights Dissected

International Equity Trust - USD

INDUSTRY SUB GROUP	MSCI EAFE Net Index (%)	PORTFOLIO (%)	HOLDINGS
Software & Services	2.3	6.3	SAP, Constellation Software
Semiconductors & Semiconductor Equipment	3.3	5.5	TSMC, Infineon Technologies, SK HYNIX INC
Technology, Hardware & Equipment	2.2	4.7	Samsung Electronics, Hexagon, Halma, Keyence
	7.9	**16.4**	

Source: MSCI and FactSet. Data as of March 31, 2023. Subject to change daily. All companies held in the portfolio for the sector are listed. Provided for informational purposes only and should not be deemed as a recommendation to buy or sell the securities mentioned or securities in the industries shown above. On March 17, 2023 some revisions came into effect for the Global Industry Classification Standard (GICS) Industry Group, Industry and Sub-Industry classifications and consequently a number of securities within Consumer Discretionary, Consumer Staples, Financials, Industrials, Information Technology and Real Estate were re-classified. This may impact the Portfolio's overall sector positioning.

Sector Attribution - Q1 2023

International Equity Trust - USD

Top Five Absolute Contributors:

SAP	+70 bps
Moncler	+62 bps
Constellation Software	+58 bps
ABF	+56 bps
LVMH	+55 bps

Top Five Absolute Detractors:

BAT	-14 bps
Tourmaline Oil	-12 bps
Roche	-12 bps
Svenska Handelsbanken	-12 bps
Qiagen	-11 bps

Cumulative Returns from January 01, 2023 to March 31, 2023 [1,2,3]

Past performance is no guarantee of future results

	SECTOR PERFORMANCE	AVERAGE SECTOR WEIGHTINGS		PERFORMANCE ATTRIBUTION		
	INDEX (%)	PORTFOLIO (%)	INDEX (%)	SELECTION (%)	ALLOCATION (%)	TOTAL (%)
Information Technology	19.51	15.29	7.53	0.21	0.82	1.03
Industrials	11.72	20.52	15.38	0.49	0.17	0.66
Financials	2.72	19.83	19.09	0.39	0.02	0.41
Consumer Staples	7.58	18.20	10.19	0.42	-0.03	0.39
Real Estate	-2.09	--	2.55	--	0.28	0.28
Consumer Discretionary	17.21	7.11	11.86	0.58	-0.40	0.18
Materials	7.59	2.23	7.85	0.05	0.06	0.11
Energy	0.42	3.53	4.74	-0.05	0.11	0.05
Utilities	8.18	--	3.36	--	0.01	0.01
Health Care	5.37	10.01	12.99	-0.16	0.13	-0.03
Communication Services	10.45	0.13	4.47	0.04	-0.09	-0.05
Cash	--	3.15	--	--	-0.25	-0.25
Total	**8.47**	**100.00**	**100.00**	**1.98**	**0.82**	**2.80**

Source: Morgan Stanley Investment Management and FactSet.
1. Portfolio weight and MSCI EAFE Net Index are an average for the period. Attribution total return shows the impact to the portfolio's return; it is not representative of the portfolio's total return. Information shown is quoted in USD terms and include the reinvestment of all dividends and income. Provided for informational purposes only and should not be deemed as a recommendation to buy or sell the securities in the sectors shown above.
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Sector Attribution – 3 Year

International Equity Trust - USD

Top Five Absolute Contributors:

Constellation Software	+260 bps
LVMH	+219 bps
Deutsche Post	+201 bps
AXA	+166 bps
Moncler	+163 bps

Top Five Absolute Detractors:

Grifols	-109 bps
Shiseido	-62 bps
Adidas	-57 bps
Teleperformance	-56 bps
Knorr Bremse	-55 bps

Cumulative Returns from April 01, 2020 to March 31, 2023 [1,2,3]

Past performance is no guarantee of future results

	SECTOR PERFORMANCE	AVERAGE SECTOR WEIGHTINGS		PERFORMANCE ATTRIBUTION		
	INDEX (%)	PORTFOLIO (%)	INDEX (%)	SELECTION (%)	ALLOCATION (%)	TOTAL (%)
Information Technology	53.62	13.43	7.80	1.82	1.02	2.83
Financials	58.67	16.19	17.62	1.49	-0.03	1.46
Industrials	52.36	14.49	15.47	1.69	-0.27	1.41
Real Estate	3.72	--	2.94	--	1.32	1.32
Utilities	24.44	--	3.62	--	0.84	0.84
Consumer Discretionary	57.87	6.47	11.86	1.57	-0.85	0.73
Communication Services	18.56	2.22	4.94	-0.47	0.77	0.29
Energy	79.16	2.34	3.82	0.83	-0.91	-0.09
Materials	75.62	3.57	7.69	-0.33	-0.71	-1.04
Health Care	25.31	15.27	13.38	-3.20	-0.16	-3.36
Consumer Staples	23.00	22.75	10.87	-1.05	-2.98	-4.03
Cash	--	3.26	--	--	-1.67	-1.67
Total	**44.23**	**100.00**	**100.00**	**2.34**	**-3.64**	**-1.30**

Source: Morgan Stanley Investment Management and FactSet.

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Sector Attribution – 5 Year

International Equity Trust - USD

Top Five Absolute Contributors:

Constellation Software	+350 bps
LVMH	+241 bps
Barrick Gold	+207 bps
Deutsche Post	+172 bps
RELX	+167 bps

Top Five Absolute Detractors:

Fresenius	-268 bps
Henkel	-142 bps
Bayer	-129 bps
Kirin	-121 bps
Grifols	-109 bps

Cumulative Returns from April 01, 2018 to March 31, 2023 [1,2,3]

Past performance is no guarantee of future results

	SECTOR PERFORMANCE	AVERAGE SECTOR WEIGHTINGS		PERFORMANCE ATTRIBUTION		
	INDEX (%)	PORTFOLIO (%)	INDEX (%)	SELECTION (%)	ALLOCATION (%)	TOTAL (%)
Information Technology	51.12	11.14	7.02	3.33	1.65	4.98
Industrials	20.78	13.73	15.24	3.67	-0.00	3.67
Real Estate	-21.21	--	3.20	--	1.50	1.50
Financials	5.03	15.66	18.32	0.43	1.06	1.49
Consumer Discretionary	19.01	4.93	11.62	1.04	0.17	1.21
Energy	16.96	3.25	4.42	1.94	-1.11	0.83
Communication Services	-2.48	2.61	5.13	0.14	0.67	0.82
Materials	35.62	3.78	7.59	0.56	-0.27	0.30
Utilities	26.34	--	3.68	--	-0.23	-0.23
Consumer Staples	15.84	25.95	11.12	-5.22	0.63	-4.59
Health Care	43.26	15.76	12.65	-6.61	1.80	-4.81
Cash	--	3.19	--	--	-0.47	-0.47
Hedging	--	0.00	--	--	0.22	0.22
Total	**18.91**	**100.00**	**100.00**	**-0.70**	**5.62**	**4.92**

Source: Morgan Stanley Investment Management and FactSet.
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Sector Attribution – 10 Year

International Equity Trust - USD

Top Five Absolute Contributors:

Unilever	+399 bps
Constellation Software	+364 bps
Keyence	+363 bps
L'Oréal	+315 bps
Novartis	+309 bps

Top Five Absolute Detractors:

Fresenius	-268 bps
Credit Suisse	-231 bps
BT	-180 bps
Santos	-157 bps
Henkel	-156 bps

Cumulative Returns from April 01, 2013 to March 31, 2023 [1,2,3]

Past performance is no guarantee of future results

	SECTOR PERFORMANCE	AVERAGE SECTOR WEIGHTINGS		PERFORMANCE ATTRIBUTION		
	INDEX (%)	PORTFOLIO (%)	INDEX (%)	SELECTION (%)	ALLOCATION (%)	TOTAL (%)
Information Technology	168.85	7.83	5.62	6.48	2.22	8.70
Industrials	84.63	12.20	14.48	3.32	0.07	3.40
Financials	38.32	15.64	19.91	2.47	0.89	3.36
Consumer Staples	51.75	26.84	11.14	2.67	-0.40	2.27
Real Estate	-5.31	0.50	3.39	-1.05	2.59	1.54
Communication Services	36.35	3.49	5.78	1.00	0.48	1.47
Consumer Discretionary	80.84	5.22	11.40	2.00	-1.02	0.98
Utilities	59.51	0.11	3.72	-0.22	0.20	-0.02
Materials	76.00	5.52	7.67	-0.23	-0.21	-0.45
Energy	34.27	4.26	4.99	-1.05	-2.39	-3.44
Health Care	92.33	15.39	11.88	-11.80	1.89	-9.92
Cash	--	3.01	--	--	-2.32	-2.32
Hedging	--	-0.00	--	--	0.83	0.83
Total	**62.88**	**100.00**	**100.00**	**3.57**	**2.83**	**6.40**

Source: Morgan Stanley Investment Management and FactSet.
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Sector Attribution – 2022

International Equity Trust - USD

Top Five Absolute Contributors:

Thales	+76 bps
Imperial Brands	+37 bps
BAT	+36 bps
AstraZeneca	+24 bps
Safran	+23 bps

Top Five Absolute Detractors:

TSMC	-117 bps
Tencent	-96 bps
Adidas	-93 bps
Deutsche Post	-86 bps
Reckitt Benckiser	-73 bps

Cumulative Returns from January 01, 2022 to December 31, 2022 [1,2,3]

Past performance is no guarantee of future results

	SECTOR PERFORMANCE	AVERAGE SECTOR WEIGHTINGS		PERFORMANCE ATTRIBUTION		
	INDEX (%)	PORTFOLIO (%)	INDEX (%)	SELECTION (%)	ALLOCATION (%)	TOTAL (%)
Consumer Staples	-13.05	20.48	10.60	0.70	0.30	1.00
Financials	-4.57	18.17	17.73	0.83	0.12	0.95
Industrials	-20.58	17.13	15.27	0.61	0.07	0.68
Real Estate	-20.89	--	2.81	--	0.18	0.18
Health Care	-11.41	13.01	13.48	-0.00	0.12	0.12
Materials	-10.26	2.25	7.76	0.30	-0.22	0.08
Consumer Discretionary	-22.23	6.80	11.31	-0.41	0.42	0.02
Utilities	-12.45	--	3.44	--	-0.07	-0.07
Communication Services	-17.20	1.84	4.76	-0.40	0.16	-0.24
Information Technology	-32.37	14.46	8.24	0.34	-0.98	-0.64
Energy	27.67	2.63	4.59	-0.26	-0.92	-1.18
Cash	--	3.22	--	--	0.39	0.39
Total	**-14.45**	**100.00**	**100.00**	**1.72**	**-0.43**	**1.30**

Source: Morgan Stanley Investment Management and FactSet.
1. Portfolio weight and MSCI EAFE Net Index are an average for the period. Attribution total return shows the impact to the portfolio's return; it is not representative of the portfolio's total return. Information shown is quoted in USD terms and include the reinvestment of all dividends and income. Provided for informational purposes only and should not be deemed as a recommendation to buy or sell the securities in the sectors shown above.
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3. On March 17, 2023 the GICS Industry Group, Industry and Sub-Industry classifications were amended and consequently a number of securities within Consumer Discretionary, Consumer Staples, Financials, Industrials, Information Technology and Real Estate were re-classified. This may impact the Portfolio's overall sector positioning.

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Long-Term Sector Attribution

International Equity Trust - USD

Cumulative Returns for January 1, 1999 – March 31, 2023 [1,2,3]

Past performance is no guarantee of future results

	SECTOR PERFORMANCE	AVERAGE SECTOR WEIGHTINGS		PERFORMANCE ATTRIBUTION		
	INDEX (%)	PORTFOLIO (%)	INDEX (%)	SELECTION (%)	ALLOCATION (%)	TOTAL (%)
Consumer Staples	502.56	21.46	9.79	67.31	53.12	120.44
Information Technology	236.47	6.37	5.51	53.28	13.61	66.89
Financials	94.29	14.97	21.79	42.50	18.48	60.98
Industrials	238.35	11.50	12.74	42.88	-0.09	42.80
Communication Services	109.49	7.04	8.13	25.14	2.40	27.53
Materials	380.01	7.38	7.65	19.00	3.96	22.96
Consumer Discretionary	275.47	5.39	10.17	19.82	-4.25	15.57
Real Estate	81.34	0.89	2.74	-0.93	9.34	8.41
Utilities	245.19	2.93	4.59	-3.32	10.49	7.17
Other	--	0.00	--	--	-0.03	-0.03
Health Care	555.81	11.66	10.31	-16.24	10.38	-5.86
Energy	280.91	6.51	6.58	0.15	-10.49	-10.34
Cash	--	3.91	--	--	-22.39	-22.39
Hedging	--	-0.00	--	--	-2.10	-2.10
Total	**229.40**	**100.00**	**100.00**	**249.59**	**82.42**	**332.01**

Source: Morgan Stanley Investment Management and FactSet.

1. Portfolio weight and MSCI EAFE Net Index weights are an average for the period. Attribution total return may differ from reported total return due to differing methodologies. Returns are gross of fees, quoted in USD terms, and include the reinvestment of all dividends and income. Had fees been included, returns would be lower and results may differ. Additional contributors can include differences in pricing sources and fair valuation practices between systems used to calculate these returns. In volatile or illiquid markets and for high turnover portfolios, these differences can become increasingly significant. Attribution considers the total return of each security (price appreciation and dividend income). Management Fees and expenses are not considered by the attribution. Provided for informational purposes only and should not be deemed as a recommendation to buy or sell the securities in the sectors shown above.
2. The 'Cash' line in the attribution includes cash balances as well as other cash instruments.
3. On September 21, 2018, the GICS sector classifications were amended. The Telecommunication Services sector became the Communication Services sector, absorbing Media and Internet Services companies previously allocated to the Consumer Discretionary and Information Technology sectors, respectively. E-commerce companies moved from Information Technology to Consumer Discretionary. As a consequence of variants in calculations, it is likely that there will be a difference between Morgan Stanley data and that published by FactSet..

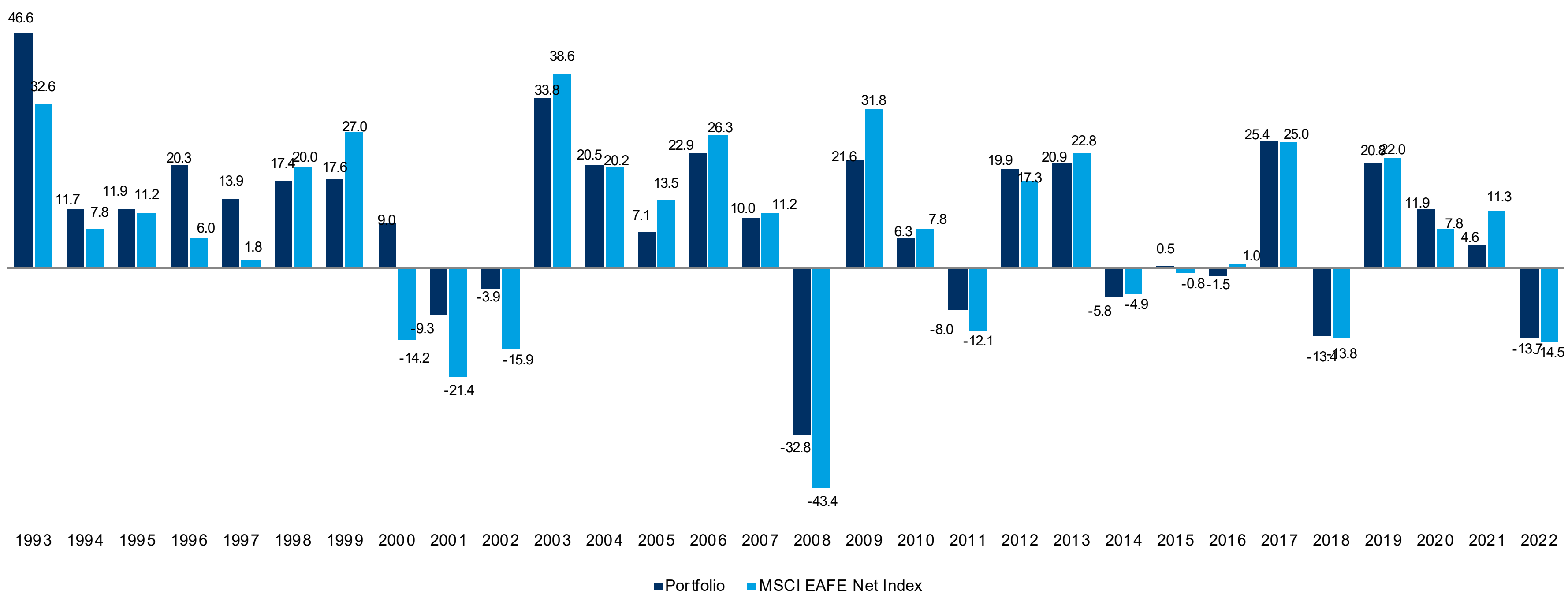
Calendar Year Performance Returns

International Equity Trust - USD

The inception date of the International Equity Trust is September 30, 1986

Past performance is no guarantee of future results

Percent %



Source: Morgan Stanley Investment Management. Performance returns reflect the average annual rates of return. Periods less than one year are not annualized. The results shown are Net of investment advisory/management fees, are quoted in USD and include the reinvestment of dividends and income. Each portfolio may differ due to specific investment restrictions and guidelines. Thus, individual results will vary. The comparison index is the MSCI EAFE Net Index with net dividends reinvested. Please refer to the standardized performance slide for additional information.

Historically Attractive Risk Return Profile

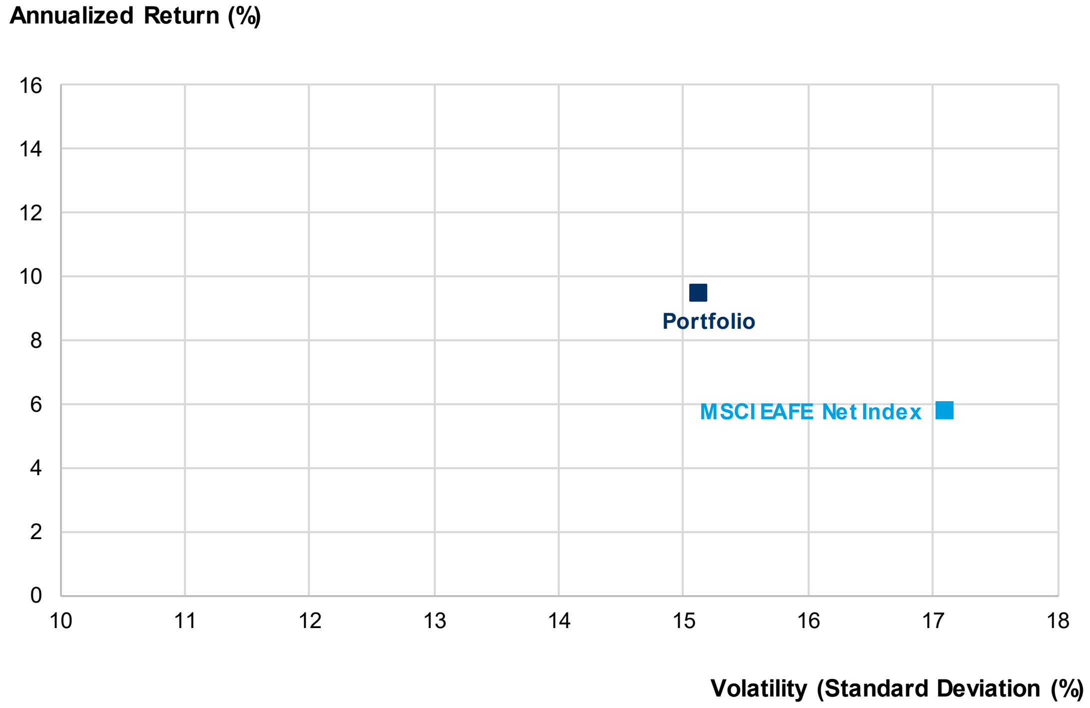
International Equity Trust - USD

Performance History:

- Attractive upside capture
- Reduced downside participation
- Lower volatility

Volatility vs. Return - Since Inception to March 31, 2023

Past performance is no guarantee of future results



Source: Morgan Stanley Investment Management. The inception date of the Portfolio is September 30, 1986. Performance returns reflect the average annual rates of return. Periods less than one year are not annualized. The results shown are Net of investment advisory/management fees, are quoted in USD and include the reinvestment of dividends and income. Each portfolio may differ due to specific investment restrictions and guidelines. Thus, individual results will vary. The comparison index is the MSCI EAFE Net Index with net dividends reinvested. Please refer to the standardized performance slide for additional information.

Risk Characteristics

International Equity Trust - USD

For Periods Ending March 31, 2023
The Inception Date ofthe International Equity Trust is September 30, 1986
Past performance is no guarantee of future results

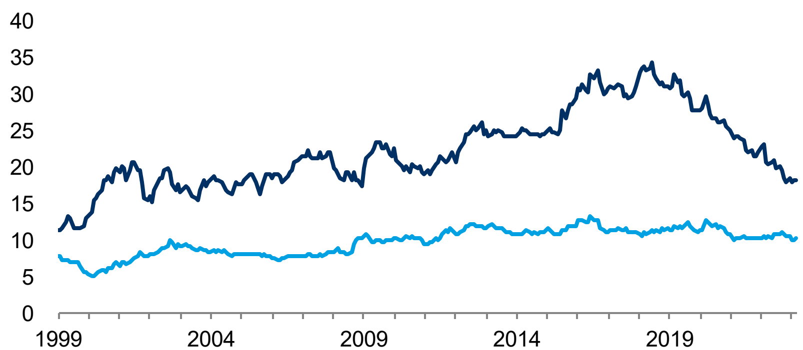
Since Inception	Portfolio (%)	MSCI EAFE Net Index (%)
Standard Deviation	15.15	17.11
Beta	0.80	--
Information Ratio	0.61	--
Sharpe Ratio	0.48	0.16
Tracking Error	7.35	--
10 Years		
Standard Deviation	14.97	14.99
Beta	0.96	--
Information Ratio	0.07	--
Sharpe Ratio	0.30	0.28
Tracking Error	4.32	--
5 Years		
Standard Deviation	17.95	17.64
Beta	0.98	--
Information Ratio	0.15	--
Sharpe Ratio	0.16	0.12
Tracking Error	4.55	--

Source: Morgan Stanley Investment Management. For the most recent month-end performance figures, please visit morganstanley.com/im or speak with your portfolio specialist. Investment returns and principal value will fluctuate and assets may be worth more or less than their original cost. Returns are net of fees and assume the reinvestment of all dividends and income. Returns for less than one year are cumulative (not annualized). Performance for other share classes will vary. Returns are compared to those of an unmanaged market index and are considered to be a relevant comparison to the portfolio. Comparisons of performance assume the reinvestment of all dividends and income. It is not possible to invest directly in an index. Please refer to the standardized performance slide for additional information.

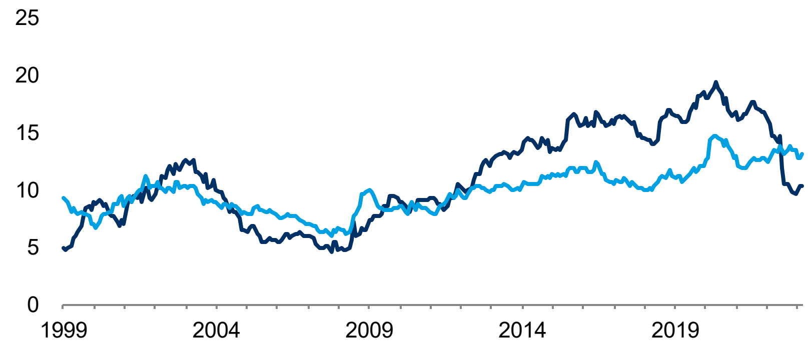
Historical Sector Weightings

International Equity Trust - USD

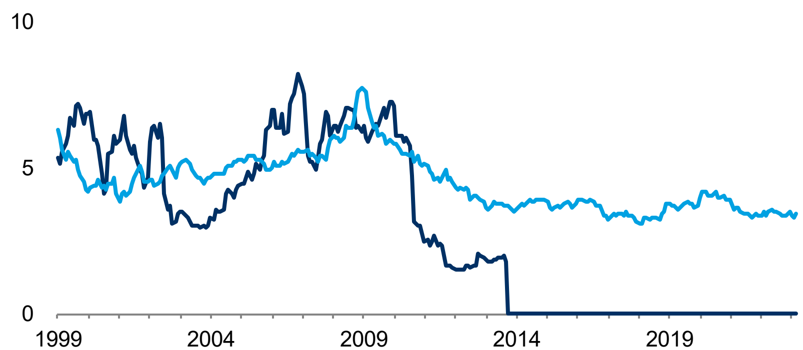
Consumer Staples (%)



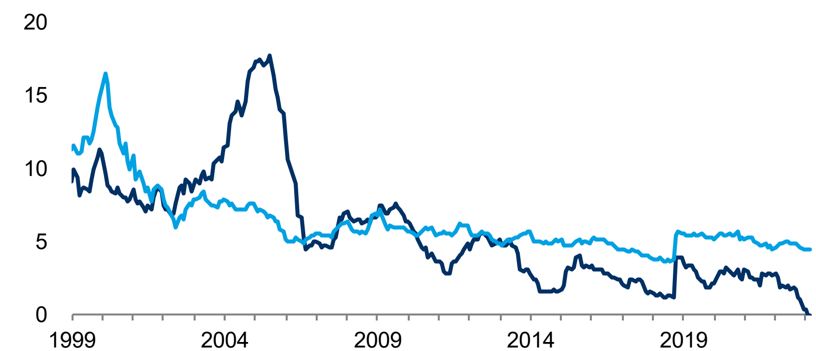
Health Care (%)



Utilities (%)



Communication Services (%)



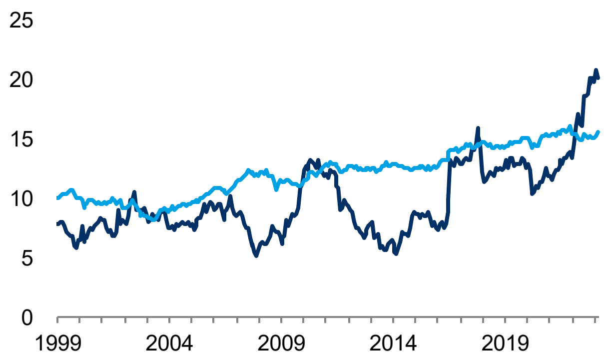
Portfolio   MSCI EAFE Net Index

Source: Morgan Stanley Investment Management and MSCI. Data as March 31, 2023. Subject to change daily. Provided for informational purposes only and should not be deemed as a recommendation to purchase or sell securities in the sector referenced. On March 17, 2023 the GICS Industry Group, Industry and Sub-Industry classifications were amended and consequently a number of securities within Consumer Discretionary, Consumer Staples, Financials, Industrials, Information Technology and Real Estate were re-classified. This may impact the Portfolio's overall sector positioning.

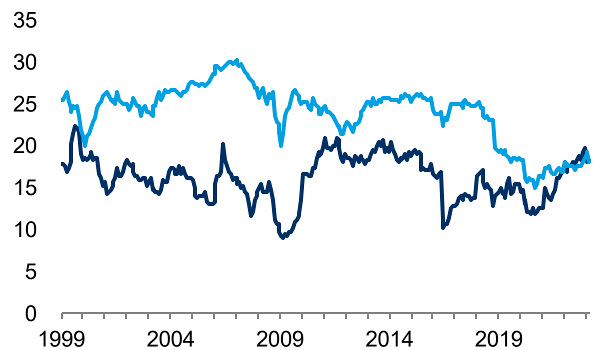
Historical Sector Weightings

International Equity Trust - USD

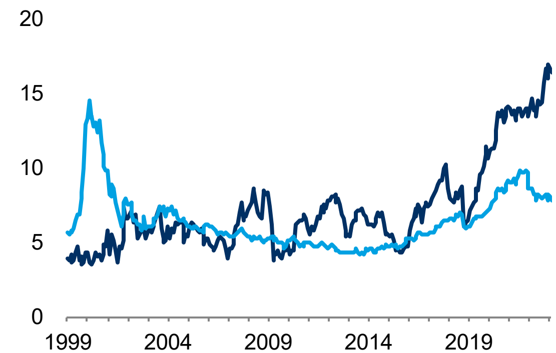
Industrials (%)



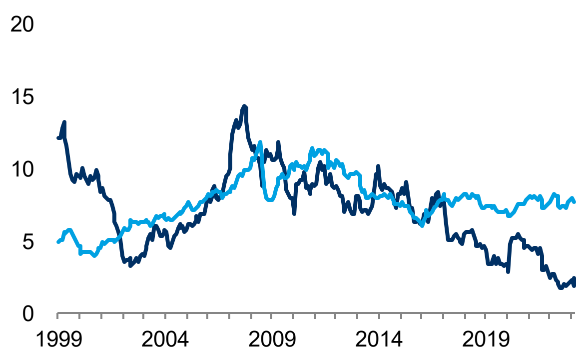
Financials (%)



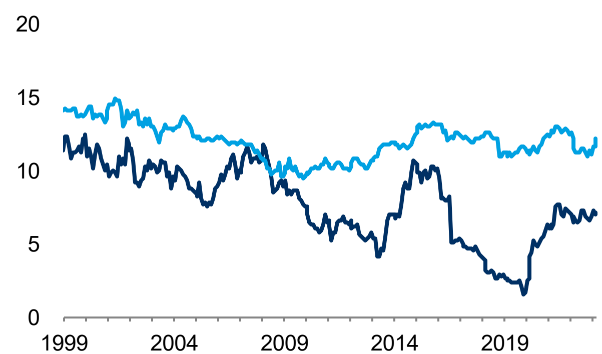
Information Technology (%)



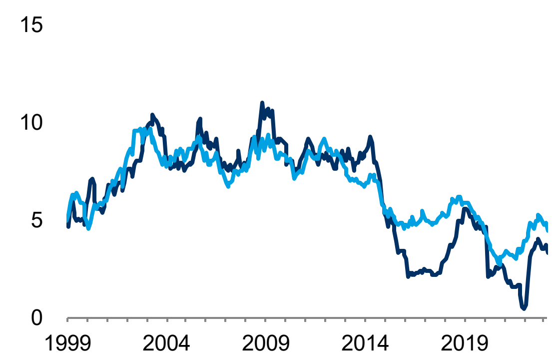
Materials (%)



Consumer Discretionary (%)



Energy (%)



Portfolio   MSCI EAFE Net Index

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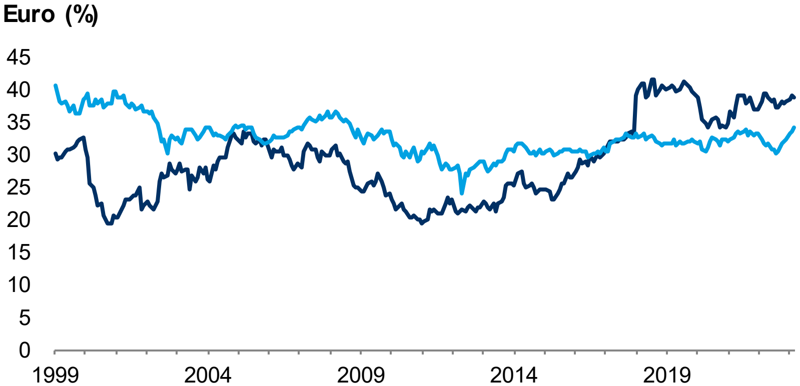
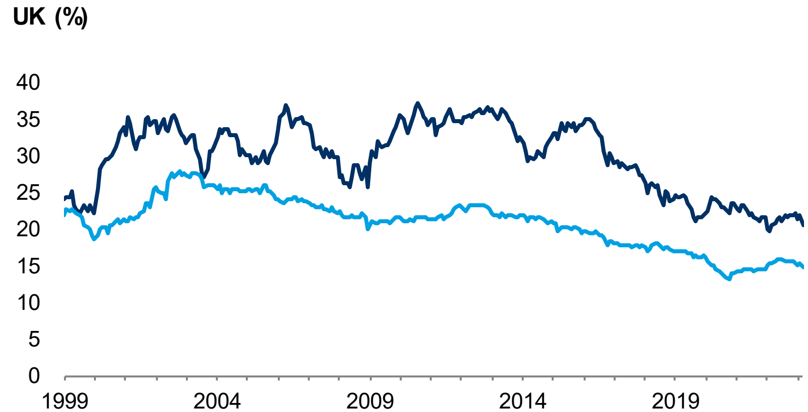
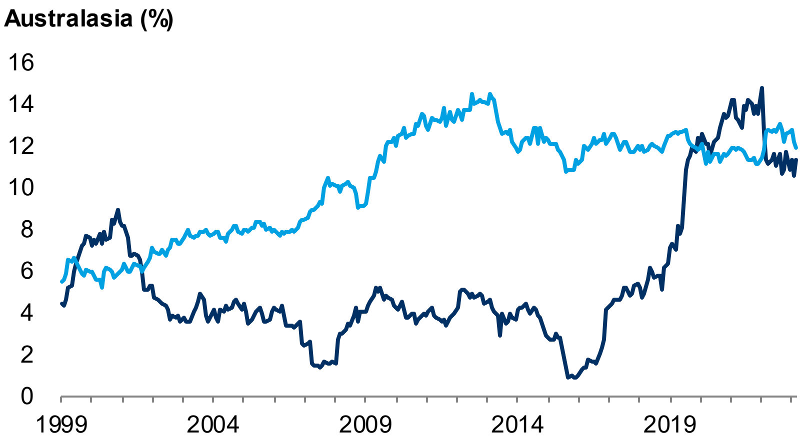
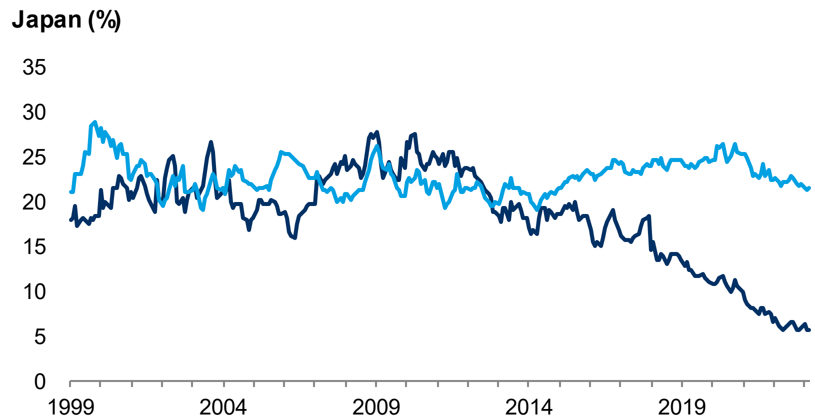
Historical Country Weightings

International Equity Trust - USD









Portfolio MSCI EAFE Net Index

Source: Morgan Stanley Investment Management and MSCI Data as of March 31, 2023. Subject to change daily. Provided for informational purposes only and should not be deemed as a recommendation to purchase or sell securities in the region referenced.

Primary Research Responsibilities

William Lock	Bruno Paulson	Nic Sochovsky	Marcus Watson	Alex Gabriele	Nathan Wong	Richard Perrott	Isabelle Mast	Anton Kryachok	Marte Borhaug	Vladimir Demine
Consumer Staples	Software & Services	Consumer Staples	Health Care	Payment Services	Industrials	Tech Hardware & Equipment	Insurance	Banks	Sustainable Outcomes	ESG Research
	Financials	Energy	Software & Services	Communication Services	Software & Services	Industrials	Hotels & Leisure	Payment Services		
		Materials		Media	Consumer	Specialist Financials	Specialist Financials	Automobiles		

Generalist stock pickers with sector responsibilities

High degree of cross coverage and overlapping responsibility

Fei Teng	Helena Miles	Jinny Hyun
Specialty Pharm	Pharm	Generalist
Building Products	Media	
Commercial Services & Suppliers	Materials	

Internal and External Resources

MSIM Sustainability/ Global Stewardship Team

Data and Cash Management

FactSet Quality and Valuation Screens

Sell-Side Analysts

Industry Consultants

ESG Data Providers

The primary research responsibilities and team members may change from time to time, without prior notice. As of January 2023.

Portfolio Management Team

William Lock

Managing Director

william.lock@morganstanley.com

William is a portfolio manager and head of the International Equity team. He joined Morgan Stanley in 1994 and has 31 years of investment experience. Prior to joining the firm, he worked at Credit Suisse First Boston's Corporate Finance Group, and was a management consultant with Arthur D. Little. William received a B.A. in Modern History from Keble College, Oxford. William is a longstanding sponsor of the creative arts, including Glyndebourne Opera.

Bruno Paulson

Managing Director

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Bruno is a portfolio manager for the International Equity team. He joined Morgan Stanley in 2009. Prior to joining the firm, Bruno worked for Sanford Bernstein in London, where he was a Senior Analyst covering the financial sector for eight years. Previously, he was a manager at the Boston Consulting Group where he focused on the financial services industry. Bruno has an M.B.A. from INSEAD where he received the Ford Prize for graduating top of class. He was also a Research Fellow in Political Economy at Nuffield College, Oxford, and received a B.A. in Politics, Philosophy and Economics with 1st Class Honours from Keble College, Oxford. Bruno was a parent-founder of The Rise School, a free school for children with high-functioning autism. He is a governor at Kensington Aldridge Academy, where he chairs the Business Committee.

Nic Sochovsky

Managing Director

nic.sochovsky@morganstanley.com

Nic is a portfolio manager for the International Equity team. He joined Morgan Stanley in 2015 and has 25 years of industry experience. Prior to joining the team, Nic worked for Credit Suisse within a top industry ranked consumer staples team covering food manufacturing, home and personal care (HPC), beverages and tobacco. Before that he headed the consumer research team at Unicredit and was a senior analyst at Merrill Lynch and Lehman Brothers covering pan-European food manufacturing and HPC. Nic received a B.A. in Economics from Sheffield University. Nic is a long time supporter of Place 2Be, the leading UK children's mental health charity.

Team members may change from time to time. As of January 2023.

Portfolio Management Team

Alex Gabriele, CFA

Managing Director

alexander.gabriele@morganstanley.com

Alex is a portfolio manager for the International Equity team. He joined Morgan Stanley from Sloane Robinson LLP in 2012 and has 14 years of buyside investment experience. Prior to joining the team, Alex was responsible for stock selection across the cyclical universe, predominantly in Asia ex-Japan. Alex is a trustee at the Belvedere Trust, a UK charity that gives grants to education, poverty alleviation and the arts. Alex holds a B.A. in Natural Sciences from Trinity College, Cambridge.

Marcus Watson

Managing Director

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Marcus is a portfolio manager for the International Equity team. He joined Morgan Stanley in 2008 and has 15 years of investment experience. He received a B.Sc. in Psychology from the University of Newcastle Upon Tyne.

Isabelle Mast, PhD

Executive Director

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Isabelle is a portfolio manager for the International Equity team. She joined Morgan Stanley in 2021 and has 18 years of investment experience. Prior to joining the firm, she worked at Fidelity and Citadel. Isabelle is a Chartered Accountant. She read English at Pembroke College, Oxford, holds a Doctorate in English Literature from Hertford College, Oxford, a Masters in Medieval Studies from York and an M.B.A. from Queens' College, Cambridge.

Team members may change from time to time. As of January 2023.

Portfolio Management Team

Nathan Wong, CFA

Executive Director

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Nathan is a portfolio manager for the International Equity team. He joined Morgan Stanley in 2017 and has 23 years of investment experience. Prior to joining the team, Nathan was a Partner/Senior Analyst and developed markets equities generalist at Sloane Robinson. Before that he worked in equity research in Merrill Lynch's Specialty Finance team and before that he qualified as a chartered accountant with Deloitte. He holds a B.Sc. in Mathematics with 1st Class Honours from Imperial College, receiving the Institute of Mathematics and its Applications prize in his final year.

Richard Perrott, CFA

Executive Director

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Richard is a portfolio manager for the International Equity team. He joined Morgan Stanley in 2015 and has 17 years of investment experience. Prior to joining the team, Richard was an equity research analyst at Autonomous Research covering specialty financials. Before that Richard covered financials at Berenberg Bank and financials and healthcare at Sanford Bernstein. Richard received an M.A. in Mathematics and Philosophy from St Edmund Hall, Oxford. Richard is a trustee of Shrewsbury House Community Association.

Anton Kryachok, CFA

Executive Director

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Anton is a portfolio manager for the International Equity team. He joined Morgan Stanley in 2021 and has 13 years of investment experience. Prior to joining the team, Anton was a Research Analyst at Sculptor Capital (formerly OchZiff) and prior to that he was an Equity Analyst covering European banks at UBS. He holds a B.Sc. in Economics from the London School of Economics and Political Science.

Team members may change from time to time. As of January 2023.

Portfolio Management Team

Marte Borhaug

Executive Director

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Marte is a portfolio manager and Head of Sustainable Outcomes for the International Equity team. She joined Morgan Stanley in 2021 and has 13 years of experience in sustainability, six of those in financial services. She was previously the Global Head of Sustainable Outcomes at Aviva Investors. She joined Aviva from the Confederation of British Industry (CBI) where she was Head of Financial Services and Corporate Governance. Before this she led sustainable finance campaigns in Brussels at the EU public affairs consultancy, The Brussels Office and the Mission of Norway to the EU. Marte is co-chair of the 30% Club Investor Group, an advisor to Rosa UK, a charity that funds grassroots women's organisations to help to make the UK a fairer, safer place for women and a mentor at the social accelerator Bethnal Green Ventures. She holds an M.Sc. in European Political Economy from the London School of Economics.

Vladimir Demine, CFA

Executive Director

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Vladimir is a portfolio manager and Head of ESG Research for the International Equity team. He joined Morgan Stanley in 2009 and has 21 years of investment experience. Prior to joining the firm, Vladimir worked for UBS Global Asset Management in London, where he was an analyst responsible for stock selection of consumer staples holdings in key client mandates. Vladimir received an M.Sc. in Investment Management with Distinction from City University (CASS) Business School and a Master's in Finance with Distinction from St Petersburg State University of Economics and Finance.

Team members may change from time to time. As of January 2023.

Portfolio Management Team

Helena Miles

Vice President

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Helena is a research analyst for the International Equity team. She joined Morgan Stanley in 2019 and has 10 years of investment experience, most recently covering Luxury Goods & Retail at Capital World Investors. Previously, Helena covered European Business Services at Bank of America Merrill Lynch. Helena holds an M.A. in History with First-Class Honours from Trinity Hall, Cambridge. She was elected a Bateman Scholar and awarded the C W Crawley prize for Academic Excellence.

Fei Teng

Vice President

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Fei is a research analyst for the International Equity team. He joined Morgan Stanley in 2019 and has 10 years of investment experience. Prior to joining the team, Fei was an analyst at Berenberg, and prior to that at Credit Suisse. He holds a M.Eng. in Chemical Engineering from Downing College, Cambridge.

Jinny Hyun

Analyst

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Jinny is a research analyst for the International Equity team. She joined Morgan Stanley in 2021. Jinny holds a First-Class Honours degree in Business Administration from the University of Hong Kong.

Team members may change from time to time. As of January 2023.

Cash Management & Data Analytics

Rob Butler, CFA

Vice President

rob.butler@morganstanley.com

Rob manages portfolio cash and performs data analytics for the International Equity team. He joined Morgan Stanley in 2016 and has 12 years of industry experience. Prior to joining the team, Rob was a Portfolio and Quantitative Analytics Specialist at FactSet. Rob received an B.A. in Economics from the University of Exeter, and M.Sc in Applied Statistics and Computational Data Analytics from Birkbeck College, University of London.

Team members may change from time to time. As of January 2023.

Portfolio Specialist Team

Laura Bottega

Managing Director

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Laura is the COO and Head of Client Experience for the International Equity team. She is also a member of the Investment Management Operating Committee. She joined Morgan Stanley in 2006 and has 25 years of investment experience. Between 2006 and 2009, Laura was CAO of the London Active Equity Group of MSIM. Prior to joining the firm, Laura was Executive Director at Goldman Sachs Asset Management in active equity product management. Prior to this, Laura worked at Salomon Smith Barney as an equity research analyst for the European strategy and luxury goods teams. Laura holds a B.A. (Hons.) in political studies from the University of Cape Town. Laura was named Investment Manager of the Year in Professional Pensions' Women in Pensions 2018 awards. She led MSIM EMEA's diversity efforts in 2019 and captains Morgan Stanley's Step In, Step Up team in West London schools motivating girls to consider careers in financial services.

Jill Ytuarte

Managing Director

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Jill is the lead portfolio specialist for the International Equity team. She joined Morgan Stanley in 2004 and has 25 years of investment industry experience. Prior to joining the firm, Jill served as a management consultant at Kasina and before that was an assistant vice president of Institutional Marketing at AllianceBernstein. Jill received a B.A., magna cum laude, from Adelphi University Honors College, studied English Literature at St. Anne's College, Oxford, and earned an M.B.A. from Columbia Business School.

Team members may change from time to time. As of January 2023.

Portfolio Specialist Team

David Bernard

Executive Director

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David is a portfolio specialist for the International Equity team. He joined Morgan Stanley in 2008 and has 15 years of industry experience. Prior to joining the team, David was a member of the Global Emerging Markets Equity team and previously worked on the Intermediary Sales team where he was responsible for leading sales efforts on the East Coast focusing on Registered Investment Advisors and Bank Trusts. David received a B.A. (with honors) in Political Science from Furman University.

Monica Carta

Executive Director

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Monica is a portfolio specialist for the International Equity team. She joined Morgan Stanley in 2002 and has 21 years of industry experience. Prior to joining Investment Management, she worked in the Fixed Income Division for the Securitized Product Group. Before joining Morgan Stanley, Monica worked at PriceWaterhouse Coopers in their business process outsourcing product development team.

Alistair Corden-Lloyd

Executive Director

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Alistair is a senior portfolio specialist for the International Equity team. He joined Morgan Stanley in 1997 and was an investor on the International Small Cap strategy for 12 years. Prior to joining the firm, Alistair worked in the luxury goods industry for five years. He received a B.Sc. in Geography from Kingston University, an M.B.A. from the Graduate School of Business, University of Cape Town and an M.Sc. in Computer Science from Kent University.

Team members may change from time to time. As of January 2023.

Portfolio Specialist Team

Candida de Silva

Executive Director

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Candida is a senior portfolio specialist for the International Equity team. She joined Morgan Stanley in 2019 and has 23 years of investment industry experience. Candida spent 11 years at BlackRock, most recently as Head of the UK Charities & Endowments business, having previously served as Head of EMEA Retail Marketing. Prior to BlackRock, Candida was an Executive Director at Goldman Sachs Asset Management following four years at Mellon and its subsidiary Newton Investment Management, covering international marketing for their institutional and intermediary businesses. Candida holds an M.A. in Modern Languages from Fitzwilliam College, Cambridge, and a Postgraduate Diploma in Marketing from the Chartered Institute of Marketing. She was highly commended in the category of Fund Saleswoman of the Year in the Investment Week Women in Investment Awards 2021 and sits on the EMEA steering committee of the MS Women's Business Alliance.

Colleen Dyer

Executive Director

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Colleen is a portfolio specialist for the International Equity team. She joined Morgan Stanley Investment Management in 2007 and has 22 years of industry experience. Prior to joining the firm, Colleen worked on the Consultant Relations team at Capital Guardian Trust Company. Prior to that, she worked on the Consultant Relations team at State Street Global Advisors. Colleen received a B.A. in International Relations from Boston University.

Munenori Yoshimi, CFA

Executive Director

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Munenori is a portfolio specialist for the International Equity team. He joined Morgan Stanley in 1999 and has 29 years of investment experience. Prior to joining the firm, he worked at Daiwa International Capital Management where he was a portfolio manager for global equity portfolios, and previously as a manager of Japanese and Asian equities. Prior to that, he worked at Solomon Brothers (Asia) where he was responsible for trading and sales of Japanese equity derivative products. He also worked as a compliance officer at Solomon Brothers (Asia). Munenori received a B.A. in Law from University of Tokyo. He is a Chartered Member of the Security Analysts Association of Japan and a member of the CFA Institute.

Team members may change from time to time. As of January 2023.

Portfolio Specialist Team

Anna Baron

Vice President

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Anna is a portfolio specialist for the International Equity team. She joined Morgan Stanley in 2001 and has 33 years of industry experience. Prior to joining the firm, Anna worked in Marketing at the London Stock Exchange for 11 years. Anna received a professional postgraduate diploma in Marketing from the Chartered Institute of Marketing and holds the IMC qualification.

Julia Forde

Vice President

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Julia is a portfolio specialist for the International Equity team. She joined Morgan Stanley Investment Management in 1992 and has 35 years of industry experience. Prior to joining Morgan Stanley, Julia worked at Chase Manhattan Bank for their InfoServ and Investment Banking groups.

Teppei Adachi

Senior Associate

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Teppei is a portfolio specialist for Global Equity portfolios and a member of the International Equity team. He joined Morgan Stanley Investment Management in 2020 and has 12 years of industry experience. Prior to joining the firm, Teppei worked at Nomura Securities, in the Equity Derivatives, Execution Sales Trading, and the Prime Brokerage businesses. Teppei has a B.A. in Political Science from Waseda University.

Team members may change from time to time. As of January 2023.

Risk Considerations

There is no assurance that a portfolio will achieve its investment objective. Portfolios are subject to market risk, which is the possibility that the market values of securities owned by the portfolio will decline and that the value of portfolio shares may therefore be less than what you paid for them. Market values can change daily due to economic and other events (e.g. natural disasters, health crises, terrorism, conflicts and social unrest) that affect markets, countries, companies or governments. It is difficult to predict the timing, duration, and potential adverse effects (e.g. portfolio liquidity) of events. Accordingly, you can lose money investing in this portfolio. Please be aware that this portfolio may be subject to certain additional risks. In general, **equity securities'** values also fluctuate in response to activities specific to a company. Stocks of **small- and medium-capitalization companies** entail 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. **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.

Risks of International Investing. Any investment in foreign equity securities may involve a greater degree of risk than an investment in domestic equity securities. Among other things, foreign securities investments may carry the risks of less publicly available information, more volatile markets, less strict securities regulation, less favorable tax provisions, and a greater likelihood of war and expropriation of personal property than investments in domestic securities.

Liquidity. A withdrawing subscriber may, at the discretion of MSIM, receive securities owned by the Trust in lieu of cash. The risk of loss and delay in liquidating these securities will be borne by the subscriber, with the result that such subscriber may receive less cash than it would have received on the date of withdrawal.

ERISA Issues. MSIM anticipates that most or all of the subscribers will be entities subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and their participation will require special consideration of certain factors that are described in more detail in the Memorandum.

Federal Income Taxation. The Trust has received a determination letter from the Internal Revenue Service as to the tax-exempt status of the Trust. MSIM, and the Trustee intend to comply with the provisions of ERISA and the Internal Revenue Code at all times. However, if for any reason the Trust should lose its tax-exempt status as a group trust, it would terminate pursuant to the terms of the Agreement of Trust.

There is no guarantee that any investment strategy will work under all market conditions, and each investor should evaluate their ability to invest for the long-term, especially during periods of downturn in the market. In addition, there are important differences in how a strategy is carried out in each of the investment vehicles.

Separate accounts managed according to the Strategy include a number of securities and will not necessarily track the performance of any index. A separately managed account may not be appropriate for all investors. Please consider the investment objectives, risks and fees of the strategy carefully before investing. A minimum asset level is required. For important information about the investment manager, please refer to Form ADV Part 2.

Morgan Stanley Investment Management is the asset management division of Morgan Stanley. Morgan Stanley is a full-service securities firm engaged in a wide range of financial services including, for example, securities trading and brokerage activities, investment banking, research and analysis, financing and financial advisory services.

Important Information

Morgan Stanley Investment Management International Equity Trust (the "Trust") is a privately offered unregistered fund whose units are offered for investment only to qualified employee benefit plans and certain governmental plans pursuant to a confidential offering memorandum. The Trust is not currently registered, and does not propose in the future to be, registered as an investment company under the U.S. Investment Company Act of 1940, as amended. Morgan Stanley Investment Management Inc. is the sponsor of the Trust and Morgan Stanley Investment Management Limited is the investment manager of the Trust; both of which are registered with the U.S. Securities and Exchange Commission as investment advisers under the U.S. Investment Advisers Act of 1940, as amended.

This communication has been prepared solely for informational purposes and does not constitute an offer or a recommendation to buy or sell any particular security or to adopt any specific investment strategy.

Past performance is not a guarantee 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.

A separately managed account may not be appropriate for all investors. Separate accounts managed according to the Strategy include a number of securities and will not necessarily track the performance of any index. Please consider the investment objectives, risks and fees of the Strategy carefully before investing. A minimum asset level is required. For important information about the investment manager, please refer to Form ADV Part 2.

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The indices do not include any expenses, fees or sales charges, which would lower performance. The indexes are unmanaged and should not be considered an investment. It is not possible to invest directly in an index.

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The information contained in this communication is not a research recommendation or 'investment research' and is classified as a 'Marketing Communication'.

Except as otherwise indicated herein, the views and opinions expressed are those of the portfolio management team, and are based on matters as they exist as of the date of preparation and not as of any future date, and will not be updated or otherwise revised to reflect information that subsequently becomes available or circumstances existing, or changes occurring, after the date hereof. These do not reflect the opinions of all Investment teams at MSIM or the views of the firm as a whole, and may not be reflected in the strategies and products that the Firm offers.

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The information presented does not constitute, and should not be construed as, investment advice or recommendations with respect to the investments mentioned. Moreover, neither the information nor any opinion expressed constitutes a solicitation for the purchase or sale of any investment.

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Glossary

Capital expenditure, or **Capex,** are funds used by a company to acquire, upgrade, and maintain physical assets such as property, industrial buildings, or equipment. Capex is often used to undertake new projects or investments by the firm. This type of financial outlay is also made by companies to maintain or increase the scope of their operations.

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

Dividend Yield is the ratio between how much a company pays out in dividends each year relative to its share price.

Downside is the negative movement in the price of a security, sector or market. Downside can also refer to economic conditions and it describes periods when an economy has either stopped growing or is shrinking.

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.

Gross Domestic Product (GDP) is the monetary value of all the finished goods and services produced within a country's borders in a specific time period. It includes all private and public consumption, government outlays, investments and net exports.

Gross Margin represents the percent of total sales revenue that the company retains after incurring the direct costs associated with producing the goods and services sold by a company.

NTM = Next Twelve Months.

Net debt is a measure of a company's ability to repay all debt if it were called immediately. It is calculated by adding short-term and long-term debt and subtracting all cash and cash equivalents.

Price-Earnings (P/E) is the price of a stock divided by its earnings per share for the past 12 months. Sometimes called the multiple, P/E gives investors an idea of how much they are paying for a company's earning power. The higher the P/E, the more investors are paying, and therefore the more earnings growth they are expecting.

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).

Turnover is based on the fund's current prospectus.

Upside is the forecasted dollar amount or percentage increase in the price of an investment. A higher upside means that the stock has more value than is currently reflected in the stock price.

Indices

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.

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 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 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 Quality Index** is based on MSCI World, its parent index, which includes large and mid cap stocks across 23 Developed Market (DM) countries*. The index aims to capture the performance of quality growth stocks by identifying stocks with high quality scores based on three main fundamental variables: high return on equity (ROE), stable year-over-year earnings growth and low financial leverage. The MSCI Quality Indexes complement existing MSCI Factor Indexes and can provide an effective diversification role in a portfolio of factor strategies.

The **FTSE All-Share Index** is a capitalisation-weighted index, comprising around 600 of more than 2,000 companies traded on the London Stock Exchange (LSE). The index is maintained by FTSE Russell, a subsidiary of the London Stock Exchange Group. It aims to represent at least 98% of the full capital value of all UK companies that qualify as eligible for inclusion

The **S&P 500® Index** measures the performance of the large cap segment of the U.S. equities market, covering approximately 75% of the U.S. equities market. The Index includes 500 leading companies in leading industries of the U.S. economy.