

Remuneration Disclosure

Morgan Stanley Europe Holding SE Group Regulatory Remuneration Disclosure

Morgan Stanley Europe Holding SE Group | As at 31 December 2022

This Remuneration Disclosure (the “Disclosure”) sets out the principles relating to compensation within Morgan Stanley Europe Holding SE (“MSEHSE”) and its subsidiaries¹ (together, the “MSEHSE Group”). Some of the policies, practices and procedures outlined in the Disclosure apply globally to Morgan Stanley, its subsidiaries and affiliates (“Morgan Stanley Group”). The Disclosure has been prepared in line with the Capital Requirements Directive (“CRD V”), Capital Requirements Regulation (“CRR II”), the Institutsvergütungsverordnung (“InstitutsVergV”), the German Banking Act (“Kreditwesengesetz, KWG”) and any associated regulations and guidance (together the “German Remuneration Rules”).

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¹ The MSEHSE Group subsidiaries includes MS France which is also subject to the remuneration requirements pursuant to the Investment Firm Directive & Investment Firm Regulation. MS France prepares and publishes a standalone Remuneration Disclosure as required under IFD.

1. MSEHSE Group Remuneration Objectives and Strategy

The MSEHSE Group is committed to a responsible and appropriate remuneration structure that is designed to align the performance and conduct of employees to its business and risk strategy. The MSEHSE Group business strategy is focused on delivering a sustainable business model in line with Morgan Stanley Group's global business strategy and local regulatory requirements. The MSEHSE Group's remuneration arrangements are therefore also aligned to the wider Morgan Stanley Group strategy and the interests of shareholders.

The remuneration structure is also designed to be competitive, complying with applicable regulations, and reflecting current best practices in corporate governance and risk management.

The MSEHSE Group is committed to fostering and maintaining a culture based on Morgan Stanley Group's core values: Do the Right Thing, Put Clients First, Lead with Exceptional Ideas, Commit to Diversity and Inclusion and Give Back. Alignment with these values is considered as a key part of the performance measurement process, which in turn is a key component of the remuneration structures.

The global Compensation, Management Development and Succession Committee ("CMDS Committee") of the Morgan Stanley Board of Directors (the "Board") continually evaluates Morgan Stanley Group's compensation programs with a view toward balancing the following key principles, all of which support Morgan Stanley Group's culture and values and shareholders' interests.

- **Deliver Pay for Sustainable Performance**
 - Variable annual incentives and, for certain senior 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 Morgan Stanley Group's stock with retention requirements
 - Ongoing shareholder engagement to understand shareholder views
- **Mitigate Excessive Risk-taking**
 - Compensation arrangements do not incentivise unnecessary or excessive risk-taking that could have a material adverse effect on Morgan Stanley Group
 - Robust governance around review and approval of compensation programs, including from a risk perspective
- **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 Morgan Stanley Group's interests

2. Compensation Governance

The MSEHSE Group Management Boards, the MSEHSE Group Remuneration Committees ("MSEHSE RemCo"), the MSEHSE Group Supervisory Boards

The MSEHSE Group Management Boards ("Management Boards") review and approve recommendations on the design and implementation of the compensation policies and practices applicable to employees of the MSEHSE Group. The MSEHSE Group Management Board members are the MSEHSE Group Chief Executive Officer ("MSEHSE CEO"), the MSEHSE Group Chief Operations Officer ("MSEHSE COO"), the MSEHSE Group Chief Finance Officer ("MSEHSE CFO"), the MSEHSE Group Chief Risk Officer ("MSEHSE CRO") and Management Board members representing key business units.

The MSEHSE Group Management Boards review the appropriateness of the remuneration system for all employees, and its implementation and especially in the case of material strategic and organisational changes. Consistency of the remuneration strategy with the MSEHSE Group business strategy is considered in co-ordination with MSEHSE RemCo.

The MSEHSE RemCo has been appointed by the MSEHSE Group Supervisory Boards to assist in the oversight of remuneration related matters. In particular the MSEHSE RemCo oversees the design and implementation of the remuneration systems applicable to the MSEHSE Group management Boards and monitors compliance by the MSEHSE Group with applicable German Remuneration Rules. As a part of its remit, the MSEHSE RemCo reviews and provides updates or makes to recommendations to the MSEHSE Group Supervisory Boards on:

- the MSEHSE Group Management Board Remuneration Policy, which forms an annex to the Morgan Stanley International Limited Group (“MSI”) Remuneration Policy and sets out specific regulatory requirements applicable to the MSEHSE Group. The MSEHSE Group Management Board Remuneration Policy Annex is applicable to Management Board members of the MSEHSE Group, including: Morgan Stanley Europe SE (“MSESE”) and its branches, Morgan Stanley Bank AG (“MSBAG”) and Morgan Stanley France S.A. (“MSF”);
- the appropriateness of MSEHSE Group compensation practices against the applicable local regulations;
- the variable compensation (variable remuneration pool) for relevant MSEHSE Group entities in light of performance against key financial and risk management KPIs, and;
- the compensation outcomes for MSEHSE Management Board members against their performance goals.

On December 31, 2022, the MSEHSE RemCo was comprised of three members of the MSEHSE Group Supervisory Board, being Clare Woodman, Frank Mattern and David Cannon.

The MSEHSE Group Supervisory Boards are responsible for the appropriate design of the remuneration system for the MSEHSE Management Board members and, on this basis, approves the total remuneration for each MSEHSE Management Board member. It also provides formal approval of the MSEHSE Group Management Board Remuneration Policy, as well as reviewing the impact of the overall variable compensation pool for MSEHSE Group on capital, liquidity and other relevant metrics.

In December 2022, the MSEHSE Group appointed a Remuneration Officer as required under the IVV. The MSEHSE Group Remuneration Officer’s responsibilities include monitoring the appropriateness of the compensation systems for staff members who are not members of the MSEHSE Management Board on an ongoing basis. To this end, the Remuneration Officer reviews the development and ongoing application of the MSEHSE Group’s compensation policies and practices, performs independent monitoring obligations and advises the MSEHSE RemCo.

As a subsidiary, the MSEHSE Group has an additional overlay of regional and global compensation governance from the MSI Group and Morgan Stanley Group. Summaries of the composition and mandates of the relevant committees are provided below.

The EMEA Remuneration Oversight Committee (“EROC”) and MSI Remuneration Committee (“MSI RemCo”)

The EROC provides formal oversight of EMEA compensation matters to ensure compensation practices in EMEA are compliant with relevant EU and UK legislation. 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). Following the appointment of the MSEHSE Group Remuneration Officer, it is proposed that they will be invited to attend EROC on behalf of the MSEHSE Group going forward. The EROC met seven times during 2022 and certified compliance with regulatory requirements to the MSI RemCo.

The MSI RemCo oversees the design and implementation of the compensation policies and practices applicable to the MSI Group

The CMDS Committee

The CMDS Committee regularly reviews (i) Morgan Stanley Group’s 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 Morgan Stanley Group's compensation programs to ensure that they are consistent with and support Morgan Stanley Group's compensation objectives; and (iii) market trends and legislative and regulatory developments affecting compensation in the U.S. and globally.

On December 31, 2022, 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 Morgan Stanley Group. The members were Dennis M. Nally (Chair), Thomas H. Glocer, Stephen J. Luczo and Rayford Wilkins Jr. In 2022, the CMDS Committee held eight 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>.

Role of Relevant External Consultants and Other Stakeholders

The MSEHSE RemCo, the MSI RemCo and the CMDS Committee have the power to appoint independent compensation consultants, legal counsel, financial or other advisors as they may deem necessary to assist them in the performance of their duties and responsibilities.

Together with the Global Chief Risk Officer ("Global CRO"), the CMDS Committee oversees the Morgan Stanley Group's incentive compensation arrangements to help ensure that such arrangements do not encourage excessive risk-taking, and are consistent with applicable related regulatory rules and guidance. The Global CRO attends CMDS Committee meetings at least annually, and on an as needed basis, to discuss the risk attributes of Morgan Stanley Group's incentive compensation arrangements. The Global CRO reported to the CMDS Committee their conclusion that Morgan Stanley Group's current compensation programs for 2022 do not incentivise employees to take unnecessary or excessive risk and that such programs do not create risks that are reasonable likely to have a material adverse effect on Morgan Stanley Group.

The day-to-day compliance with the MSEHSE Group's obligations under the German Remuneration Rules is delegated to the MSEHSE Group Human Resources function. In this respect, it regularly reviews the MSEHSE Group's regulatory obligations with respect to the EMEA 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 applicable local laws and regulations in the jurisdictions covered by MSEHSE Group Human Resources.

3. Identification of Risk Takers

The MSEHSE Group has established a formal identification framework to identify employees whose professional activities have a material impact on MSEHSE Group's risk profile. The MSEHSE Group Risk Taker ("MRT") identification framework complies with the qualitative and quantitative criteria set out in Articles 5 and 6 of Commission Delegated Regulation (EU) No 2021/923. The identification framework is reviewed on an annual basis in line with the German Remuneration Rules and the outcome of the review is subject to approval of the MSEHSE Group Management Board, which includes the MSEHSE Group Chief Risk Officer, and the MSEHSE Group Supervisory Board at the recommendation of the MSEHSE RemCo. In addition, the framework is audited on an annual basis by Morgan Stanley Group's external auditors.

In accordance with Article 6(3) and Article 6(4) of Commission Delegated Regulation (EU) No 2021/923, MRTs are subject to the German Remuneration Rules.

4. Link between Pay and Performance

In conjunction with Morgan Stanley Group's Global Compensation Policy and the MSI Group Remuneration Policy, the MSEHSE Group Annexes to the MSI Group Remuneration Policy also set forth certain standards regarding the compensation parameters applied within the MSEHSE Group.

Incentivising Right Behaviours

The following key features of the MSEHSE Group compensation arrangements ensure that the MSEHSE Group does not incentivise employees to take unnecessary or excessive risk, and provide a link between an employee's compensation and the long-term interests of MSEHSE Group:

- a balance of fixed and variable compensation;
- a balance between short-term and long-term incentives;
- mandatory deferrals into equity-based incentive programs, if needed for local regulatory or business reasons;;
- risk-mitigating features of awards such as cancellation/malus and clawback provisions; and
- governance procedures followed in making compensation decisions.

Delivering all or a portion of deferred incentive compensation in the form of equity links variable compensation to Morgan Stanley Group's performance through its stock price. Risk outcomes that result in a negative impact to Morgan Stanley Group reduce the value of the equity award, and employees are subject to this decline in value through the deferral period.

Morgan Stanley Group constantly reviews its policies and practices, including those applicable to specific legal entities, such as the MSEHSE Group, and is working towards further enhancing the linkage between positive risk behaviours and remuneration outcomes.

Consideration of Capital and Liquidity Resources in the Variable Remuneration Pool Determination

Morgan Stanley Group has a 'pay for performance' philosophy, which is reflected throughout the four key objectives of its compensation programs (see section 1) and applies across all lines of business.

The final year-end variable remuneration pool determination is subject to a multi-dimensional process that considers MSEHSE Group, business unit and individual performance, taking into account financial as well as non-financial performance metrics. The process includes review of adherence to risk limits, conduct and inclusion controls, market and competitive factors and regulatory, business or location specific factors.

The pool for the general employee population is reviewed by the MSEHSE Management Board against financial and risk KPIs to ensure sufficient risk bearing capacity, as well as adequate liquidity and capital resources, and to recommend any necessary adjustments as required to maintain a sound capital base. Under the recommendation of the MSEHSE RemCo, MSEHSE Supervisory Board performs the same review for the final variable remuneration pool in respect of the entire MSEHSE Group, including the MSEHSE Management Board. This review will take into consideration:

1. the MSEHSE Group's internal capital adequacy, multi-year capital planning and profit situation, and
2. whether the respective legal entities and the overall MSEHSE Group is capable of permanently maintaining or restoring:
 - a) adequate capital and liquidity resources; and
 - b) the combined buffer requirements as defined in section 10i of the German Banking Act.

5. Individual Performance Measurement

All MSEHSE Group employees have an Employee Performance Dashboard, which is an aggregation of various performance inputs, including non-financial and conduct related information, as applicable, in three areas:

- Performance & Contributions – includes employee performance evaluation forms (i.e., employee goals, feedback, self-evaluation)
- Culture & Leadership – includes self-disclosed employee contributions to culture on the employee self-evaluation
- Compliance, Conduct and Risk Management – includes information resulting from disciplinary incidents and input from control functions

In addition to the full performance evaluation and 360 review process, performance evaluation managers are required to rate employees' conduct and adherence to the letter and spirit of MSEHSE Group's compliance, risk management, controls and standards and other policies including the Code of Conduct.

6. Individual Compensation Determination Process

The MSEHSE Group applies the Morgan Stanley Global Incentive Compensation Discretion Policy which lays out standards 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 determining the amount of discretionary incentive compensation to award an eligible employee, only those factors that are legitimate, business-related and consistent with MSEHSE Group's legal and regulatory obligations and policies and practices are considered. With this discretion, comes the responsibility to make pay decisions consistent with Morgan Stanley Group's equal pay philosophy, which means that compensation managers are accountable for making deliberate, thoughtful, and defensible compensation decisions considering only legitimate, business-related factors. 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 Morgan Stanley Group's core values, including "Commit to Diversity and Inclusion", ensuring a focus on diversity and inclusion when making compensation decisions;
- Performance feedback elicited through the 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.

The allocation of variable compensation to employees of MSEHSE Group is a discretionary process, in each instance determined in conjunction with input from an MSEHSE Group manager and informed by the performance evaluation process outlined above. MSEHSE Group'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 employee 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.

Control Functions

In order to ensure the independence of control function employees, individual compensation decisions for employees working in those functions are determined by control function management and are not influenced by employees working in revenue-producing roles. In addition, benchmarking data is utilised to consider whether pay levels for key control function employees are commensurate with the market, and that the MSEHSE Group can attract and retain experienced personnel.

Pay Equity

Morgan Stanley Group's compensation program, and its related policies and practices, reflect and promote the objective of ensuring all employees, including women and ethnically diverse employees, are rewarded equitably. A system of checks and balances is in place within Morgan Stanley Group's processes to support fair and equitable pay, including regular in-depth analysis of employee compensation in consultation with external experts. Morgan Stanley Group's 2022 global review of pay equity did not identify areas of concerns within the MSEHSE Group.

7. Compensation Structure

Morgan Stanley Group's compensation philosophy is based on the concept of annualised total reward (or total compensation) and accordingly 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 individual roles 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 MSEHSE Group, business unit, and individual performance.

The structure of annual incentive compensation for MRTs complies with the German Remuneration Rules and may be comprised of: upfront cash, upfront equity and a mix of equity and, if needed for local legal or business reasons, deferred cash-based awards. The following structure applies to relevant MRTs:

- A minimum of 40% of variable compensation, or 60% where variable compensation is greater than €500,000, is deferred as follows:

- For members of the Management Boards and Senior Management as defined in the MRT Identification Framework, for five-years, vesting on a pro-rata basis;
- For all other MRTs, for a minimum of four-years, vesting on a pro-rata basis.
- Deferred variable compensation is generally awarded in equity.
- Non-deferred variable compensation is awarded 50% in upfront cash and 50% in the form of an equity award.
- Stock variable remuneration awards are available to sell 12 months after grant.
- Deferred equity awards are subject to a 12-month post-vest sales restriction.
- Subject to local law, variable compensation is subject to cancellation and clawback.

MSEHSE Group expects deferred incentive awards to constitute a significant component of employees' variable compensation and to be designed to protect Morgan Stanley Group's long-term interests and align with shareholders' interests. Some employees, including members of the MSEHSE Group Management Boards, receive a greater portion of their compensation in share-based instruments.

Guaranteed variable compensation is only paid in exceptional circumstances in the context of hiring new staff and is limited to the first year of service. The awarding of guaranteed variable compensation is subject to an approval process, which includes receiving approval from the appropriate senior manager, the MSEHSE Head of Human Resources, the EMEA Head of Compensation, the EMEA Head of Human Resources, and in certain circumstances the Global Chief Human Resources Officer (CHRO).

Termination payments made to employees upon leaving the MSEHSE Group are considered in accordance with the MSEHSE Group's severance framework and are intended to avoid rewarding negative performance contributions or misconduct, in line with the requirements of the German Remuneration Rules and the EBA Guidelines on Sound Remuneration Policies.

Ratios between Fixed and Variable Compensation

MSEHSE Group'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 fixed and variable elements. A ratio of 1:2 of fixed compensation to variable compensation applicable to all staff of MSESE and its branches was approved by MSESE shareholders on 7 December 2018, in addition to the MSBAG ratio of 1:2 fixed compensation to variable compensation, which was approved by MSBAG shareholders on 18 December 2013. The ratio approved is the maximum allowed under CRD V and section 25a (5) of the German Banking Act. Additionally, a ratio of 1:0.5 of fixed compensation to variable compensation applies to MSEHSE Group control function staff.

Deferred Compensation

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

Each year, the CMDS Committee reviews the global variable compensation pool as well as the design and structure of the global annual compensation program, including eligibility, the form of deferred incentive awards, deferral formulae, vesting and timing of payments and cancellation and 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 Morgan Stanley Group's equity plans and for MRTs, ensuring compliance with applicable Remuneration Rules including the German Remuneration Rules.

There is a formal governance process to consider and determine ex-ante and ex-post adjustments to variable compensation. Morgan Stanley Group believes that its compensation decisions for 2022 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.

8. Risk Adjustment

MSEHSE Group continually monitors the effectiveness of its compensation structure and utilises a 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 Morgan Stanley Group'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. All variable compensation for MRTs has provisions that allow for clawback of any awards or compensation paid or delivered. Cancellations and clawbacks of previously awarded compensation are reviewed with the Employee Discipline Oversight Committee (a committee of senior management currently composed of Morgan Stanley Group's Chief Financial Officer, Chief Legal Officer, Chief Risk Officer, Chief Human Resources Officer, Chief Audit Officer, and the Head of Non-Financial Risk) and reported to the CMDS Committee quarterly. This process is enhanced by a formalised EMEA malus review process overseen by the EROC. This process involves EROC assessing situations which may warrant adjustment to current-year variable compensation and/or to apply cancellation and/or clawback to previously awarded compensation, with reference to specific criteria that are contained in governing incentive compensation award documents and applicable policies. Where appropriate, the relevant MSEHSE Group Boards and Committees receive updates on the malus review process.

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 an EMEA panel composed of senior representatives from the Risk, Legal, Compliance and Human Resources functions. This ensures that both the business and the relevant independent functions are included in the review, and that compensation adjustments made are consistent across the MSI Group, including the MSEHSE Group. Compensation adjustments are also reviewed globally to ensure consistent application.

In addition to the above, MSEHSE Group is subject to a Cancellation and Clawback Policy which is applicable to all MRTs within the EMEA region. Circumstances which trigger the application of this policy for the MSEHSE Group employees include but are not limited to:

- There is reasonable evidence of serious misconduct. Serious misconduct means a situation in which Morgan Stanley Group and/or the relevant regulated entity and/or business unit have sufficient consideration to justify summary termination of employment
- Morgan Stanley Group and/or the relevant regulated entity and/or business unit in which the MRT is employed (or in relation to which they carry out some or all their duties) suffers a material failure of risk management;
- Morgan Stanley Group or the relevant regulated entity or business unit suffers a material downturn in its financial performance;
- The MRT directly and/or materially, through their conduct, contributed to a regulatory sanction (or sanctions) being imposed;
- There is a serious breach of relevant external or internal rules relating to suitability and conduct with respect to MSEHSE Group's Code of Conduct

Cancellation may occur where there is a misconduct or material error of the MRT which may include:

- Where there has been a severe breach of duty by the MRT and/or serious deficiencies in performance of the MRT;
- Negative performance contributions in which the MRT does not achieve objectives set during the performance management process; and
- Negative performance contribution has resulted in a written warning or occurrence of a reason justifying a termination of employment relationship in accordance with Section 626 of the Civil Code.

9. Aggregate Quantitative Information on Remuneration

The following tables set out aggregate quantitative information on remuneration, broken down by senior management and members of staff whose actions have a material impact on the risk profile of the MSEHSE Group:

EU REM1 – Remuneration awarded for the financial year

(All values in EUR)		Row reference	MB Supervisory	MB Management	Other Senior	Other Identified
			Function	Function	Management	Staff
			a	b	c	d
Fixed remuneration	Number of identified staff	1	4	8	20	87
	Total fixed remuneration	2	298,816	5,971,060	16,471,214	35,532,983
	Of which: cash-based	3	298,816	5,971,060	16,471,214	35,532,983
	(Not applicable in the EU)	4				
	Of which: shares or equivalent ownership interests	EU-4a	-	-	-	-
	Of which: share-linked instruments or equivalent non-cash instruments	5	-	-	-	-
	Of which: other instruments	EU-5x	-	-	-	-
	(Not applicable in the EU)	6				
	Of which: other forms	7	-	-	-	-
	(Not applicable in the EU)	8				
Variable remuneration	Number of identified staff	9	-	8	17	83
	Total variable remuneration	10	-	2,976,986	13,988,982	28,668,526
	Of which: cash-based	11	-	604,997	2,866,791	7,590,429
	Of which: deferred	12	-	-	-	-
	Of which: shares or equivalent ownership interests	EU-13a	-	2,371,989	11,122,192	21,078,097
	Of which: deferred	EU-14a	-	1,778,992	8,303,401	14,280,439
	Of which: share-linked instruments or equivalent non-cash instruments	EU-13b	-	-	-	-
	Of which: deferred	EU-14b	-	-	-	-
	Of which: other instruments	EU-14x	-	-	-	-
	Of which: deferred	EU-14y	-	-	-	-
	Of which: other forms	15	-	-	-	-
	Of which: deferred	16	-	-	-	-
Total remuneration (2 + 10)		17	298,816	8,948,046	30,460,196	64,201,510

*Number of identified staff beneficiaries by full-time employment according to EBA guidelines

EU REM2 – Special payments to staff whose professional activities have a material impact on institutions’ risk profile (identified staff)

(All values in EUR)	Row reference	MB Supervisory Function a	MB Management Function b	Other Senior Management c	Other Identified Staff d
Guaranteed variable remuneration awards					
Guaranteed variable remuneration awards - Number of identified staff*	1	-	-	-	1
Guaranteed variable remuneration awards -Total amount	2	-	-	-	1,477,010
Of which guaranteed variable remuneration awards paid during the financial year, that are not taken into account in the variable remuneration cap	3	-	-	-	1,477,010
Severance payments awarded in previous periods, that have been paid out during the financial year					
Severance payments awarded in previous periods, that have been paid out during the financial year - Number of identified staff*	4	-	-	-	-
Severance payments awarded in previous periods, that have been paid out during the financial year - Total amount	5	-	-	-	-
Severance payments awarded during the financial year					
Severance payments awarded during the financial year - Number of identified staff*	6	-	-	-	-
Severance payments awarded during the financial year - Total amount	7	-	-	-	-
Of which paid during the financial year	8	-	-	-	-
Of which deferred	9	-	-	-	-
Of which severance payments paid during the financial year, that are not taken into account in the variable remuneration cap	10	-	-	-	-
Of which highest payment that has been awarded to a single person	11	-	-	-	-

*Number of identified staff beneficiaries by full-time employment according to EBA guidelines

EU REM3 – Deferred remuneration

Deferred and retained remuneration (All values in EUR)	Row reference	Total amount of deferred remuneration awarded for previous performance periods	Of which due to vest in the financial year	Of which vesting in subsequent financial years	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in the financial year	Amount of performance adjustment made in the financial year to deferred remuneration that was due to vest in	Total amount of adjustment during the financial year due to ex post implicit adjustments (i.e., changes of value of deferred remuneration	Total amount of deferred remuneration awarded before the financial year actually paid out in the financial year	Total amount of deferred remuneration awarded for previous performance period that has vested but is subject to retention periods
		a	b	c	d	e	f	EU - g	EU - h
MB Supervisory function*	1	-	-	-	-	-	-	-	-
Cash-based	2	-	-	-	-	-	-	-	-
Shares or equivalent ownership	3	-	-	-	-	-	-	-	-
Share-linked instruments or	4	-	-	-	-	-	-	-	-
Other instruments	5	-	-	-	-	-	-	-	-
Other forms	6	-	-	-	-	-	-	-	-
MB Management function	7	11,719,345	5,278,491	6,440,854	-	-	1,729,810	5,278,491	2,018,155
Cash-based	8	888,210	364,963	523,247	-	-	-	364,963	-
Shares or equivalent ownership	9	10,831,135	4,913,528	5,917,608	-	-	1,729,810	4,913,528	2,018,155
Share-linked instruments or	10	-	-	-	-	-	-	-	-
Other instruments	11	-	-	-	-	-	-	-	-
Other forms	12	-	-	-	-	-	-	-	-
Other senior management	13	59,927,545	20,135,144	39,792,401	-	-	8,567,177	20,135,144	11,675,575
Cash-based	14	13,907,004	3,881,051	10,025,953	-	-	-	3,881,051	-
Shares or equivalent ownership	15	46,020,542	16,254,093	29,766,448	-	-	8,567,177	16,254,093	11,675,575
Share-linked instruments or	16	-	-	-	-	-	-	-	-
Other instruments	17	-	-	-	-	-	-	-	-
Other forms	18	-	-	-	-	-	-	-	-
Other identified staff	19	64,770,146	26,652,202	38,117,943	-	-	11,124,378	26,652,202	13,324,358
Cash-based	20	5,262,315	3,512,963	1,749,352	-	-	-	3,512,963	-
Shares or equivalent ownership	21	59,507,830	23,139,239	36,368,591	-	-	11,124,378	23,139,239	13,324,358
Share-linked instruments or	22	-	-	-	-	-	-	-	-
Other instruments	23	-	-	-	-	-	-	-	-
Other forms	24	-	-	-	-	-	-	-	-
Total amount	25	136,417,036	52,065,837	84,351,199	-	-	21,421,365	52,065,837	27,018,088

*MB Supervisory function is not entitled to variable compensation and does not have values to be reported under EU REM3

EU REM4 – Remuneration of 1 million EUR or more per year

(All values in EUR)	Row reference	Identified staff that are high earners as set out in Article 450(i) CRR
1 000 000 to below 1 500 000	1	13
1 500 000 to below 2 000 000	2	11
2 000 000 to below 2 500 000	3	2
2 500 000 to below 6 000 000	4	4

EU REM5 – Information of staff whose professional activities have a material impact on institutions' risk profile (identified staff)

(All values in EUR)	Row reference	Management body remuneration			Business areas						Total
		MB Supervisory function a	MB Management function b	Total MB c	Investment Banking d	Retail Banking e	Asset Management f	Corporate Functions g	Independent Control Functions h	All Other i	
Total number of identified staff*	1										123
Of which: members of the MB	2	8	8	16							
Of which: other senior management	3				17	-	-	3	-	-	
Of which: other identified staff	4				63	-	4	6	14	-	
Total remuneration of identified staff	5	298,816	8,948,046	9,246,863	81,422,808	-	3,973,077	5,407,166	3,858,654	-	
Of which: variable remuneration	6	-	2,976,986	2,976,986	38,650,928	-	1,788,427	1,323,843	894,311	-	
Of which: fixed remuneration	7	298,816	5,971,060	6,269,876	42,771,881	-	2,184,650	4,083,323	2,964,343	-	

*Number of identified staff beneficiaries by full-time employment according to EBA guidelines

This document represents the annual Compensation Disclosure of Morgan Stanley Europe Holding SE Group, as required under the Capital Requirements Regulations (CRR).