

Morgan Stanley

INVESTMENT MANAGEMENT

Bank of America Banking and Financials Conference

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November 10, 2021



Notice

The information provided herein includes certain non-GAAP financial measures. The definition of such measures and/or the reconciliation of such measures to the comparable U.S. GAAP figures are included in this presentation, or in Morgan Stanley's (the "Company") Annual Report on Form 10-K, Definitive Proxy Statement, Quarterly Reports on Form 10-Q and the Company's Current Reports on Form 8-K, as applicable, including any amendments thereto, which are available on www.morganstanley.com.

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The End Notes are an integral part of this presentation. See slide 8 at the back of this presentation for information related to the financial metrics and defined terms in this presentation.

Please note this presentation is available at www.morganstanley.com.

Premier Global Diversified Asset Manager

Customization

High Conviction Equities

Private Alternatives

Value-Add Fixed Income &
Scaled Liquidity

Portfolio Solutions

Diverse Global Client Base

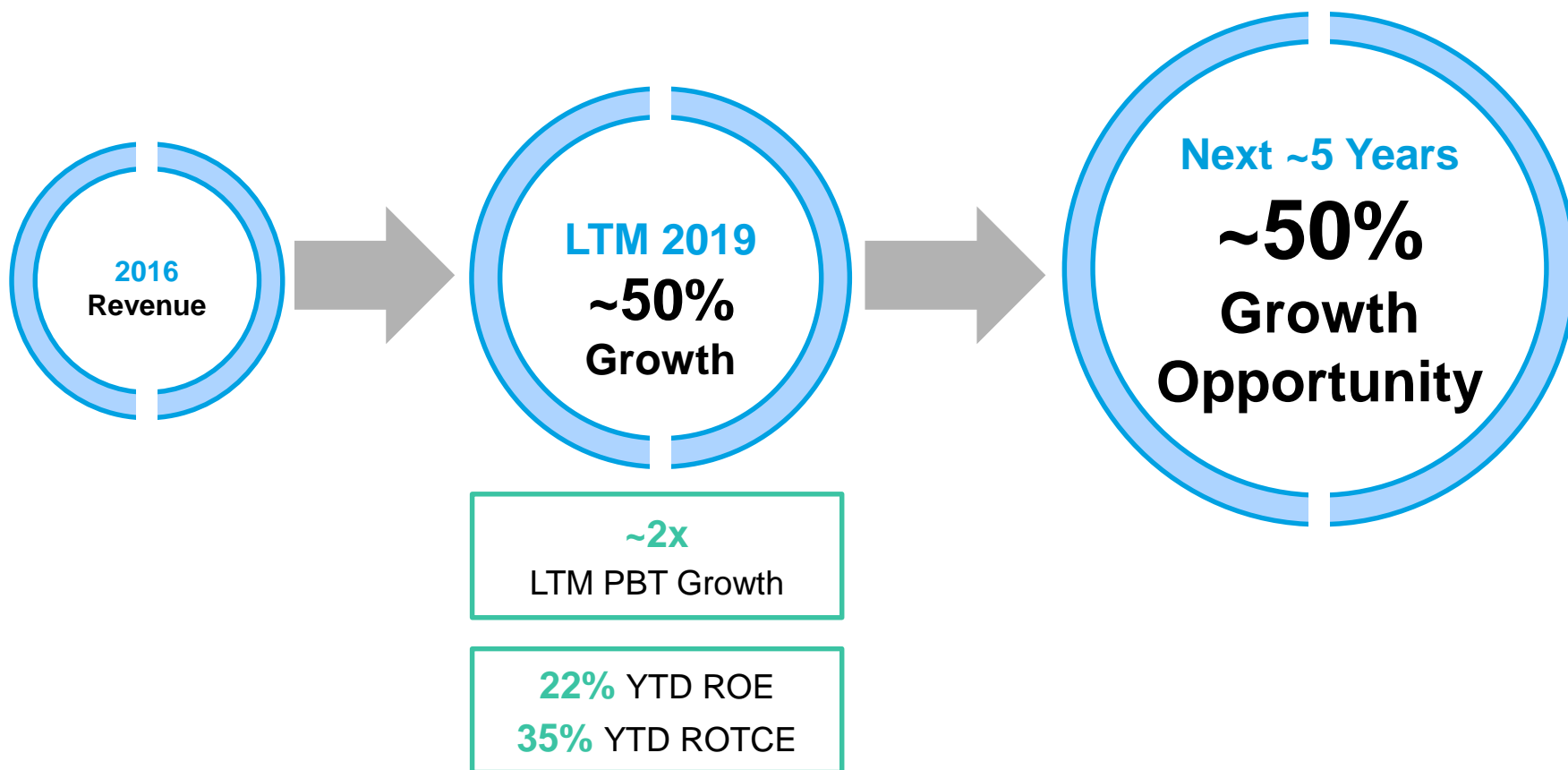
Premier Sustainable Investing Platform

Slide Presented at 2019 BAC Financials Conference

Investment Management Strategy: Executing on the Next 50%⁽¹⁾

Morgan Stanley Investment Management Revenue Growth Opportunity

Industry CAGR: ~1-2%



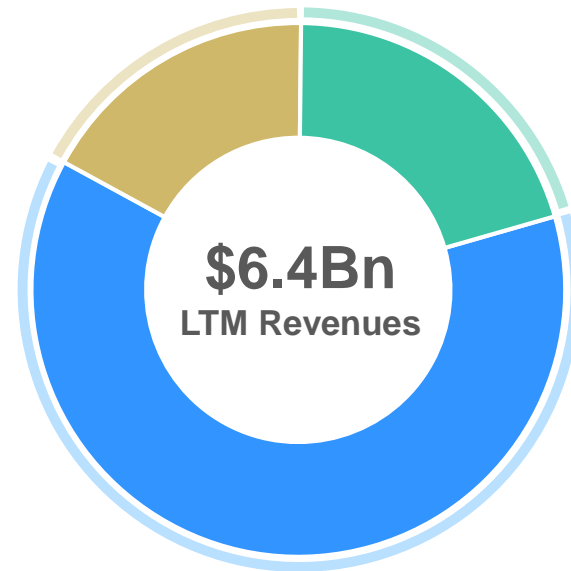
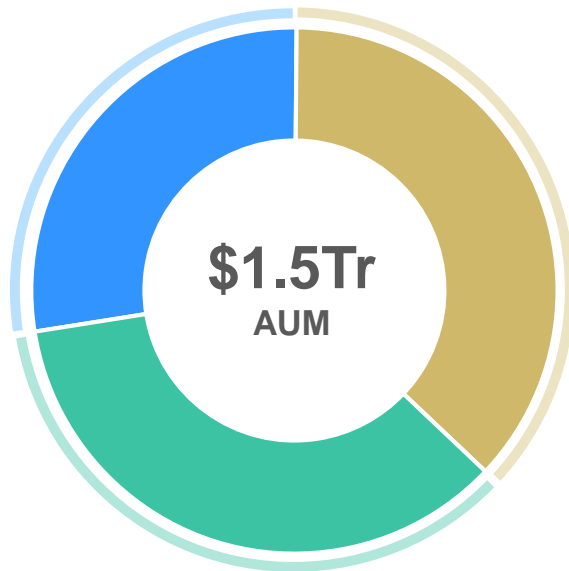
MSIM: Delivering Growth and Differentiated Client Value

3Q 2021 AUM & Pro Forma LTM Revenues ⁽¹⁾

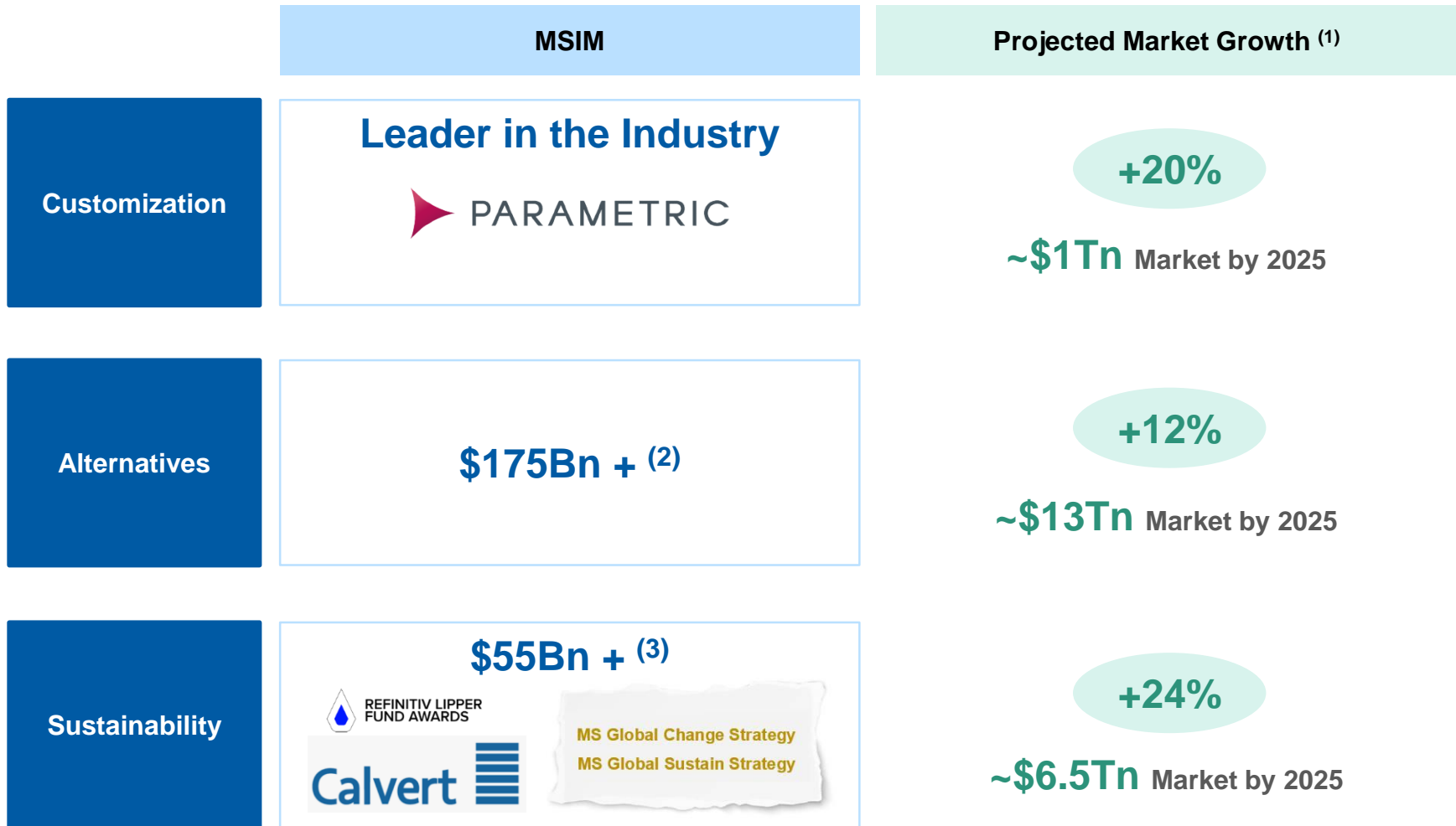
Public & Private Alpha

Fixed Income & Liquidity

Customized Solutions

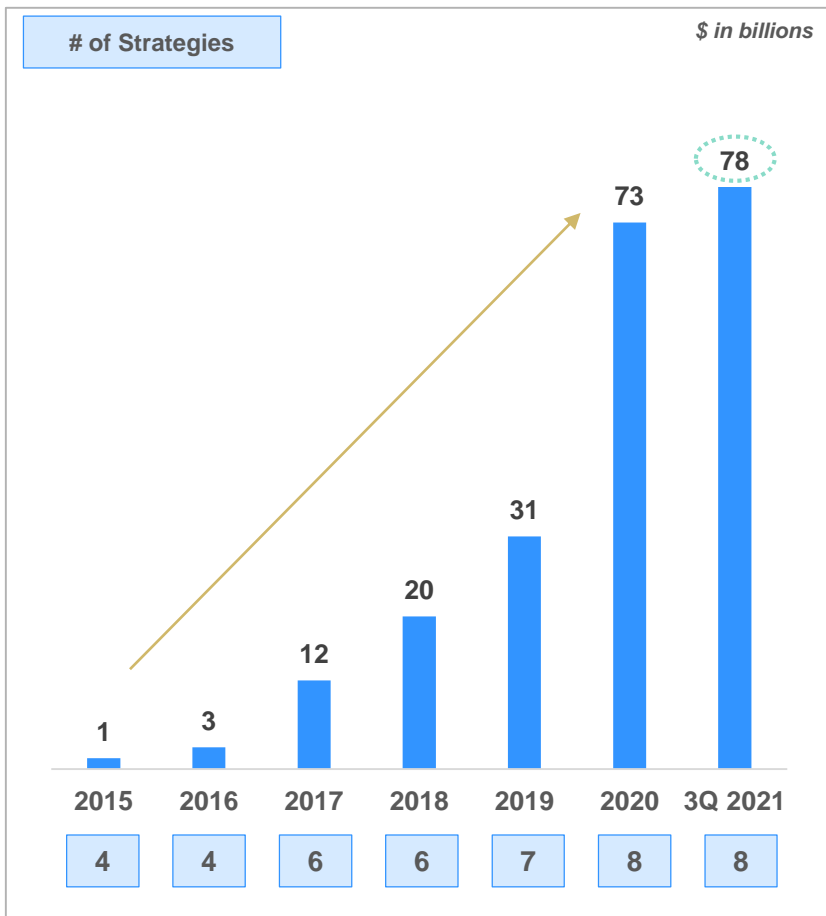


Business is Well-Positioned in Key Secular Growth Areas

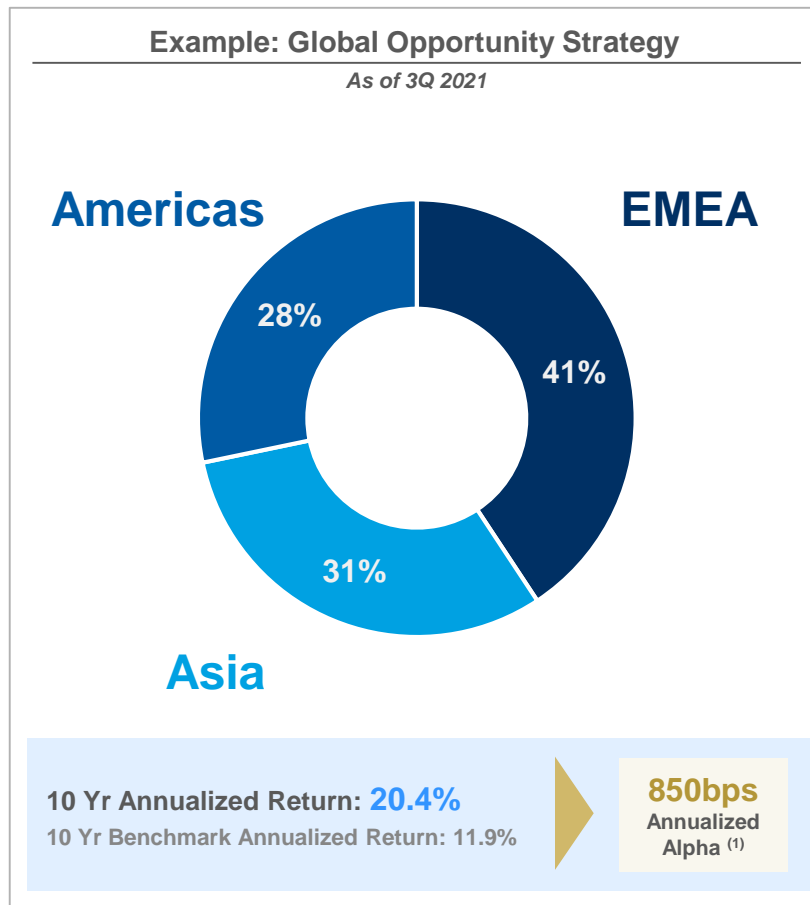


Connecting Alpha and Solutions to the World

The Global Opportunity Team: AUM Growth



AUM by Client Geography



End Notes

These notes refer to the financial metrics and/or defined term presented on Slide 4

1. From the 2019 presentation found at https://www.morganstanley.com/content/dam/msdotcom/en/about-us-ir/presentations/2019.11.06_DS-BAC-Conference.pdf):
 - Industry CAGR sourced from Oliver Wyman Analysis within 2018 co-authored BluePaper by Oliver Wyman and Morgan Stanley Research: "Searching for Growth in an Age of Disruption" (Oliver Wyman Analysis)
 - Revenue and Profit Before Tax (PBT) growth represents growth from the full year 2016 compared to the last twelve months (LTM) as of September 30, 2019; PBT represents income (loss) from continuing operations before taxes. LTM PBT is a non-GAAP financial measure that the Firm considers useful for analysts, investors and other stakeholders to assess operating performance
 - Represents 2019 YTD (through Q3) annualized return on average common equity (ROE). The calculation of annualized ROE for the Investment Management (IM) segment uses net income applicable to Morgan Stanley from IM less preferred dividends allocated to IM as a percentage of average common equity allocated to IM. The Firm's capital estimation and attribution to business segments are based on the Required Capital Framework, an internal capital adequacy measure. This framework is a risk based and leverage use-of-capital measure, which is compared with the Firm's regulatory capital to ensure that the Firm maintains an amount of going concern capital after absorbing potential losses from stress events, where applicable, at a point in time. The common equity estimation and attribution to business segments is based on the Firm's fully phased-in regulatory capital requirements, including supplementary leverage, and incorporates the Firm's internal stress tests
 - Represents 2019 YTD (through Q3) annualized return on average tangible common equity (ROTCE). The calculation of annualized ROTCE for the IM segment uses net income applicable to Morgan Stanley from IM less preferred dividends allocated to IM as a percentage of average tangible common equity allocated to IM. Average tangible common equity represents average common equity adjusted to exclude goodwill and intangible assets net of allowable mortgage servicing rights deduction. The adjustments to average IM common equity are as follows: 3Q19: \$940MM. ROTCE is a non-GAAP financial measure that the Firm considers useful for analysts, investors and other stakeholders to assess operating performance

These notes refer to the financial metrics and/or defined term presented on Slide 5

1. AUM and Revenues are pro forma for the impact of Eaton Vance
 - "Public & Private Alpha" includes public equity strategies reported under the "Equity" category and real assets, private equity, private credit and private equity fund of funds reported under the "Alternatives and Solutions" category as of September 30, 2021 in the Firm's 3Q Form 10-Q
 - "Fixed Income & Liquidity" includes strategies reported under the "Fixed income" category and liquidity strategies reported under the "Liquidity and Overlay Services" category as of September 30, 2021 in the Firm's 3Q Form 10-Q
 - "Customized Solutions" includes multi-asset portfolios, hedge fund of funds, customized retail solutions and institutional portfolio solutions reported under the "Alternatives and Solutions" category, concentrated equity diversification strategies reported under the "Equity" category and overlay strategies reported under the "Liquidity and Overlay Services" category as of September 30, 2021 in the Firm's 3Q Form 10-Q

These notes refer to the financial metrics and/or defined term presented on Slide 6

1. AUM CAGRs represent a weighted average of 2025E projected rates from Cerulli Associates and MS Research (Customization) and 2020 to 2025E projected rates from Preqin (Private Alternatives), and MS Research (Sustainability)
2. Alternatives represents investable capital in alternative products within Public & Private Alpha, Fixed Income & Liquidity and Customized Solutions as of September 30, 2021. Projected market growth represents expected growth for the Private Alternatives market. Private Alternatives for MSIM is ~\$100Bn of the total MSIM Alternatives amount with the balance representing other liquid alternative strategies
3. Sustainability represents AUM from Calvert and Morgan Stanley Investment Management core ESG strategies across public and private equity, fixed income and liquidity as of September 30, 2021. MS Global Change Strategy is only available in Japan through Asset Management One's Global ESG High Quality Growth Equity fund

These notes refer to the financial metrics and/or defined term presented on Slide 7

1. Quarter end performance as of September 30, 2021 compared to MSCI All Country World Net Index. Outperformance rounded to nearest 50bps