

Article 450 of CRR Disclosure

Morgan Stanley International Limited Regulatory Compensation Disclosure

Morgan Stanley International Limited | As at 31 December 2021

This Compensation Disclosure (the “Disclosure”) sets out the principles relating to compensation within Morgan Stanley International Limited (“MSI”) and its subsidiaries (together, the “MSI Group”). Some of the policies, practices and procedures outlined in the Disclosure apply globally to Morgan Stanley, its subsidiaries and affiliates (the “Company”). The Disclosure has been established in line with the Capital Requirements Directive (“CRD V”), Capital Requirements Regulation (“CRR”), the Prudential Regulation Authority (“PRA”) Rulebook (Remuneration Part), the Financial Conduct Authority’s (“FCA”) Dual-Regulated Company’s Remuneration Code set out in the FCA’s Senior Management Arrangements, Systems and Controls (SYSC) at SYSC 19D, the European Banking Authority (“EBA”) Guidelines on Sound Remuneration Policies, and any associated regulations and guidance (together the “UK Remuneration Rules”).

| TABLE OF CONTENTS | PAGE |
|---|----------|
| 1. Morgan Stanley Compensation Objectives and Strategy | 2 |
| 2. Compensation Governance | 2 |
| 3. Identification of Material Risk Takers | 3 |
| 4. Link Between Pay and Performance | 3 |
| 5. Compensation Structure | 4 |
| 6. Risk Adjustment | 6 |
| 7. Individual Performance Measurement | 7 |
| 8. Compensation Determination Process | 7 |
| 9. Quantitative information on compensation, broken down by business area | 7 |
| 10. Quantitative information on compensation, broken down by senior management and employees whose actions have a material impact on the risk profile of the MSI Group | 8 |

1. Morgan Stanley Compensation Objectives and Strategy

The Company is committed to a responsible and effective compensation program that is aligned with the interests of shareholders and Company strategy, is motivating, competitive, and reflects current best practices in corporate governance, risk management and compliance with regulatory principles.

The Company's compensation processes are aligned with the Company's core values: Do the Right Thing, Put Clients First, Lead with Exceptional Ideas, Commit to Diversity and Inclusion, and Give Back. The alignment with the Company's core values is a key element considered as part of the performance measurement process.

The Global Compensation, Management Development and Succession Committee ("CMDS Committee") of the Morgan Stanley Board of Directors (the "Board") continually evaluates the Company's compensation programs with a view to balancing the following key objectives, all of which support the Company's culture and values and shareholders' interests:

- **Deliver Pay for Sustainable Performance**
 - Variable annual incentives and for certain executives, performance-vested long-term incentives tied to future performance against strategic objectives
 - Consideration of returns for shareholders and appropriate rewards to motivate employees
- **Align Compensation with Shareholders' Interests**
 - Significant portion of incentive compensation is deferred, subject to cancellation and clawback, and tied to the Company's stock with retention requirements
 - Ongoing shareholder engagement to understand shareholder views
- **Attract and Retain Top Talent**
 - Competitive pay levels to attract and retain the most qualified employees in a highly competitive global talent environment
 - Incentive awards include vesting and cancellation provisions that retain employees and protect the Company's interests
- **Mitigate Excessive Risk-taking**
 - Compensation arrangements do not incentivise unnecessary or excessive risk-taking that could have a material adverse effect on the Company
 - Robust governance around review and approval of compensation programs, including from a risk perspective

2. Compensation Governance

Composition and mandate of the EMEA Remuneration Oversight Committee ("EROC"), the MSI Group Remuneration Committee ("MSI RemCo"), and the CMDS Committee

The EROC provides formal oversight of EMEA remuneration matters to ensure remuneration practices in EMEA are compliant with the UK Remuneration Rules and follow good standards of practice. The EROC is comprised of the EMEA Chief Executive Officer (Chair), the EMEA Head of Human Resources (Deputy Chair), the EMEA Chief Finance Officer (EMEA CFO), the EMEA Chief Legal Officer (EMEA CLO), the EMEA Head of Compliance, and the EMEA Chief Risk Officer (EMEA CRO). The EROC met seven times during 2021 and certified compliance with regulatory requirements to the MSI RemCo.

The MSI RemCo was appointed by the MSI Board of Directors to oversee the design and implementation of the remuneration policies and practices applicable to the MSI Group, which includes contributing to the global policy development that is subject to oversight by the CMDS Committee, as well as overseeing compliance by the MSI Group with the UK Remuneration Rules. On December 31, 2021, the MSI RemCo was comprised of four non-executive directors; Jonathan Bloomer (Chair), Terri Duhon, Melanie Richards (joined on 8 July 2021), and Paul Taylor. Mary Phibbs resigned from her role as Chair of the MSI RemCo on 8 February 2021. The MSI RemCo met five times during 2021.

On December 31 2021, the CMDS Committee was comprised of four directors, including the independent Lead Director of the Board, all of whom are independent under the New York Stock Exchange listing standards and the independence

requirements of the Company. The members were Dennis M. Nally (Chair), Thomas H. Glocer, Stephen J. Luczo, and Rayford Wilkins Jr. Hutham S. Olayan resigned from her role as committee member on 20 May 2021. In 2021, the CMDS Committee held six meetings. The CMDS Committee operates under a written charter adopted by the Board, which is available on Morgan Stanley's website at <http://www.morganstanley.com/about-us-governance/comchart.html>.

The CMDS Committee regularly reviews (i) Company performance with respect to execution of strategic objectives and evaluates executive performance in light of such performance; (ii) executive compensation strategy, including the competitive environment and the design and structure of the Company's compensation programs to ensure that they are consistent with and support the Company's compensation objectives; and (iii) market trends and legislative and regulatory developments affecting compensation in the U.S. and globally.

Role of external consultants and other stakeholders

The CMDS Committee has the power to appoint independent compensation consultants, legal counsel, or financial or other advisors as it may deem necessary to assist it in the performance of its duties and responsibilities. The CMDS Committee has retained an independent compensation consultant, Pay Governance, to assist it in collecting and evaluating external market data regarding executive compensation and performance, and to advise on developing trends and best practices in executive compensation and equity and incentive plan design. In performing these services, Pay Governance attends meetings of the CMDS Committee regularly, including portions of the meetings without management present, and separately with the CMDS Committee Chair. Pay Governance is the CMDS Committee's independent advisor and does not provide any other services to the Company or its executive officers that could jeopardise its independent status. The Company has affirmatively determined that no conflict of interest has arisen in connection with the work of Pay Governance as compensation consultant for the CMDS Committee.

Further, together with the Global Chief Risk Officer ("Global CRO"), the CMDS Committee oversees the Company's incentive compensation arrangements to help ensure that such arrangements are consistent with the safety and soundness of the Company and do not encourage excessive risk-taking and are otherwise consistent with applicable related regulatory rules and guidance. The Global CRO attends the CMDS Committee meetings on an as needed basis, and at least annually, to discuss the risk attributes of the Company's incentive compensation arrangements. The Global CRO confirmed to the CMDS Committee that the Company's compensation programs for 2021 do not incentivise employees to take excessive risk and are unlikely to have a material adverse effect on the Company.

The day-to-day compliance with the Company's obligations under the UK Remuneration Rules is delegated to the Company's control functions and EMEA Human Resources ("EMEA HR"). EMEA HR regularly reviews the Company's regulatory obligations with respect to remuneration in each of the jurisdictions in which it operates, and ensures that appropriate variations in policy relating to compensation structures approved by the CMDS Committee are fully compliant with local laws and regulations.

3. Identification of Material Risk Takers

The MSI Group has established a formal identification framework to identify employees whose professional activities have a material impact on the MSI Group's risk profile, referred to as MRTs. The MSI Group MRT identification framework complies with the qualitative and quantitative criteria set out in Articles 3 and 4 of Commission Delegated Regulation (EU) No 604/2014. The identification framework is reviewed on an annual basis in line with the UK Remuneration Rules and the outcome of the review is subject to the approval of the EROC, and the MSI RemCo.

4. Link between pay and performance

The Company has a 'pay for performance' philosophy, which is reflected throughout the four key objectives of its compensation programs and applies across all lines of business.

Performance is taken into account at every step of the variable compensation cycle, from the ex-ante adjustment and determination of variable compensation awards, to the delivery, and where applicable, ex-post adjustment of compensation.

Performance measurement for year-end compensation is subject to a multi-dimensional process that considers Company, business unit and individual performance, taking into account financial as well as non-financial performance metrics. This includes but is not limited to: profit before tax, client revenues, efficiency ratio, firm culture, and diversity.

The Company's 'pay for performance' philosophy means that where a variable compensation award is not appropriate, none is paid; every year a portion of the eligible population receive no variable compensation. The governance around the performance evaluation and compensation decision-making process ensures decisions are a product of a number of inputs including performance, risk and conduct.

Delivering all or a portion of deferred incentive compensation in the form of equity, links variable compensation to Company performance through the Company's stock price performance. Risk outcomes that result in a negative impact to the Company reduce the value of the equity, and the employee is subject to this decline in value through the deferral period. In addition, there is a formal governance process to consider and determine ex-ante and ex-post adjustments to variable compensation.

5. Compensation Structure

Compensation for the majority of employees is comprised of two key elements:

- Fixed compensation consisting of base salary and, for certain employees, a Role Based Allowance ("RBA"), which is determined based on an individual's role and responsibilities and is paid monthly in cash via the payroll; and
- Variable compensation that is based on a number of factors, including but not limited to Company, business unit, and individual performance.

The structure of annual incentive compensation for MRTs complies with the UK Remuneration Rules and may comprise upfront cash, stock bonus, and a mix of deferred cash-based and/or equity awards. The following structure applies to relevant MRTs:

- A minimum of 40% to 60% of variable compensation is deferred as follows:
 - PRA Senior Managers have a seven-year deferral vesting on a pro-rata basis starting three years after grant
 - FCA Senior Managers have a five-year deferral vesting on a pro rata basis starting a year after grant
 - Other MRTs have a four or five-year deferral vesting on a pro-rata basis starting a year after grant
- Deferred annual incentive compensation is generally awarded in equity¹
- Non-deferred annual incentive compensation is awarded 50% in upfront cash and 50% as stock bonus awards;
 - Stock bonus awards vest and convert to shares after six months and are available to sell 12 months after grant
- Deferred equity awards are subject to sales restrictions for a period of six or 12 month post-vesting
- Subject to local law, variable annual incentive compensation is subject to cancellation and or clawback for a period of up to seven years from the date on which it is awarded. In the case of a PRA Senior Manager subject to an ongoing investigation, clawback can be extended to a period of up to ten years

Per the UK Remuneration Rules, MRTs whose variable compensation is no more than (i) 33% of their total compensation, and (ii) £44,000 (or the local currency equivalent), are not subject to the full scope of UK Remuneration Rules. However, such MRTs continue to be subject to the Company's deferral practices for the general employee population and remain subject to cancellation and clawback terms applicable to MRTs.

The following table provides details of the variable compensation elements for MRTs in 2021, including the deferral policy and vesting criteria, which are consistent with, and promote, sound and effective risk management.

¹ For entities where it is not legally permissible to grant deferred equity-based awards, deferred cash awards are provided under the Morgan Stanley Compensation Incentive Plan ("MSCIP") and/or the Morgan Stanley Investment Management Alignment Plan ("IMAP").

| MATERIAL RISK TAKER COMPENSATION ELEMENTS | DESCRIPTION AND OBJECTIVES | CANCELLATION (MALUS) AND CLAWBACK |
|---|---|--|
| a. Deferred Cash-Based Awards under the Morgan Stanley Compensation Incentive Plan ("MSCIP") and Investment Management Alignment Plan ("IMAP") | Deferred cash-based awards provide a cash incentive with a rate of return based upon notional reference investments. The terms of deferred cash-based awards support retention objectives and mitigate excessive risk-taking. | <p>Morgan Stanley will consider the exercise of cancellation and/or clawback (whether or not an MRT remains employed by the Company), where it determines in its sole discretion that one or more of the following circumstances apply:</p> <ul style="list-style-type: none"> • Morgan Stanley and/or the relevant regulated entity and/or relevant business unit suffers a material downturn in its financial performance (subject to cancellation only); • Morgan Stanley and/or the relevant regulated entity and/or relevant business unit in which an MRT works (or for which he/she is responsible) suffers a material failure of risk management; • There is reasonable evidence of misbehaviour or material error by an MRT; • An MRT participated in or was responsible for conduct that resulted in significant losses to Morgan Stanley • An MRT directly and/or materially, through his/her conduct, contributed to a regulatory sanction (or sanctions) being imposed • An MRT's actions were connected with a significant increase in Morgan Stanley's or the relevant regulated entity or business unit's economic or regulatory capital base • An MRT failed to meet appropriate standards of fitness and propriety; or • In relation to a PRA Buyout Award, Morgan Stanley has received a Reduction Notice, in accordance with Rule 15A of the Remuneration Part of the PRA Rulebook |
| a. Equity Awards — Deferred Restricted Stock Units ("RSUs") and Upfront Stock Bonus Awards under the global Equity Incentive Compensation Plan ("EICP") | <p>RSUs support retention objectives and link realised value to shareholder returns. The terms of RSUs serve to mitigate excessive risk-taking.</p> <p>RSUs awarded to MRTs (not including stock bonus awards) are not eligible for dividend equivalent payments.</p> <p>An adjusted grant date fair market value is used to determine the number of RSUs awarded to each MRT employee.</p> <p>Upfront Stock Bonus Awards for all MRT employees vest and convert after six months and the resulting shares are subject to a six-month post-vest sales restriction period.</p> | <p>The Company will also take into consideration an MRT's proximity to the failure of risk management in question and that individual MRT's level of responsibility.</p> <p>Any cash bonus is subject to repayment, recovery and recapture pursuant to the Company's EMEA Material Risk Taker Cancellation and Clawback Policy, as amended from time to time, and any applicable clawback, repayment, recapture or recovery requirements imposed under applicable laws, rules and regulations.</p> |
| b. Cash Awards | Paying a portion of compensation in upfront cash bonus is aligned with competitive pay practices. | |

The Company expects deferred compensation for MRTs to constitute a significant component of variable compensation, as it is designed to protect the Company's long-term interests and promote alignment with shareholders' interests.

In addition, members of the Company's Operating Committee are subject to an Equity Ownership Commitment, pursuant to which they are required to hold common stock and equity awards equal to a percentage of common stock received from equity awards (less allowances for the payment of any option exercise price and taxes) granted to them for service as a member of the Operating Committee.

Guaranteed variable compensation is only paid in exceptional circumstances, in the context of hiring new employees, and is limited to the first year of service. Awards of guaranteed variable compensation are subject to an approval process, which includes receiving approval from the appropriate Senior Manager, the EMEA Head of Compensation, and in certain circumstances the global Chief Human Resources Officer ("Global CHRO").

Termination payments made to certain employees upon leaving the MSI Group are reviewed in accordance with the MSI Group's severance framework, which complies with the relevant UK Remuneration Rules.

Ratio between Fixed and Variable Compensation

The Company's policy on the ratio between fixed and variable compensation is to allow for flexibility, whilst recognising the need to ensure that compensation is appropriately balanced between the fixed and variable compensation elements. Morgan Stanley International Holdings Inc., as the sole shareholder of MSI, approved a ratio of 1:2 of fixed compensation to variable compensation for MRTs with effect from 17 December 2013.

Deferred Compensation

Employees who reach a certain compensation threshold receive a portion of their variable incentive compensation in the form of deferred incentive compensation awards.

Each year, the CMDS Committee reviews the annual incentive compensation pool and the design and structure of the annual compensation program, including eligibility, the form of deferred incentive awards, deferral formulae, vesting and timing of payments and cancellation/clawback provisions.

The form of deferred incentive compensation awards (i.e., equity, cash, or a combination thereof) is determined based on a variety of factors, including the number of shares available for grant under the Company's equity plans and, for MRTs, ensuring compliance with the requirements of the UK Remuneration Rules.

In 2021, the Company continued to include cancellation provisions that apply to a broad scope of employee behaviour for all deferred incentive compensation awards. Awards granted to members of the Company's Operating Committee are also subject to additional cancellation provisions as highlighted in section 6. In addition, awards of variable compensation made to MRTs are subject to clawback requirements in those jurisdictions where it is legally enforceable, in accordance with the Company's EMEA Material Risk Taker Cancellation and Clawback Policy.

The Company believes that its compensation decisions for 2021 demonstrate its focus on long-term profitability and commitment to sustainable shareholder value, with appropriate rewards to retain and motivate top talent throughout economic cycles.

6. Risk Adjustment

The Company continually monitors the effectiveness of its compensation structure and utilises a thorough process of considering risk-adjusted performance, compliance with risk limits and the market and competitive environment when sizing and allocating annual incentive compensation pools.

Throughout the year, employee conduct matters that are escalated through the Company's Global Conduct Risk Program are reviewed to determine whether they present situations that could require clawback or cancellation of previously awarded compensation, as well as downward adjustments to current year compensation.

Cancellation (malus) and clawback of previously awarded compensation is reviewed with the Employee Discipline Oversight Committee (a committee of senior management currently composed of the Company's Chief Operating Officer, Chief Legal Officer, Global CRO, Global CHRO, Chief Audit Officer, and Chief Compliance Officer) and reported to the CMDS Committee quarterly. This process is enhanced by a formalised EMEA malus review process overseen by the EROC. In this capacity, the EROC assess situations which may warrant cancellation and/or clawback of previously awarded variable compensation, with reference to specific criteria that are contained in governing incentive compensation award documents and applicable policies. The MSI RemCo receives regular updates on the malus review process.

All variable compensation for MRTs has provisions that allow for clawback of any awards or compensation paid or delivered. In addition, deferred awards made to members of the Operating Committee contain provision that allow for cancellation in full or in part, prior to distribution, at the sole discretion of the CMDS Committee if the Operating Committee member had significant responsibility for a material adverse outcome for the Company, or any of its businesses or functions.

In addition to the above governance processes, conduct driven adjustments to current year variable compensation proposed by managers as part of the compensation decision-making process are reviewed by a group of EMEA senior management representing control functions, including Legal, Compliance, and HR. This ensures that both the business and the relevant independent functions are included in the review, and that compensation adjustments made are consistently across the MSI Group. Compensation adjustments are also reviewed globally, to ensure consistent application.

The EMEA Conduct and Culture Committee was established in 2020 to monitor culture and conduct risk trends and determine appropriate remediation actions, for example, targeted culture training. This committee is co-chaired by the EMEA CEO and the EMEA Head of Compliance, and members include EMEA Business Units Heads from the Fixed Income, Institutional

Equities, Investment Banking and Global Capital Markets divisions, the EMEA Head of Risk, EMEA Head of Finance, EMEA Head of HR and EMEA Head of Internal Audit.

7. Individual Performance Measurement

The Company has a Global Incentive Compensation Discretion Policy that outlines guidelines for managers on the use of discretion when making annual compensation decisions, and considerations for assessing risk management and outcomes. The policy specifically provides that all managers must consider whether their team members managed risk appropriately, and effectively managed and supervised the risk control practices of the employees reporting into them during the performance year. Managers are trained on these requirements annually and are required to certify compliance with the applicable requirements. In addition, conduct, culture, and core values must be considered in the year-end performance evaluation process, by considering whether the employee performed his/her job responsibilities in ways consistent with the Company's culture and core values (see section 1). During the year-end performance and compensation processes managers are provided with an Employee Performance Dashboard, which is an aggregation of performance inputs, including in relation to Risk Management, Conduct and Control.

8. Compensation Determination Process

In determining the amount of discretionary incentive compensation to award an eligible employee, a compensation manager must consider only those factors that are legitimate, business-related and consistent with the Company's legal and regulatory obligations and policies and practices. With this discretion, comes the responsibility to make pay decisions consistent with the Company's equal pay philosophy, which means that compensation managers are accountable for making deliberate, thoughtful, and defensible compensation decisions. These factors include but are not limited to:

- The employee's absolute and relative performance in an individual and, if relevant, supervisory capacity;
- The employee's conduct and adherence to the Company's core values and other policies and procedures;
- Performance feedback elicited through the Company's performance evaluation processes, including information provided by control function personnel;
- Any disciplinary outcomes administered to the employee during the performance year;
- Any circumstances during the performance year that may result in the cancellation and/or clawback of the employee's previously awarded incentive compensation; and
- Market and competitive conditions.

Compensation decisions for employees in independent control functions are determined by the senior management of those divisions, wholly independent of the business areas they support. On an annual basis, the MSI RemCo Chair reviews and approves compensation decisions for control function heads. The senior management of each control function allocates variable compensation among managers who then allocate among individual employees, taking into account the results of the performance evaluation process, competitive rates of pay, market conditions and relative performance.

The Global Incentive Compensation Discretion Policy, noted above, provides guidelines to help ensure that annual incentive compensation decisions consider actual and potential risks to the Company that employees may be able to influence or control. The policy specifically provides that all compensation managers must consider whether an employee managed risk appropriately and effectively managed and supervised the risk control practices of his or her employee reports during the performance year. Compensation managers are required to certify that they have followed the requirements of Company policies and escalated situations that may need to be considered for cancellation and/or clawback.

9. Quantitative information on compensation, broken down by business area

The following table sets out aggregate quantitative information on the compensation of MRTs who are employed by, or are seconded to, any entities of the MSI Group that were subject to the UK Remuneration Rules in 2021, including, but not limited to:

- Morgan Stanley & Co. International plc
- Morgan Stanley Bank International Limited
- Morgan Stanley Europe SE Holding Group
Morgan Stanley France S.A.

| | INSTITUTIONAL SECURITIES GROUP | NON-INSTITUTIONAL SECURITIES GROUP ¹ |
|--|-----------------------------------|--|
| Aggregate Compensation (GBP millions) | 535.4 | 82.4 |

¹ Non-Institutional Securities Group includes Company functions, Investment Management, Operations and Technology.

10. Quantitative information on compensation, broken down by senior management and other employees whose actions have a material impact on the risk profile of the MSI Group

10a. Amounts of compensation for financial year 2021, split into fixed and variable compensation, and the number of beneficiaries

| | MANAGEMENT BODY | | | OTHER MRTs | |
|---|------------------------|-------------------------|----------------------------|--------------------------------------|--|
| | MANAGEMENT FUNCTION | SUPERVISORY FUNCTION | OTHER SENIOR MANAGEMENT | INSTITUTIONAL SECURITIES GROUP | NON- INSTITUTIONAL SECURITIES GROUP |
| Number of Beneficiaries (MRTs) | 9 | 9 | 21 | 382 | 60 |
| Fixed Compensation (GBP millions) | 13.3 | 1.2 | 16.5 | 217.4 | 25.0 |
| Variable Compensation (GBP millions) | 17.5 | - | 22.0 | 272.6 | 32.3 |

10b. Amounts and forms of variable compensation for 2021, split into cash and deferred stock

| | MANAGEMENT BODY | | | OTHER MRTs | |
|--|------------------------|-------------------------|----------------------------|--------------------------------------|--|
| | MANAGEMENT FUNCTION | SUPERVISORY FUNCTION | OTHER SENIOR MANAGEMENT | INSTITUTIONAL SECURITIES GROUP | NON- INSTITUTIONAL SECURITIES GROUP |
| Cash (GBP millions) | 3.5 | - | 5.2 | 59.5 | 7.4 |
| Deferred Cash (GBP millions) | 0 | - | 0.2 | 2.0 | 0.0 |
| Deferred Stock (GBP millions) | 14.0 | - | 16.6 | 211.1 | 24.8 |

10c. Amounts of outstanding deferred compensation, split into vested and unvested portions

| | MANAGEMENT BODY | | | OTHERS MRTs | |
|--|---------------------|----------------------|-------------------------|--------------------------------|------------------------------------|
| | MANAGEMENT FUNCTION | SUPERVISORY FUNCTION | OTHER SENIOR MANAGEMENT | INSTITUTIONAL SECURITIES GROUP | NON-INSTITUTIONAL SECURITIES GROUP |
| Vested at Year End 2021 (GBP millions) | - | - | - | - | - |
| Unvested at Year End 2021 (GBP millions) | 55.7 | - | 58.5 | 409.6 | 68.3 |

10d. Amounts of deferred compensation awarded during the financial year 2021, paid out, and reduced through performance adjustments

| | MANAGEMENT BODY | | | OTHER MRTs | |
|--|---------------------|----------------------|-------------------------|--------------------------------|------------------------------------|
| | MANAGEMENT FUNCTION | SUPERVISORY FUNCTION | OTHER SENIOR MANAGEMENT | INSTITUTIONAL SECURITIES GROUP | NON-INSTITUTIONAL SECURITIES GROUP |
| Awarded (GBP millions) | 14.0 | - | 16.8 | 213.1 | 24.8 |
| Paid Out from Prior Years (GBP millions) | 14.0 | - | 18.2 | 229.3 | 24.7 |
| Reduced from Prior Years (GBP millions) | - | - | - | 2.1 | - |

10e. New sign-on payments¹ made during the financial year 2021, and the number of beneficiaries of those payments

| | MANAGEMENT BODY | | | OTHER MRTs | |
|-----------------------------|---------------------|----------------------|-------------------------|--------------------------------|------------------------------------|
| | MANAGEMENT FUNCTION | SUPERVISORY FUNCTION | OTHER SENIOR MANAGEMENT | INSTITUTIONAL SECURITIES GROUP | NON-INSTITUTIONAL SECURITIES GROUP |
| Number of beneficiaries | - | - | - | 9 | - |
| Total amount (GBP millions) | - | - | - | 7.6 | - |

¹ Guaranteed annual incentive awards granted to new hires and limited to their first year of service.

10f. Amounts of severance payments awarded during the financial year 2021, number of beneficiaries and highest such award to a single person

| | MANAGEMENT BODY | | | OTHER MRTs | | |
|--|---------------------|----------------------|-------------------------|--------------------------------|------------------------------------|-----|
| | MANAGEMENT FUNCTION | SUPERVISORY FUNCTION | OTHER SENIOR MANAGEMENT | INSTITUTIONAL SECURITIES GROUP | NON-INSTITUTIONAL SECURITIES GROUP | |
| Severance payments awarded in 2021 (GBP Millions) | - | - | - | 0.2 | 0.4 | 0.4 |
| Number of beneficiaries | - | - | - | 1 | 5 | 3 |
| Highest such award to a single person (GBP Millions) | - | - | - | 0.2 | 0.1 | 0.2 |

10g. The number of individuals receiving total remuneration of EUR 1 million or more during the performance year ended 31 December 2021, broken down into pay bands of EUR 500,000 for compensation between EUR 1 million and EUR 5 million, and EUR 1 million pay bands for compensation between EUR 5 million and EUR 7 million, and aggregated for compensation of EUR 7 million and above

| COMPENSATION (EUR millions) | NUMBER OF INDIVIDUALS |
|-----------------------------|-----------------------|
| Over €1mm and up to €1.5mm | 89 |
| Over €1.5mm and up to €2mm | 75 |
| Over €2mm and up to €2.5mm | 27 |
| Over €2.5mm and up to €3mm | 22 |
| Over €3mm and up to €3.5mm | 15 |
| Over €3.5mm and up to €4mm | 5 |
| Over €4mm and up to €4.5mm | 5 |
| Over €4.5mm and up to €5mm | 2 |
| Over €5mm and up to €6mm | 1 |
| Over €6mm and up to €7mm | 6 |
| Over €7mm | 11 |

This document represents the annual Compensation Disclosure of the MSI Group, as required under the CRR. The annual public Pillar III qualitative and quantitative disclosures are published separately and can be found at <http://www.morganstanley.com/about-us-ir/pillar-uk.html>.