

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 Range Accrual Note linked to FTSE 100® Index
Product identifier	ISIN: GB00BG645687
PRIIP manufacturer	Morgan Stanley & Co. International plc (http://sp.morganstanley.com/). The product issuer is Morgan Stanley BV with a guarantee by Morgan Stanley.
Telephone number	+44-20-7425-8000
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	22 December 2022 16:03 London 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
Objectives	The product is designed to provide a return in the form of (1) conditional interest payments and (2) a cash payment on the maturity date . The amount of these payments will depend on the performance of the underlying . The product has a fixed term and will terminate on the maturity date . If, at maturity, the final reference level of the underlying has fallen below the barrier level , the product may return less than the product notional amount or even zero. Interest: On each interest payment date you will receive an interest payment of (i) GBP 23 multiplied by the number of observation dates during the relevant interest period in which the reference rate is above the lower range level and below the upper range level , divided by (ii) the total number of observation dates in the period. If this condition is not met, you will receive no interest payment on such interest payment date . The relevant dates are shown in the table(s) below.

Interest period	No. of Observation Dates per period	Interest payment dates
3 March 2023 (inclusive) to 19 May 2023 (inclusive)	12	26 May 2023
26 May 2023 (inclusive) to 11 August 2023 (inclusive)	12	18 August 2023
18 August (inclusive) to 3 November 2023 (inclusive)	12	10 November 2023
10 November 2023 (inclusive) to 26 January 2024 (inclusive)	12	02 February 2024
02 February 2024 (inclusive) to 19 April 2024 (inclusive)	12	26 April 2024
26 April 2024 (inclusive) to 12 July 2024 (inclusive)	12	19 July 2024
19 July 2024 (inclusive) to 04 October 2024 (inclusive)	12	11 October 2024
11 October 2024 (inclusive) to 27 December 2024 (inclusive)	12	03 January 2025
03 January 2025 (inclusive) to 21 March 2025 (inclusive)	12	28 March 2025
28 March 2025 (inclusive) to 13 June 2025 (inclusive)	12	20 June 2025
20 June 2025 (inclusive) to 05 September 2025 (inclusive)	12	12 September 2025
12 September 2025 (inclusive) to 28 November 2025 (inclusive)	12	05 December 2025
05 December 2025 (inclusive) to 20 February 2026 (inclusive)	12	27 February 2026
27 February 2026 (inclusive) to 15 May 2026 (inclusive)	12	22 May 2026
22 May 2026 (inclusive) to 07 August 2026 (inclusive)	12	14 August 2026
14 August 2026 (inclusive) to 30 October 2026 (inclusive)	12	06 November 2026
06 November 2026 (inclusive) to 22 January 2027 (inclusive)	12	29 January 2027
29 January 2027 (inclusive) to 16 April 2027 (inclusive)	12	23 April 2027
23 April 2027 (inclusive) to 09 July 2027 (inclusive)	12	16 July 2027
16 July 2027 (inclusive) to 01 October 2027 (inclusive)	12	08 October 2027
08 October 2027 (inclusive) to 24 December 2027 (inclusive)	12	31 December 2027
31 December 2027 (inclusive) to 17 March 2028 (inclusive)	12	24 March 2028
24 March 2028 (inclusive) to 09 June 2028 (inclusive)	12	16 June 2028
16 June 2028 (inclusive) to 01 September 2028 (inclusive)	12	08 September 2028
08 September 2028 (inclusive) to 24 November 2028 (inclusive)	12	01 December 2028
01 December 2028 (inclusive) to 26 February 2029 (inclusive)	14	05 March 2029

Termination on the maturity date: On termination of the product on the **maturity date** you will receive:

- if the **final reference level** is at or above the **barrier level**, a cash payment equal to GBP 1,000; or
- if the **final reference level** is below the **barrier level**, a cash payment directly linked to the performance of the **underlying**. The cash payment will equal (i) the **product notional amount** multiplied by (ii) (A) the **final reference level** divided by (B) the **strike level**.

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 product issuer may terminate the product early. These events are specified in the product terms and principally relate to the **underlying**, the product and the product 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.
When purchasing this product during its lifetime, the purchase price may include accrued interest on a pro rata basis.
You do not have any entitlement to a dividend from the **underlying** and you have no right to any further entitlement resulting from the **underlying** (e.g., voting rights).

Underlying	FTSE 100 Index (Price return index) (ISIN: GB0001383545; Bloomberg: UKX Index)	Barrier level	60.00% of the initial reference level
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Asset class	Equity	Reference level	The closing level of the underlying as per the reference source
Product notional amount	GBP 1,000	Reference source	FTSE
Issue price	100.00% of the product notional amount	Final reference level	The reference level on the final valuation date
Product currency	Pound Sterling (GBP)	Initial valuation date	24 February 2023
Underlying currency	GBP	Final valuation date	26 February 2029
Issue date	10 March 2023	Maturity date / term	12 March 2029
Initial reference level	The reference level on the initial valuation date	Lower range level	5,500
Strike level	100.00% of the initial reference level	Upper range level	8,500
Subscription Period	From 5 January 2023 (inclusive) to 24 February 2024 (inclusive)	Observation Dates	The start of the interest period and every seventh calendar day up to, and including the end of the interest period

Intended retail investor

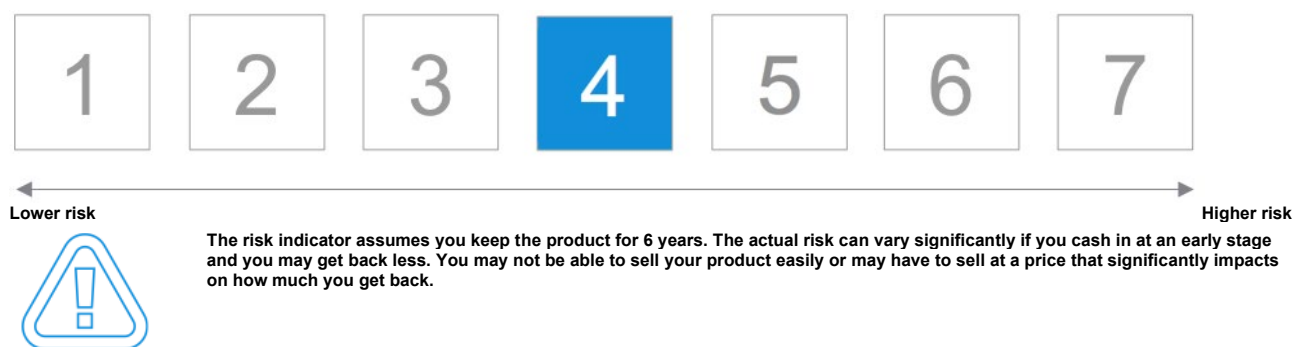
The product is intended to be offered to retail investors who fulfil all of the criteria below:

1. they have basic knowledge and/or experience of investing in similar products which provide a similar market exposure and have the ability to understand the product and its possible risks and rewards, either independently or through professional advice;
2. they seek income, expect the movement in the underlying to perform in a way that generates a favourable return and have an investment horizon of the recommended holding period specified below;
3. they accept the risk that the issuer or guarantor could fail to pay or perform its obligations under the product and they are able to bear a total 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 4 out of 7, which is a medium risk class. This rates the potential losses from future performance at a medium 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.

This product does not include any protection from future market performance so you could lose some or all of your investment.

Inflation erodes the purchasing value of cash over time and this may result in the decline in real terms of any capital reimbursed or interest you may be paid under the investment.

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

Market developments in the future cannot be accurately predicted. The scenarios shown are only an indication of some of the possible outcomes based on recent returns. Actual returns could be lower.

Investment: GBP 10,000				
Scenarios		1 year	3 years	6 years (Recommended holding period)
Stress scenario	What you might get back after costs Average return each year	GBP 5,364.00 -46.36%	GBP 4,988.00 -20.70%	GBP 3,963.00 -13.66%
Unfavourable scenario	What you might get back after costs Average return each year	GBP 9,286.00 -7.14%	GBP 8,624.00 -4.81%	GBP 7,326.00 -4.82%
Moderate scenario	What you might get back after costs Average return each year	GBP 10,312.00 3.12%	GBP 11,215.00 3.90%	GBP 12,760.00 3.94%
Favourable scenario	What you might get back after costs Average return each year	GBP 10,518.00 5.18%	GBP 12,459.00 7.60%	GBP 14,830.00 6.45%

This table shows the money you could get back over the next 6 years as well as the annualized return calculated on a compounded basis under different scenarios, assuming that you invest GBP 10,000.

The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products. The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies, and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the product. The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where we are not able to pay you. In addition, you should note that the results shown for the intermediate holding periods do not reflect estimates of the product's future value. You should therefore not base your investment decision on the results shown for these interim holding periods.

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 a deposit and as such is not covered by any deposit protection scheme.

4. What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs.

The amounts shown here are the cumulative costs of the product itself, for three different holding periods. They include potential early exit penalties. The figures assume you invest GBP 10,000. The figures are estimates and may change in the future.

Costs over time

Investment: GBP 10,000

Scenarios	If you cash in after 1 year	If you cash in after 3 years	If you cash in at the end of the recommended holding period
Total costs	GBP 695.00	GBP 751	GBP 794
Impact on return (RIY) per year	6.95%	2.27%	1.05%

The costs shown in the table above represent how much the expected costs of the product would affect your return, assuming the product performs in line with the moderate performance scenario.

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

Composition of costs

The table below shows:

- The impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period.
- The meaning of the different cost categories.

The table shows the impact on return per year.

One-off costs	<i>Entry costs</i>	1.05%	The impact of the costs already included in the price.
	<i>Exit costs</i>	0.00%	The impact of the costs of exiting your investment when it matures.
Ongoing costs	<i>Other ongoing costs</i>	0.00%	The impact of the costs that we take each year for managing your investments.

The costs shown in the table above represent the split of the reduction in yield shown in the costs over time table at the end of the recommended holding period. The split of the actual estimated costs of the product as a percentage of the **product notional amount** is estimated to be as follows: entry costs: 5.86% and exit costs: 0.00%.

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 10 January 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	Euro MTF	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, 25 Cabot Square, London E14 4QA, United Kingdom, by email to: 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, 25 Cabot Square, London E14 4QA, United Kingdom.