

Morgan Stanley Investment Management (ACD) Limited

## Morgan Stanley Funds (UK) Global Government Bond Fund (the "Fund")

FCA Product Reference Number ("PRN"): 996887

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This document provides sustainability information for consumers in relation to the Fund.

Sustainable investment labels help investors find funds that have a specific sustainability goal. This Fund does not have a UK sustainable investment label because it does not have a sustainability objective in line with the Financial Conduct Authority's Sustainability Disclosure Requirements ("SDR"). However, the Fund's investment approach takes into consideration sustainability characteristics as detailed below.

### Sustainability Approach

#### Binding Criteria

- **Exclusions:** The Fund screens out sovereign issuers that are deemed to be involved in significant social violations, unless they demonstrate evidence of improvement, and any corporate issuers in violation of the UN Global Compact principles for sustainable business practices.
- **ESG Scoring:** The Fund will also maintain an aggregate portfolio-weighted ESG score higher than that of the Bloomberg Global Aggregate Treasuries Total Return Index (the "Index"), based on ESG scores from a leading third party data provider or the investment manager's own ESG scoring methodology. Not every single investment held in the Fund will have an ESG score higher than the Index at any point in time. ESG scores are intended to measure an issuer's performance on ESG factors including, but not limited to: the use of natural resources, climate vulnerability, human capital development, and political governance. The ESG score calculations for the Fund and the Index will only take into consideration the fixed income securities held in the Fund or the Index, excluding cash and any other non-fixed income securities.

#### Glossary for this Fund

**Investment manager** the company who oversees and makes decisions about what the Fund invests in.

**Social Violations** custom indicator is calculated by the investment manager taking into consideration a country's performance on issues including, but not limited to, the application of human rights and civil liberties, the quality of contract enforcement and security, freedom of expression, association and free media, as assessed by underlying data from third parties.

**United Nations Global Compact** is a voluntary initiative to implement universal sustainability principles. The UN Global Compact sets out Ten Principles defining core values in the areas of human rights, labour standards, the environment, and anti-corruption.

#### Non-binding Criteria

- **Environmental, Social and Governance ("ESG") integration:** ESG considerations are integrated into the investment analysis and decision making process where relevant.
- **Engagement activities:** The investment manager may undertake engagement activities with selected bond issuers on their sovereign governance practices, as well as on other material sustainability issues and ESG-related controversies. For example, the investment manager may engage to solicit an issuer to establish policies or allocate investments that facilitate the pursuit of a country's decarbonisation commitments, or to improve reporting on progress towards the United Nations Sustainable Development Goals (SDGs).

Further details are provided in the Fund's Prospectus and in the Sustainability Metrics section below.

### Sustainability Metrics

The table below summarises the Fund's performance against relevant metrics in relation to its sustainability characteristics:

<b>Sustainability Metrics</b>	<b>Metric Threshold</b>	<b>Metric Value</b>
% Fund exposure to sovereign issuers in bottom 10% ranked countries for social violations	0%	—
% Fund invested in companies with evidence of United Nations Global Compact violations	0%	—
Aggregate portfolio-weighted ESG Score of (a) the Fund, and of (b) the Bloomberg Global Aggregate Treasuries Total Return Index	ESG score (a) must exceed ESG score (b)	—

The metrics will be updated with actual values when the Fund publishes its first annual SDR Sustainability Report.

This analysis is conducted by the investment manager using third party ESG data.

### Further Details

Further information on the Fund, including the Fund's Prospectus, the Fund's Annual Report, the Key Investor Information Document (which includes information on the Fund's costs and charges), the Fund's SDR Sustainability Report (once available), and other relevant information can be found here: <https://www.morganstanley.com/im/en-gb/intermediary-investor/funds-and-performance/morgan-stanley-funds-UK/fixed-income/global-government-bond-fund.shareClass.U1.html>