

Morgan Stanley

APRIL 2021

DEAR FELLOW SHAREHOLDERS:

2020 was an extraordinary and unusual year. We remain in the midst of a global public health crisis that has caused serious humanitarian and economic issues, leaving an indelible mark on many of us. We all know family and friends that were directly affected or lost, or who endured the economic consequences of the shutdown of large swaths of the global economy. Our hearts go out to all of those directly and indirectly impacted by this crisis. While governments and central banks have provided fiscal and monetary support to reinvigorate our economies, many people continue to face economic uncertainty.

It was also a year in which a number of well-publicized events led to a heightened and necessary focus on racial and social justice, and a recognition that explicit support and purposeful collective action will be required to make sustained structural changes to ensure a more just and equitable society.

At Morgan Stanley, we navigated this extraordinary and challenging year with a strong focus on serving our clients and communities, building and enhancing our culture, taking care of our employees and generating strong returns for our shareholders by delivering record financial performance.

LARRY LETTERA / CAMERA 1



JAMES P. GORMAN
CHAIRMAN AND CEO

SERVING OUR CLIENTS AND COMMUNITIES

As the public health crisis grew in the spring and market volatility spiked, our focus was to ensure we supported our clients as they navigated their financial challenges. Unlike over a decade ago, this time banks had the capital and liquidity to help their clients and through that the real economy. Morgan Stanley voluntarily suspended its share buybacks in March of 2020 to ensure we maintained capital and liquidity, along with the other eight largest banks in the U.S. We helped our corporate and institutional clients raise additional liquidity and obtain the financing they needed, and guided our retail clients to manage their investment portfolios.

Furthermore, we worked with the Federal Reserve, U.S. Treasury and other global governmental agencies to facilitate the numerous programs aimed at keeping markets functioning and supporting those affected by the economic downturn.

In Institutional Securities, our banking, capital markets and trading businesses are increasingly aligned and integrated, resulting in improved client connectivity and enhanced risk management. We leveraged our core client relationships to deliver funding and advice across products and sectors, and stepped up for clients by providing capital, trusted advice and risk solutions. In the early months of the pandemic, our banking and capital markets teams worked with our corporate clients to advise them of their strategic and financial choices. We raised over \$50 billion of capital for the industry sectors most affected — airline, cruise and travel — across investment grade, high-yield, convertibles and common equity markets. We supported some clients with increased lines of credit and provided others with opportunities to monetize assets. Throughout the year, our banking and capital markets teams were at the forefront of activity, delivering tailored solutions to their clients based on their skilled market judgment and expertise.

Our Sales & Trading business responded robustly to extraordinary client volumes. Our electronic trading platform in Equities has benefited from years of investment and demonstrated its durability when equity cash volumes peaked during 2020 at three times the 2019 average. Overall, our Equities electronic trading platform handled average

volumes that were 40% higher in 2020 than in 2019. We continue to leverage our electronic capabilities in Equities across our Fixed Income business as we invest in trading automation and expanding algorithmic asset classes. Across our trading businesses, our focus is to enhance the client experience by ensuring connectivity, execution and efficiency. Our research department provides in-depth market coverage and exceptional insights that generate alpha for our clients. This year the team provided our clients with meaningful insight into the progress and path of the health crisis and vaccine development, as well as outcomes for an economic recovery. Our clients continue to value us for our thought leadership and cross-industry research coverage.

In Wealth Management, our Financial Advisors have consistently served their clients well in difficult times. Advice this year was particularly relevant as our Financial Advisors worked with clients to manage their individual investment portfolios amidst extreme volatility. In March alone, when volatility was at its highest, our Financial Advisors sent 6.6 million Next Best Action communications to their clients, which are data-driven investment and wealth management ideas on issues that impact their portfolios. Since launching in 2018, we have increasingly used this capability for personalized communication and engagement with clients to serve their long-term financial needs. We also established funds that allowed clients to benefit from opportunities in distressed areas of the market. E*TRADE saw unparalleled levels of customer activity in the year, and the team worked diligently to meet customer needs through continued innovation, product development and hands-on service.

In Investment Management, our portfolio managers delivered strong investment performance for our clients, particularly some of our actively managed equity funds. With the increasing importance of sustainability investing, our teams increasingly engaged companies, especially on social issues, and worked with investors to integrate sustainability

OUR STRATEGY

WHAT WE DO

Advise, originate, trade, manage and distribute capital for governments, institutions and individuals, and always do so with a standard of excellence.

WITH WHAT RESULT

Deliver strong returns for our shareholders, build long-term value for our clients and offer highly attractive career opportunities for our employees.

HOW WE DO IT

Execute in a way that is consistent with our values and, whenever possible, deliver more than one part of the Firm.

OUR CORE VALUES

Since our founding in 1935, Morgan Stanley has pledged to do first-class business in a first-class way. Underpinning all that we do are five core values.

DO THE RIGHT THING

Act with integrity. Think like an owner to create long-term shareholder value. Value and reward honesty and character.

PUT CLIENTS FIRST

Keep the client's interests first. Work with colleagues to deliver the best of the Firm to every client. Listen to what the client is saying and needs.

LEAD WITH EXCEPTIONAL IDEAS

Win by breaking new ground. Leverage different perspectives to gain new insight. Drive innovation. Be vigilant about what we can do better.

COMMIT TO DIVERSITY AND INCLUSION

Value individual and cultural differences as a defining strength. Champion an environment where all employees feel a sense of belonging — are heard, seen and respected. Expect everyone to challenge behavior counter to our culture of inclusion. Attract, develop and retain talent reflecting the full diversity of society.

GIVE BACK

Serve our communities generously with our expertise, time and money. Build a better Firm for the future by contributing to our culture. Develop our talent through mentoring and sponsorship.

into their valuations. The team also worked with investors in developing comprehensive ways to think about climate change and its impact on their portfolios.

Throughout the year, we also supported the more vulnerable in our communities through charitable donations and employee engagement, and I believe we made a difference. We partnered with employees to contribute to local food banks and worked with organizations that were fighting rising rates of hunger and caring for the sick and vulnerable in our communities. We contributed to the New York Loan Fund that assists small businesses, nonprofits and small landlords that did not receive federal assistance. We also announced grants to minority depository institutions to bolster their loan loss reserves in the wake of the pandemic, and to assist minority and women-owned businesses to ensure an equitable recovery. Most recently, we committed to provide financial assistance to 2,000 street vendors across New York City who were suffering business losses. Across these programs, we are supporting organizations working to correct the social and economic imbalances in society that became more pronounced during the pandemic.

SUPPORTING OUR EMPLOYEES AND BUILDING OUR CULTURE

Our services to our clients and support of our communities would not have been possible without the hard work and dedication of all our employees. The Operating Committee and I decided that the health, well-being and safety of our employees would be of paramount

importance against the backdrop of the health crisis. As a result, early in the pandemic, we committed to making no reductions in our workforce through 2020, thereby providing reassurance to employees in a very difficult time. This commitment extended not only to our own employees, but also to the employees of vendors who provide us with essential services, such as security guards and cafeteria workers. Due to robust business continuity planning and years of investment in our technology infrastructure, the vast majority of our employees have been able to work from home and continue to serve clients. Working in the best interest of our employees, we provided productivity resources when necessary, implemented additional safety measures for employees continuing critical on-site work, and extended benefits specific to COVID-19. The majority of our employees continue to work from home today, and I am proud of the commitment they have shown to our clients and to Morgan Stanley in these extraordinary circumstances.

Our long-term success lies in continuing to build our culture and broadening the diversity of our employees. This year, during the height of the pandemic, we saw an extraordinary turn and march toward racial justice. We are seeking to be part of the solution—by being a better Firm and contributing to a better society. In June, we added a fifth value to our core values: Commit to Diversity and Inclusion. Our core values—Do the Right Thing, Put Clients First, Lead with Exceptional Ideas and Give Back—have long underpinned everything we do. While our shared commitment to diversity has always been understood to be a part of Do the Right Thing, we felt that it was imperative to more explicitly state

INSTITUTE FOR INCLUSION

The Institute for Inclusion will lead an integrated and transparent diversity, equity and inclusion strategy to deliver meaningful change within Morgan Stanley and in support of underserved communities. The Institute's mandate is grounded in three pillars:

- Committed to advancing economic outcomes in underserved communities through our products, services, spending, business practices and thought leadership.
- Leveraging our philanthropic efforts to help promote equity and inclusion for underrepresented groups and do our part to help eradicate systemic bias.
- Lead the way in attracting, developing, and retaining individuals with diverse backgrounds and perspectives, and to drive a culture of inclusion for all colleagues.

<https://www.morganstanley.com/about-us/diversity/institute-for-inclusion>

our responsibility for representation, equitable treatment and justice. We are committed to a diverse and inclusive work environment where all employees can thrive. Among the employees in our most recent Managing Director class, 35% were women and over 25% were ethnically diverse, as we continued to increase their representation. While we have more to do, we are making progress and are committed to continuing to do so.

In the fall, we formally launched our new Institute for Inclusion, modeled after our successful Institute for Sustainable Investing. Its mission is to create an integrated and transparent diversity, equity and inclusion strategy that will drive meaningful change within Morgan Stanley and in support of underserved communities. The Institute's mandate includes three key pillars: 1) Invest to drive stronger economic outcomes in underserved communities; 2) Strengthen underserved communities through philanthropy and employee engagement; and 3) Support and advise on internal diversity and inclusion efforts to enable us to become a leader in attracting, developing and retaining people with diverse talent. The Institute has an independent advisory board consisting of experts and thought leaders from academia, not-for-profit and social justice organizations as well as several independent Morgan Stanley Board members, and is funded with an initial commitment of \$25 million to ensure it can successfully fulfill its mission.

In October, we launched a program to provide 60 students with full four-year scholarships to Howard University, Morehouse College and Spelman College — three of America's leading Historically Black Colleges and Universities. This program will set these scholars on a path to education attainment and financial independence by lifting the barrier of higher education costs. This effort is part of our larger mission to create an integrated, holistic and transparent diversity and inclusion strategy.

We published our first Diversity and Inclusion Report in 2020, reflecting our commitment to increased transparency and accountability for our progress. It discloses employee representation, and our efforts and initiatives in advancement and outreach. Over the past year, we created or strengthened diversity councils within many of our divisions. We welcomed new leaders across several employee networks, creating opportunities for them to lead important communities. We also continued our internal dialogue on race at the divisional levels.

In a year in which we celebrated the 85th anniversary of our founding, we continued to build on our culture and heritage. I am extremely proud of our employees who continued to live our values and serve our clients in this extraordinary year.

WINNING IN THE MARKETPLACE

2020 HIGHLIGHTS

- No. 1 in Equity Sales & Trading revenue wallet share at 21%⁸
- No. 2 Advisor on global announced and completed mergers and acquisitions⁹
- No. 2 Underwriter of global equity and initial public offerings⁹
- No. 1 in managed accounts, with \$1,332.5 billion in assets¹⁰
- No. 1 in Barron's Top 100 Financial Advisors, with 42 listings
- E*TRADE ranked best in mobile by Barron's, Investopedia and Kiplinger
- Average annualized alpha of over 1,000bps on active fundamental equity funds over a 3-year period¹¹
- Over 80% of mutual fund assets in 4- and 5-star Morningstar rated funds¹²

GENERATING STRONG RETURNS FOR OUR SHAREHOLDERS

Focusing on our clients and employees while executing against strong market volumes, Morgan Stanley delivered record results in 2020. We generated strong returns for our shareholders, and meaningfully drove our strategic vision forward. Our strategy revolves around demonstrating stability in times of serious stress and delivering strong results when markets are active. 2020 tested this thesis. In a rapidly evolving operating environment, we responded to heightened volatility and supported open and functioning markets and client needs.

For the full year, Morgan Stanley reported record revenues of \$48.2 billion and record net income¹ of \$11.0 billion, and produced a return on average tangible common equity (ROTCE) of 15.2%.² We delivered strong results across all our businesses while remaining disciplined in our risk management.

The execution of our decade-long strategy reached a milestone last year. In addition to strong financial performance, we successfully closed our acquisition of E*TRADE and announced our acquisition of Eaton Vance, which closed last month. We received an upgrade from Moody's, and subsequently were upgraded again in January of this year, and are now at A1. Following the Federal Reserve's release of its second stress test result, we announced a \$10 billion share buyback program that we are executing in 2021. Our performance and competitive position serve as concrete evidence that Morgan Stanley has reached an inflection point. The next decade will be characterized by growth, with drivers that span all three of our businesses.

Scale in our interconnected businesses is the foundation for gaining market share. Our integrated investment bank produced \$26 billion in revenue last year and benefits from our coordinated and client-focused approach. Our wealth and asset management platform is among the largest globally with over \$5 trillion in combined client assets. The breadth and depth of product offerings and services across our businesses will drive an increased share of the market and client wallet.

With the acquisition of E*TRADE, we are now a top-three player in each of the key channels in which individual investors manage their finances. With increased capabilities, we can deepen client relationships and provide more services to millions of households. Our Wealth Management business brought in \$175 billion in net new assets³ in 2020, and with \$4 trillion in client assets, demonstrates the powerful growth drivers embedded

in the business. Over the longer term, our aspiration for the pre-tax margin⁴ in Wealth Management is 30%+.

EXECUTING OUR STRATEGY

2020 HIGHLIGHTS

- Institutional Securities — our client-focused integrated investment bank — delivered record revenues of \$25.9 billion with disciplined risk management
- \$4.0 trillion in Wealth Management client assets across advisor and self-directed channels
- \$175.4 billion in net new assets in Wealth Management
- Record 952,000 in Daily Average Revenue Trades (DARTs)¹³ at E*TRADE
- Record assets under management in Investment Management of \$781 billion, increasing to \$1.4 trillion with our acquisition of Eaton Vance⁵
- No. 1 in active equity net inflows percentage in Investment Management¹⁴
- 79% of Investment Management's long-term client assets were ESG¹⁵
- Combined assets¹⁶ of U.S. bank subsidiaries increased to \$346.5 billion
- 70% Firmwide expense efficiency ratio⁷
- \$10.0 billion share repurchase program announced for 2021

In our Investment Management business, the acquisition of Eaton Vance has created a premier global asset manager with over \$1.4 trillion in assets under management.⁵ Eaton Vance's complementary offerings significantly increase the capabilities and value Investment Management can offer its clients. With industry-leading long-term net flows, both organizations are primed for continued growth.

Expense discipline is a fundamental tenet of the way we have managed Morgan Stanley over the years. We will continue to apply this rigor to enhance our pre-tax profits.⁶ Furthermore, we expect to realize acquisition synergies through both general expenses and funding costs. Along with our investments in technology, we want to increase efficiency to drive growth. Over the longer term, we expect our expense efficiency ratio⁷ to be below 70%.

Over the past several years, we have consistently improved our returns despite holding material excess capital. In addition to recommencing our share repurchase program this year, we also plan to increase our dividend when restrictions are lifted by the Federal Reserve. We are pleased to be able to invest in our businesses as well as return excess capital to

FORTIFIED CAPITAL AND ENHANCED LIQUIDITY
2020 HIGHLIGHTS

- Common equity tier 1 capital ratio standardized approach of 17.4% as of 4Q 2020, with \$92.5 billion in common equity
- \$338.6 billion global liquidity resources¹⁷ as of 4Q 2020

shareholders, subject to regulatory approval. We expect capital return to be a driver of future growth, and as we execute on the next phase of shareholder value, our long-term goal for ROTCE² is to exceed 17%. These objectives are subject to changes in the economic outlook, as well as in the political and regulatory environment.

We have meaningfully and with intent transformed our business over the last decade.

As we look to the next decade of our journey, we believe unambiguously that Morgan Stanley is in its growth phase.

LOOKING AHEAD

In recent months, over 500 million people globally have been vaccinated, and pharmaceutical companies continue to boost their vaccine supplies. Along with policy support, the global economy is showing signs of recovery, and we expect activity will strengthen later in the year. That being said, there will always be new and ongoing challenges. Over the next decades, how we deal with climate risk will have a profound socioeconomic impact on our communities. As creators and allocators of capital, large financial institutions will play a unique role in combating climate change. We remain committed to bringing our resources together to help ensure a sustainable and healthy future for society. Last year, we announced a commitment to reach net-zero financed emissions by 2050. We join many of our clients in this strategic goal and are committed to providing financing, expertise and thought leadership to support the transition to a low-carbon world. We also became the first U.S.-based global bank to join the Partnership for Carbon Accounting Financials and its Steering Committee to focus on the complex challenge of measuring financed emissions and developing the global accounting standard that can be used by all financial institutions to measure and reduce their climate impact.

Internally at Morgan Stanley, meeting our growth objectives will not be possible without a strong culture and a diverse team of talented employees. As we make the important pivot to a growth organization, we need to continue to enhance our culture of accountability, collaboration and inclusion, build a broad and diverse organization, and develop the

talent to steer the Firm for the next decade of success. Leading our efforts is a strong and experienced senior leadership team, with talented executives on both the business and infrastructure sides. Ted Pick, Head of Institutional Securities; Andy Saperstein, Head of Wealth Management; and Dan Simkowitz, Head of Investment Management, all run organizations characterized by a deep bench of management talent. Shelley O'Connor leads our U.S. banks, which support both Institutional Securities and Wealth Management and their clients, and Franck Petitgas leads our international operations. Jonathan Pruzan, our Chief Financial Officer, Keishi Hotsuki, our Chief Risk Officer, Carol Greene-Vincent, our Head of Internal Audit, and Eric Grossman, our Chief Legal Officer, lead key risk and control functions, while Mandell Crawley leads Human Resources and Robert Rooney leads Technology, Operations and Firm Resilience. Their leadership and commitment to our culture, and the leadership and talent of the entire Operating Committee, are key to driving the Firm forward. I am confident of their skills and invested in their success. The Board of Directors and I will continue to evolve the organizational leadership to ensure we have the right management team to lead this Firm for the next decade.

Over the long term, I am excited about our future and have great confidence in our people. I am heartened to welcome the employees from E*TRADE and Eaton Vance, and proud of all our global employees who deliver for clients each day. I thank them for their hard work and commitment this past year. E*TRADE, led by Mike Pizzi, and Eaton Vance, led by Tom Faust, are two world-class companies that build on what we have been doing at Morgan Stanley for so long. Over the next couple of years, we will focus on integrating these great organizations within our businesses.

Thank you for your investment in Morgan Stanley. I am confident in our ability to deliver lasting value to our shareholders. While the world fights back against the coronavirus, we will continue to support our employees, clients and the global economy. Please continue to stay healthy.

A handwritten signature in black ink that reads "James P. Gorman". The signature is written in a cursive, flowing style.

JAMES P. GORMAN
CHAIRMAN AND CHIEF EXECUTIVE OFFICER
APRIL 1, 2021

END NOTES

THIS LETTER MAY CONTAIN FORWARD-LOOKING STATEMENTS INCLUDING THE ATTAINMENT OF CERTAIN FINANCIAL AND OTHER TARGETS, OBJECTIVES AND GOALS. ACTUAL RESULTS MAY DIFFER MATERIALLY FROM THOSE EXPRESSED OR ANTICIPATED IN THESE FORWARD-LOOKING STATEMENTS. MORGAN STANLEY DOES NOT UNDERTAKE TO UPDATE THE FORWARD-LOOKING STATEMENTS TO REFLECT THE IMPACT OF CIRCUMSTANCES OR EVENTS THAT MAY ARISE AFTER THE DATE OF SUCH FORWARD-LOOKING STATEMENTS. FOR A DISCUSSION OF RISKS AND UNCERTAINTIES THAT MAY AFFECT FUTURE RESULTS, PLEASE SEE MORGAN STANLEY'S ANNUAL REPORT ON FORM 10-K, QUARTERLY REPORTS ON FORM 10-Q AND CURRENT REPORTS ON FORM 8-K, INCLUDING ANY AMENDMENTS THERETO.

INFORMATION PROVIDED WITHIN THIS LETTER MAY INCLUDE CERTAIN NON-GAAP FINANCIAL MEASURES THAT WE BELIEVE TO BE USEFUL TO US, INVESTORS, ANALYSTS AND OTHER STAKEHOLDERS BY PROVIDING FURTHER TRANSPARENCY ABOUT, OR AN ADDITIONAL MEANS OF ASSESSING, OUR FINANCIAL CONDITION AND OPERATING RESULTS. THE DEFINITION OF SUCH FINANCIAL MEASURES AND/OR THE RECONCILIATION OF SUCH MEASURES TO THE COMPARABLE GAAP FIGURES IS INCLUDED IN EITHER THE ANNUAL REPORT ON FORM 10-K FOR THE YEAR ENDED DECEMBER 31, 2020 OR HEREIN.

- 1 NET INCOME REPRESENTS NET INCOME APPLICABLE TO MORGAN STANLEY
- 2 RETURN ON AVERAGE TANGIBLE COMMON EQUITY ("ROTCE") AND TANGIBLE COMMON EQUITY ARE NON-GAAP FINANCIAL MEASURES. THE CALCULATION OF RETURN ON AVERAGE TANGIBLE COMMON EQUITY REPRESENTS FULL-YEAR NET INCOME APPLICABLE TO MORGAN STANLEY LESS PREFERRED DIVIDENDS AS A PERCENTAGE OF AVERAGE TANGIBLE COMMON EQUITY. TANGIBLE COMMON EQUITY REPRESENTS COMMON EQUITY LESS GOODWILL AND INTANGIBLE ASSETS NET OF ALLOWABLE MORTGAGE SERVICING RIGHTS DEDUCTION
- 3 NET NEW ASSETS REPRESENT CLIENT INFLOWS (INCLUDING DIVIDEND AND INTEREST) LESS CLIENT OUTFLOWS (EXCLUDING ACTIVITY FROM BUSINESS COMBINATIONS/DIVESTITURES AND IMPACT OF FEES AND COMMISSIONS)
- 4 PRE-TAX MARGIN REPRESENTS PRE-TAX PROFIT AS A PERCENTAGE OF NET REVENUES
- 5 ASSETS UNDER MANAGEMENT (AUM) REPRESENTS THE ADDITION OF MORGAN STANLEY'S INVESTMENT MANAGEMENT AND EATON VANCE'S AUM. MORGAN STANLEY'S INVESTMENT MANAGEMENT AUM BASED ON MORGAN STANLEY 2020 10-K. EATON VANCE'S AUM BASED ON EATON VANCE'S FEBRUARY 2021 EARNINGS PRESS RELEASE
- 6 PRE-TAX PROFIT REPRESENTS INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES
- 7 EXPENSE EFFICIENCY RATIO REPRESENTS TOTAL NON-INTEREST EXPENSES AS A PERCENTAGE OF NET REVENUES
- 8 EQUITY SALES & TRADING REVENUE WALLET SHARE IS BASED ON THE REPORTED 2020 NET REVENUES FOR THE EQUITY SALES AND TRADING BUSINESSES OF MORGAN STANLEY AND THE FOLLOWING GLOBAL PEER COMPANIES: GOLDMAN SACHS, JP MORGAN CHASE, BANK OF AMERICA, CITIGROUP, BARCLAYS, UBS GROUP, DEUTSCHE BANK AND CREDIT SUISSE
- 9 SOURCE: THOMSON REUTERS AS OF JANUARY 20, 2021
- 10 SOURCE: MONEY MANAGEMENT INSTITUTE & CERULLI ASSOCIATES | ADVISORY SOLUTIONS QUARTERLY—3Q 2020
- 11 INCLUDES LONG-TERM INVESTMENT MANAGEMENT FUNDS DOMICILED IN THE U.S. AND MANAGED BY THE ACTIVE FUNDAMENTAL EQUITY INVESTMENT TEAMS. ALPHA IS EXCESS RETURNS ABOVE THE BENCHMARK, NET OF FEES, BASED ON THE INSTITUTIONAL SHARE CLASS FOR EACH FUND
- 12 INCLUDES LONG-TERM INVESTMENT MANAGEMENT FUNDS DOMICILED IN THE U.S., U.K., LUXEMBOURG AND JAPAN AS OF DECEMBER 31, 2020 THAT HAVE A RATING BASED ON THE INSTITUTIONAL SHARE CLASS FOR EACH FUND
- 13 DAILY AVERAGE REVENUE TRADES (DARTS) REPRESENT THE TOTAL CLIENT-DIRECTED TRADES IN A PERIOD DIVIDED BY THE NUMBER OF TRADING DAYS DURING THAT PERIOD
- 14 ACTIVE EQUITY NET INFLOWS PERCENTAGE REPRESENTS NET FLOWS MEASURED IN BILLIONS OF U.S. DOLLARS AS A PERCENTAGE OF BEGINNING OF PERIOD AUM FOR THE PERIOD JANUARY 1, 2017—DECEMBER 31, 2020. METRIC REPRESENTS A COMPARATIVE AGAINST PEERS. PEERS ARE BASED ON U.S. PUBLICLY TRADED ASSET MANAGERS WITH ACTIVE EQUITY AUM GREATER THAN \$100 BILLION AS OF DECEMBER 31, 2020: AFFILIATED MANAGERS GROUP, ALLIANCE BERNSTEIN, ARTISAN PARTNERS, BLACKROCK (ACTIVE EQUITIES FLOWS), BRIGHTSPHERE, FRANKLIN RESOURCES, INVESCO (ACTIVE EQUITIES FLOWS), JANUS HENDERSON, LEGG MASON AND T. ROWE PRICE
- 15 REPRESENTS LONG-TERM ASSETS UNDER MANAGEMENT (EXCLUDING LIQUIDITY ASSETS) MANAGED WITH ESG INVESTMENT CONSIDERATIONS AS OF DECEMBER 31, 2020
- 16 U.S. BANK SUBSIDIARIES REPRESENT MORGAN STANLEY BANK, N.A., MORGAN STANLEY PRIVATE BANK, NATIONAL ASSOCIATION, E*TRADE BANK AND E*TRADE SAVINGS BANK, AND EXCLUDE BALANCES BETWEEN BANK SUBSIDIARIES, AS WELL AS DEPOSITS FROM THE PARENT AND AFFILIATES
- 17 LIQUIDITY RESOURCES, WHICH ARE HELD WITHIN THE BANK AND NON-BANK OPERATING SUBSIDIARIES, ARE COMPRISED OF HIGH-QUALITY LIQUID ASSETS AND CASH DEPOSITS WITH BANKS

