

# Morgan Stanley Key Information Document

## Purpose

This document provides you with key information about this product. It is not marketing material. The information is required by the Packaged Retail and Insurance-Based Investment Products Regulation ("PRIIPs") to help you understand the key features, risks, costs and potential gains and losses of this product and to help you compare it with other products covered by PRIIPs.

## Product

Product name	6 Year GBP Worst of Classic Autocallable Note linked to a Basket of Global Indices
Product identifier	ISIN: XS2654989149
PRIIP manufacturer	Morgan Stanley & Co. International plc ( <a href="https://sp.morganstanley.com/EU/">https://sp.morganstanley.com/EU/</a> ). The product issuer is Morgan Stanley BV with a guarantee by Morgan Stanley.
Telephone number	+44-20-7677-6140
Competent authority of the PRIIP manufacturer	Morgan Stanley & Co. International plc is not established in the European Union (EU) or supervised by an EU competent authority. It is authorised by the U.K. Prudential Regulation Authority and regulated by the U.K. Financial Conduct Authority and U.K. Prudential Regulation Authority.
Date and time of production	3 August 2023 14:07 Luxembourg (city) local time

You are about to purchase a product that is not simple and may be difficult to understand.

## 1. What is this product?

Type	English law governed notes	
Term	The product has a fixed term and will be due on 7 September 2029, subject to an early redemption.	
Objectives	The product is designed to provide a return in the form of a cash payment on termination of the product. The payment at maturity will not exceed GBP 1,528.00.	
(Terms that appear in <b>bold</b> in this section are described in more detail in the table(s) below.)	<u>Early termination following an autocall:</u> The product will terminate prior to the <b>maturity date</b> if, on any <b>autocall observation date</b> , the <b>reference level of the worst performing underlying</b> is at or above its <b>autocall barrier level</b> . On any such early termination, you will on the immediately following <b>autocall payment date</b> receive a cash payment equal to the applicable <b>autocall payment</b> . The relevant dates and <b>autocall payments</b> are shown in the table(s) below.	
Autocall observation dates	Autocall payment dates	Autocall payments
31 August 2026	7 September 2026	GBP 1,264.00
26 February 2027	5 March 2027	GBP 1,308.00
30 August 2027	6 September 2027	GBP 1,352.00
29 February 2028	7 March 2028	GBP 1,396.00
30 August 2028	6 September 2028	GBP 1,440.00
28 February 2029	7 March 2029	GBP 1,484.00

Termination on the maturity date: If the product has not terminated early, on the **maturity date** you will receive:

1. if the **final reference level** of the **worst performing underlying** is at or above its **initial reference level**, a cash payment equal to GBP 1,528.00; or
2. if the **final reference level** of the **worst performing underlying** is below its **initial reference level**, a cash payment equal to GBP 1,000.00.

Under the product terms, certain dates specified above and below will be adjusted if the respective date is either not a business day or not a trading day (as applicable). Any adjustments may affect the return, if any, you receive.

The product terms also provide that if certain exceptional events occur (1) adjustments may be made to the product and/or (2) the issuer may terminate the product early. These events are specified in the product terms and principally relate to the **underlyings**, the product and the issuer. The return (if any) you receive on such early termination is likely to be different from the scenarios described above and may be less than the amount you invested.

You do not have any entitlement to a dividend from any of the **underlyings** and you have no right to any further entitlement resulting from any such **underlying** (e.g., voting rights).

Underlyings	Nikkei 225 (Price return index) (NKY; ISIN: JP9010C00002; Bloomberg: NKY Index), EURO STOXX 50 Price EUR (SX5E; ISIN: EU0009658145; Bloomberg: SX5E Index) and NASDAQ 100 Stock Index (Price return index) (NDX; ISIN: US6311011026; Bloomberg: NDX Index)	Reference level	The closing level of an <b>underlying</b> as per the relevant <b>reference source</b>
Asset class	Equity	Reference sources	<ul style="list-style-type: none"><li>• NKY: Nikkei</li><li>• SX5E: STOXX</li><li>• NDX: NASDAQ Global Market</li></ul>
Product notional amount	GBP 1,000.00	Final reference level	The <b>reference level</b> on the <b>final valuation date</b>
Issue price	100.00% of the <b>product notional amount</b>	Initial valuation date	30 August 2023
Product currency	Pound Sterling (GBP)	Final valuation date	30 August 2029
Underlying currencies	<ul style="list-style-type: none"><li>• NKY: Japanese Yen (JPY)</li><li>• SX5E: Euro (EUR)</li><li>• NDX: U.S. Dollar (USD)</li></ul>	Maturity date / term	7 September 2029
Issue date	7 September 2023	Autocall barrier level	100.00% of the <b>initial reference level</b>

Initial reference level	The reference level on the initial valuation date	Worst performing underlying	For a given date, the underlying with the worst performance between the initial reference level and the relevant reference level
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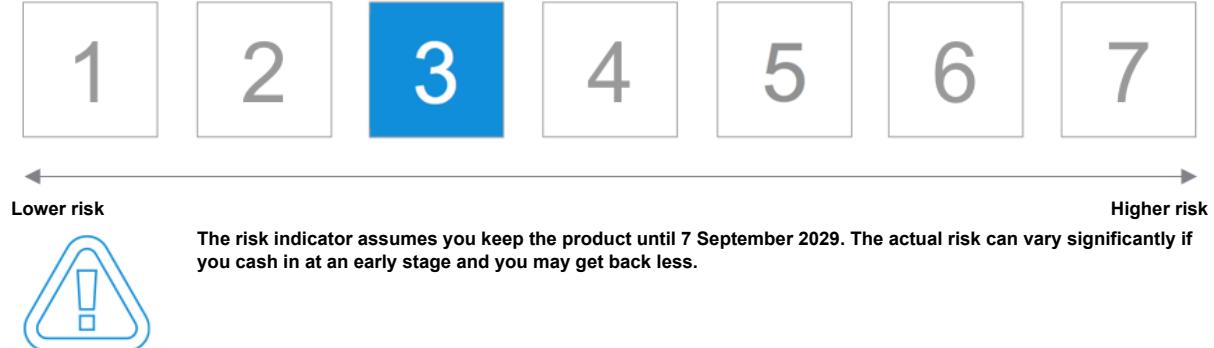
**Intended retail investor** The product is intended to be offered to retail investors who fulfil all of the criteria below:

1. they have advanced knowledge and a comprehensive understanding of the product, its market and its specific risks and rewards, with relevant financial industry experience including either frequent trading or large holdings in products of a similar nature, risk and complexity, either independently or through professional advice;
2. they seek capital growth and/or full protection of the product notional amount, subject to the issuer's and the guarantor's ability to pay, expect the movement in the underlyings to perform in a way that generates a favourable return, have an investment horizon of the recommended holding period specified below and understand that the product may terminate early;
3. they accept the risk that the issuer or guarantor could fail to pay or perform its obligations under the product but otherwise they are not able to bear any loss of their investment; and
4. they are willing to accept a level of risk to achieve potential returns that is consistent with the summary risk indicator shown below.

The product is not intended to be offered to retail clients who do not fulfil these criteria.

## 2. What are the risks and what could I get in return?

### Risk indicator



The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you.

We have classified this product as 3 out of 7, which is a medium-low risk class. This rates the potential losses from future performance at a medium-low level, and poor market conditions are very unlikely to impact our capacity to pay you.

To the extent the currency of the country in which you purchase this product or your account currency differs from the product currency, please be aware of currency risk. You will receive payments in a different currency so the final return you will get depends on the exchange rate between the two currencies. This risk is not considered in the indicator shown above.

Inflation erodes the purchasing value of cash over time and this may result in the decline in real terms of any capital reimbursed.

You are entitled to receive back at least 100.00% of your capital. Any amount over this, and any additional return, depends on future market performance and is uncertain. However, this protection against future market performance will not apply if you cash in before maturity or in case of immediate termination by the issuer.

For detailed information about all risks relating to the product please refer to the risk sections of the prospectus and any supplements thereto as specified in the section "7. Other relevant information" below.

**Performance scenarios** What you will get from this product depends on future market performance. Market developments in the future are uncertain and cannot be accurately predicted.

The scenarios shown are illustrations based on results from the past and on certain assumptions. Markets could develop very differently in the future.

Recommended holding period:	Until the product is called or matures		
Example investment:	This may be different in each scenario and is indicated in the table		
Scenarios	If you exit after 1 year	If you exit at call or maturity	
Minimum	GBP 10,000. The return is only guaranteed if you hold the product to early call or maturity. You could lose some or all of your investment.		
Stress (product ends after 6 years)	What you might get back after costs Average return each year	GBP 8,205 -17.95%	GBP 10,000 0.00%
Unfavourable (product ends after 6 years)	What you might get back after costs Average return each year	GBP 8,463 -15.37%	GBP 10,000 0.00%
Moderate (product ends after 6 years)	What you might get back after costs Average return each year	GBP 9,169 -8.31%	GBP 10,000 0.00%
Favourable (product ends after 4 years)	What you might get back after costs Average return each year	GBP 10,037 0.37%	GBP 13,520 7.84%

The favourable, moderate and unfavourable scenarios represent possible outcomes that have been calculated based on simulations using the reference assets' performance over up to 5 past years. In the case of an early redemption, it has been assumed that no reinvestment has occurred. The stress scenario shows what you might get back in extreme market circumstances.

The figures shown include all the costs of the product itself, but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

## 3. What happens if Morgan Stanley BV is unable to pay out?

You are exposed to the risk that the issuer or guarantor might be unable to meet its obligations in connection with the product for instance in the event of bankruptcy or an official directive for resolution action. This may materially adversely affect the value of the product and could lead to you losing some or all of your investment in the product. The product is not covered by any deposit protection scheme.

## 4. What are the costs?

The person advising on or selling you this product may charge you other costs. If so, this person will provide you with information about these costs and how they affect your investment.

#### Costs over time

The tables show the amounts that are taken from your investment to cover different types of costs. These amounts depend on how much you invest, how long you hold the product and how well the product does. The amounts shown here are illustrations based on an example investment amount and different investment periods.

The duration of this product is uncertain as it may terminate at different times depending on how the market evolves. The amounts shown here consider two different scenarios (early call and maturity). In case you decide to exit before the product ends, exit costs may apply in addition to the amounts shown here.

We have assumed:

- GBP 10,000 is invested
- a performance of the product that is consistent with each holding period shown.

	<i>If the product is called at the first possible date, on 7 September 2026</i>	<i>If the product reaches maturity</i>
<b>Total costs</b>	GBP 825	GBP 825
<b>Annual cost impact*</b>	3.15% each year	1.45% each year

\*This illustrates how costs reduce your return each year over the holding period. For example it shows that if you exit at maturity your average return per year is projected to be 1.45% before costs and 0.00% after costs.

We may share part of the costs with the person selling you the product to cover the services they provide to you. They will inform you of the amount.

#### Composition of costs

	<b>One-off costs upon entry or exit</b>	<b>If you exit after 1 year</b>
<b>Entry costs</b>	8.25% of the amount you pay when entering this investment. These costs are already included in the price you pay.	GBP 825
<b>Exit costs</b>	0.50% of your investment before it is paid out to you. These costs are already included in the price you receive and are only incurred if you exit before maturity. If an early redemption occurs or if you hold the product until maturity, no exit costs will be incurred.	GBP 50
<b>Ongoing costs taken each year</b>		
<b>Management fees and other administrative or operating costs</b>	0.00% of the value of your investment per year.	GBP 0

## 5. How long should I hold it and can I take money out early?

#### Recommended holding period: 6 years

The product aims to provide you with the return described under "1. What is this product?" above. However, this only applies if the product is held to maturity. It is therefore recommended that the product is held until 7 September 2029 (maturity).

The product does not guarantee the possibility to disinvest other than by selling the product either (1) through the exchange (if the product is exchange traded) or (2) off-exchange, where an offer for such product exists. No fees or penalties will be charged by the issuer for any such transaction, however an execution fee might be chargeable by your broker if applicable. By selling the product before its maturity, you may receive back less than you would have received if you had kept the product until maturity.

Exchange listing	Global Exchange Market	Price quotation	Percentage
Smallest tradable unit	GBP 1,000.00		

In volatile or unusual market conditions, or in the event of technical faults/disruptions, the purchase and/or sale of the product can be temporarily hindered and/or suspended and may not be possible at all.

## 6. How can I complain?

Any complaint regarding the conduct of the person advising on, or selling, the product can be submitted directly to that person.

Any complaint regarding the product or the conduct of the manufacturer of this product can be submitted in writing at the following address: Morgan Stanley & Co. International plc, Structured Products Floor 01, 20 Bank Street, Canary Wharf, London, E14 4AD, by email to: [rspcomplaints@morganstanley.com](mailto:rspcomplaints@morganstanley.com). Please see also <http://sp.morganstanley.com/>. Complaints should include the name of the product, ISIN and reason for the complaint.

## 7. Other relevant information

The information contained in this Key Information Document does not constitute a recommendation to buy or sell the product and is no substitute for individual consultation with your bank or advisor.

The product is not in any way sponsored, sold or promoted by any relevant stock market, relevant index, related exchange or index sponsor. Further information in respect of the index is available from the index administrator.

The offering of this product has not been registered under the U.S. Securities Act of 1933. This product may not be offered or sold, directly or indirectly, in the United States of America or to U.S. persons. The term "U.S. person" is defined in Regulation S under the U.S. Securities Act of 1933, as amended.

Any additional documentation in relation to the product, in particular, the issuance programme documentation, any supplements thereto and the product terms are available free of charge from Morgan Stanley & Co. International plc, Structured Products Floor 01, 20 Bank Street, Canary Wharf, London, E14 4AD.