# Remuneration Disclosure

## Morgan Stanley France S.A. Remuneration Disclosure

Morgan Stanley (France) S.A.| As at 31 December 2022

This Remuneration Disclosure (the "Disclosure") sets out the principles relating to compensation within Morgan Stanley France S.A. ("MS France"). Some of the policies, practices and procedures outlined in the Disclosure apply globally to Morgan Stanley, its subsidiaries and affiliates ( "Morgan Stanley Group"). Morgan Stanley Group is the ultimate parent company of MS France; however, MS France is a subsidiary of Morgan Stanley Europe Holding SE Group ("MSEHSE Group"), which is a subsidiary of the Morgan Stanley International Group ("MSI Group"). The governance arrangements for MS France are consistent with this structure. The Disclosure has been prepared in line with the Capital Requirements Directive ("CRD V"), the Investment Firm Directive ("IFD"), the Capital Requirements Regulation ("CRR"), the European Banking Authority ("EBA") Guidelines on Sound Remuneration Policies, the French Monetary and Financial Code, the French Prudential Supervision Authority ("ACPR"), and any associated regulations and guidance (together the "French Compensation Rules").

MS France does not benefit from a derogation laid down in Article 32(4) of Directive (EU) 2019/2034.

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## 1. Morgan Stanley Group Compensation Objectives and Strategy

MS France is committed to a responsible and appropriate compensation structure that is designed to align the performance and conduct of employees to its business and risk strategy. The MS France business strategy is focused on delivering a sustainable business model in line with Morgan Stanley Group's global business strategy and local regulatory requirements. MS France'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.

MS France 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 MS France Remuneration Committee ("MSF RemCo")*

The MSF RemCo oversees the design and implementation of the remuneration policies and practices applicable to MS France. It is appointed by the Board of Directors of MS France to assist the Board in the preparation of its decisions on compensation, in particular those which have an impact on the risks and risk management of MS France. Annually, the MSF RemCo reviews and approves compensation decisions for Identified Staff. In addition, the Board of MS France review and approve the aggregate annual compensation spend relating to all MS France employees. The MSF RemCo is currently composed of two

Non-Executive Directors: Kim Lazaroo (appointed as Chair on 15th December 2022) and David Cantillon (joined 15th December 2022). David Russell and Hans Christoph Siebold resigned as MSF RemCo members during 2022.

*The MSEHSE Group Management Boards and the MSEHSE Group Remuneration Committees ("MSEHSE RemCo")*

The MSEHSE 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, including MS France. The MSEHSE Group Management Board is comprised of 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 RemCo monitors compliance by the MSEHSE Group with applicable local regulations. 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 MS France.

As a subsidiary, the MS France RemCo consults with the MSEHSE RemCo as appropriate to ensure that remuneration policies and practices are aligned.

*The EMEA Remuneration Oversight Committee ("EROC") and the MSI Group 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 French legislation. The EROC is composed 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 2022 and certified compliance with regulatory requirements to the MSI RemCo. In addition, the MSF RemCo receives regular updates of discussions held at the EROC.

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 applicable EU and UK Remuneration Rules. On December 31, 2022, the MSI RemCo was composed of five non-executive directors: Jonathan Bloomer (Chair), Terri Duhon, Jane Pearce (joined 1 October 2022), Melanie Richards and Paul Taylor, and met seven times during 2022.

*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 composed 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 external consultant and other stakeholders*

The MSF RemCo, MSI Group Remuneration Committee, and CMDS Committee have the power to appoint independent compensation consultants, legal counsel, financial or other advisors as it may deem necessary to assist it in the performance of its duties and responsibilities.

Together with the Global Chief Risk Officer ("Global CRO"), the CMDS Committee oversees 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 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 materially adverse effect on Morgan Stanley Group.

The day-to-day compliance with the MS France's obligations under the French Remuneration Rules is delegated to the the EMEA Human Resources Department ("EMEA HR"), which regularly reviews the Company's regulatory obligations with respect to compensation in each of the EMEA jurisdictions in which it operates, or with branches, 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 EMEA HR.

## 3. Identification of Risk Takers

MS France has established a formal identification framework to identify employees whose professional activities have a material impact on MS France's risk profile (material risk takers, referred to as "Identified Staff" in this Disclosure). The MS France 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 rules set out in the Code Monétaire et Financier and the outcome of the review is subject to approval of the EROC and the MSF RemCo.

Additionally, with effect from 1 January 2022, MS France became subject to the Investment Firms Directive (IFD) and the Investment Firms Regulation (IFR). In accordance with Article 28(1) of the IFR, the requisite MRTs have been identified under the relevant qualitative and quantitative criteria.

## 4. Link between Pay and Performance

*Incentivising Right Behaviours*

The following key features of the MS France's compensation arrangements ensure that excessive risk-taking is not promoted, and provide a link between an employee's compensation and the long-term interests of the Company:

- a balance of fixed and variable compensation;
- a balance between short-term and long-term incentives;
- mandatory deferrals into both equity-based, if needed for local regulatory or business reasons, incentive programs;
- 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 MS France, and is working towards further enhancing the linkage between positive risk behaviours and remuneration outcomes.

*Consideration of Capital and Liquidity Resources in the Bonus 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 bonus pool determination is subject to a multi-dimensional process that considers Morgan Stanley 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 MSF RemCo reviews MS France's final bonus pool against financial and risk KPIs to ensure sufficient risk bearing capacity as well as adequate liquidity and capital resources and recommends necessary adjustments as required to maintain a sound capital base. The Board of MS France provides final approval of the bonus pool, taking into account:

1. MS France's internal capital adequacy, multi-year capital planning and profit situation; and
2. MS France's capacity to of permanently maintain or restoring adequate capital and liquidity resources

## 5. Individual Performance Measurement

All 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 employee survey results (if applicable) and 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

Where appropriate, in addition to the full performance evaluation and 360 review process, performance evaluation managers are required to answer the following question regarding each employee as it relates to compliance, conduct and risk management: "Rate this employee's conduct and adherence to the letter and spirit of Morgan Stanley Group's compliance, risk management, controls and standards, and other policies including the Code of Conduct".

MS France's compensation policies and risk management procedures are continually being refined, and there is significant ongoing managerial focus on developing this framework to reinforce desired behaviours and promote positive risk outcomes.

## 6. Individual Compensation Determination Process

MS France applies the Morgan Stanley Global Incentive Compensation Discretion Policy that 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, 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 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", ensures 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 individual allocation of variable compensation is a discretionary process informed by the performance evaluation process outlined above. Morgan Stanley 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 MS France can attract and retain experienced personnel. The compensation decisions of all control function Identified Staff are reviewed and approved by the MSF RemCo.

*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 any areas of concerns within MS France.

## 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 composed of two key elements:

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

RBAs are considered to be fixed compensation and meet the requirements of the relevant compensation rules, being paid monthly in cash via the payroll and based on roles and responsibilities.

The structure of variable compensation for MS France Identified Staff may be comprised of upfront cash, stock bonus, and deferred equity in line with applicable rules, and at a minimum, is structured as follows:

- Appropriate ratio between fixed and variable compensation is attained, as per the applicable regulations
- A minimum of 40% to 60% of variable compensation to be deferred over at least a 3-year period, vesting no faster than on a pro-rata basis. Individuals with a "particularly high" variable compensation to have 60% deferred. For 2022, €500k was used as the threshold for employees subject to the 60% deferral
- The deferred variable compensation is generally awarded in equity
- Non-deferred variable compensation is awarded 50% as stock bonus awards, with the remaining 50% as upfront cash bonus
- Deferred and non-deferred variable compensation awarded in instruments have a minimum of 6 to 12-month retention period
- Variable compensation awards are subject to malus and clawback, to the extent applicable under local labour law

MS France Identified Staff whose variable compensation is not greater than €50k are not subject to the full scope of the French Compensation Rules. However, such MS France Identified Staff continue to be subject to Morgan Stanley Group's deferral practices for the general employee population.

The Company expects deferred compensation awards to constitute a significant component of variable compensation and is designed to promote Morgan Stanley Group's long-term interests and alignment with shareholders' interests. Notwithstanding, our 'pay for performance' philosophy means that where a variable award is not appropriate, none will be paid and every year a portion of our eligible population receives no variable compensation.

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

Termination payments made to certain employees upon leaving the MS France are considered in accordance with the relevant severance framework and are intended to avoid rewarding negative performance contributions or misconduct.

*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. A ratio of 1:2 of fixed compensation to variable was approved by Morgan Stanley France shareholder (Morgan Stanley Holdings I and Morgan Stanley Holdings II) on 25 May 2018, being the maximum allowed under CRD V and Article L. 511-79 of the Code Monétaire et Financier and the Code du travail. Additionally, a ratio of 1:0.5 of fixed compensation to variable compensation applies to staff of control functions under CRD.

Additionally, employees who are identified under IFD are subject to an appropriate fixed to variable compensation ratio as determined by Morgan Stanley Group.

*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 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 MS France Identified Staff, ensuring compliance with the requirements of the French Remuneration Rules.

Delivering all or a portion of deferred incentive compensation in the form of equity links variable compensation to Company performance through Morgan Stanley Group's stock price performance and aligns employee compensation with shareholder interests. Risk outcomes that result in a negative impact to Morgan Stanley Group 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. 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

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 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 Identified Staff 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. The MS France Board receive relevant 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 Legal, Risk, Compliance, and HR functions. This ensures that both the business and the relevant independent functions are included in the review, and that compensation adjustments made are consistently across Morgan Stanley Group.

In additional to the above, the MSI Group maintains an EMEA-wide Cancellation and Clawback Policy which is applicable to all MRTs within the EMEA region. Circumstances which trigger the application of this policy 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;
- The MRT failed to meet appropriate standards of fitness and propriety assessed in line with the MSI Group and/or the relevant regulated entity's Fitness & Propriety("F&P") Assessment process in accordance with applicable regulatory guidance and expectations.

## 9. Aggregate Quantitative Information on Remuneration

The following tables sets out aggregate quantitative information on compensation of material risk takers who were employed by the the Company in 2022:

**EU REM1 – Remuneration awarded for the financial year**

| | | | MB Supervisory, Management Function, and Other Senior Management | Other Identified Staff |
|---|---|---|---|---|
| (All values in EUR) | | Row ref. | a + b + c | d |
| Fixed remuneration | Number of identified staff | 1 | 6 | 13 |
| | Total fixed remuneration | 2 | 3,467,500 | 9,761,250 |
| | Of which: cash-based | 3 | 3,467,500 | 9,761,250 |
| | (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 | 6 | 13 |
| | Total variable remuneration | 10 | 2,850,392 | 7,522,693 |
| | Of which: cash-based | 11 | 705,303 | 1,733,505 |
| | Of which: deferred | 12 | - | - |
| | Of which: shares or equivalent ownership interests | EU-13a | 2,145,089 | 5,789,188 |
| | Of which: deferred | EU-14a | 1,557,786 | 4,140,861 |
| | 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 | 6,317,892 | 17,283,943 |

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

| (All values in EUR) | Row ref. | MB Supervisory, Management Function, and Other Senior Management | Other Identified Staff |
|---|---|---|---|
| | | a + b + c | d |
| Guaranteed variable remuneration awards - Number of identified staff | 1 | - | - |
| Guaranteed variable remuneration awards -Total amount | 2 | - | - |
| Of which guaranteed variable remuneration awards paid during the financial year, that are not taken into account in the bonus cap | 3 | - | - |
| 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 - 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 bonus cap | 10 | - | - |
| Of which highest payment that has been awarded to a single person | 11 | - | - |

## EU REM3 –Deferred remuneration

| Deferred and retained remuneration | | **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 future performance years** | **Total amount of adjustment during the financial year due to ex post implicit adjustments (i.e. changes of value of deferred remuneration due to the changes of prices of instruments)** | **Total amount of deferred remuneration awarded before the financial year actually paid out in the financial year** | **Total of amount of deferred remuneration awarded for previous performance period that has vested but is subject to retention periods** |
|---|---|---|---|---|---|---|---|---|---|
| (All values in EUR) | Row ref. | a | b | c | d | e | f | EU - g | EU - h |
| MB Supervisory, Management Function, and Other Senior Management | 1+7+13 | 10,074,320 | 4,372,668 | 5,701,652 | - | - | 1,563,730 | 4,372,668 | 3,197,606 |
| Cash-based | 2+8+14 | 992,643 | 724,132 | 268,511 | - | - | 0 | 724,132 | 0 |
| Shares or equivalent ownership interests | 3+9+15 | 9,081,677 | 3,648,536 | 5,433,140 | - | - | 1,563,730 | 3,648,536 | 3,197,606 |
| Share-linked instruments or equivalent non-cash instruments | 4+10+16 | - | - | - | - | - | - | - | - |
| Other instruments | 5+11+17 | - | - | - | - | - | - | - | - |
| Other forms | 6+12+18 | - | - | - | - | - | - | - | - |
| Other identified staff | 19 | 25,085,325 | 10,645,118 | 14,440,207 | - | - | 3,963,447 | 10,645,118 | 6,801,333 |
| Cash-based | 20 | 2,341,804 | 1,672,498 | 669,306 | - | - | - | 1,672,498 | - |
| Shares or equivalent ownership interests | 21 | 22,743,521 | 8,972,620 | 13,770,900 | - | - | 3,963,447 | 8,972,620 | 6,801,333 |
| Share-linked instruments or equivalent non-cash instruments | 22 | - | - | - | - | - | - | - | - |
| Other instruments | 23 | - | - | - | - | - | - | - | - |
| Other forms | 24 | - | - | - | - | - | - | - | - |
| **Total amount** | **25** | **35,159,644** | **15,017,786** | **20,141,858** | - | - | **5,527,177** | **15,017,786** | **9,998,939** |

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

| (All values in EUR) | Row ref. | Identified staff that are high earners as set out in Article 450(i) CRR |
| --- | --- | --- |
| Over €1mm and up to €4mm | 1 | 11 |

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

| | | Management body remuneration | Business areas | |
| --- | --- | --- | --- | --- |
| | | Total MB | Investment Banking | Total |
| (All values in EUR) | Row ref. | a + b + c | d + e + f + g + h + i | j |
| **Total number of identified staff** | 1 | | | 27 |
| **Of which: members of the MB** | 2 | 10 | | |
| **Of which: other senior management** | 3 | | 4 | |
| **Of which: other identified staff** | 4 | | 13 | |
| **Total remuneration of identified staff** | 5 | 3,124,544 | 20,477,290 | |
| **Of which: variable remuneration** | 6 | 1,707,544 | 8,665,540 | |
| **Of which: fixed remuneration** | 7 | 1,417,000 | 11,811,750 | |

This document represents the annual Compensation Disclosure of Morgan Stanley France S.A., as required under the Capital Requirements Regulations (CRR) and Investment Firms Directive (IFD).

Population buckets MB Supervisory function (a), MB Management function (b), and Other Senior Management (c), as well as Investment Banking (d), Retail Banking (e), Asset Management (f), Corporate Functions (g), Independent Control Functions (h), and All Other (i), are aggregated respectively for the report given the small population size under each bucket.