

Morgan Stanley

**Morgan Stanley**  
**2025 Sustainable Issuance Report**

## Introduction

In January 2025, Morgan Stanley published its [Sustainable Issuance Framework](#) (the “Framework”), which guides the issuance of green, social and sustainability instruments (together, the “Sustainable Instruments”) by Morgan Stanley or any of its wholly owned subsidiaries (collectively, “Morgan Stanley”). An amount equal to the gross proceeds raised from Sustainable Instruments will be allocated to eligible green and/or social projects (the “Eligible Portfolio”), pursuant to the Framework.

As of June 30th, 2025, Morgan Stanley has issued one green structured note. Proceeds are managed on a portfolio basis and have been allocated to renewable energy and energy storage projects.

This report provides an overview of the issued note, a breakdown of the Eligible Portfolio and the associated impact of the green projects.

## Summary of Outstanding Sustainable Instruments

| Type                                | ISIN         | Issuer                     | Currency | Settlement | Maturity | Gross Proceeds (\$USD MM) <sup>1</sup> |
|-------------------------------------|--------------|----------------------------|----------|------------|----------|----------------------------------------|
| Green                               | XS2937795388 | Morgan Stanley Finance LLC | EUR      | 02/12/25   | 02/05/35 | 28.6                                   |
| Total Green Instruments Outstanding |              |                            |          |            |          | 28.6                                   |

## Summary of Eligible Portfolio

### Breakdown by Eligible Category

| Eligible Category                         | Amount (\$USD MM) <sup>2</sup> |
|-------------------------------------------|--------------------------------|
| Renewable Energy                          | 471.1                          |
| Energy Storage                            | 64.2                           |
| Green Buildings                           | -                              |
| Clean Transportation                      | -                              |
| Sustainable Water & Wastewater Management | -                              |
| <b>Total Green Eligible Portfolio</b>     | <b>535.3</b>                   |

### Impact Highlights



# 1,318

**MW of solar capacity installed<sup>▲</sup>**

See table below for breakdown by project type



# 603

**MW of storage capacity installed<sup>▲</sup>**

See the 'Project Spotlight' section below for an illustrative project example

### 2024 Estimated Avoided Emissions<sup>3</sup>

| 2024 Total Estimated Impact  |                                            |                                             | Morgan Stanley's Share of 2024 Estimated Impact <sup>▲</sup> |                                             |
|------------------------------|--------------------------------------------|---------------------------------------------|--------------------------------------------------------------|---------------------------------------------|
| Project Type                 | Installed Solar Capacity (MW) <sup>†</sup> | Avoided Emissions (Tonnes CO <sub>2</sub> ) | Installed Solar Capacity (MW) <sup>†</sup>                   | Avoided Emissions (Tonnes CO <sub>2</sub> ) |
| Distributed Generation Solar | 1,004                                      | 643,048                                     | 357                                                          | 250,546                                     |
| Utility Solar                | 3,614                                      | 3,389,488                                   | 961                                                          | 892,564                                     |
| <b>Total</b>                 | <b>4,617</b>                               | <b>4,032,536</b>                            | <b>1,318</b>                                                 | <b>1,143,110</b>                            |

### Project Spotlight



In June 2024, Morgan Stanley committed \$325 million in tax equity financing<sup>4</sup> for the construction and operation of three standalone utility-scale battery energy storage projects in Texas: Lumina I, Lumina II and Radian. Each project offers approximately 320 megawatt-hours of storage capacity with two-hour duration and is comprised of 86 Tesla Megapacks, supporting Intersect Power's solar assets in the region. The Lumina II and Radian projects will be managed by Tesla's real-time energy trading platform.

<sup>▲</sup> Represents Morgan Stanley's share of the Eligible Portfolio's estimated impact as of June 30, 2025. Share is calculated as funded amount over project value at investment close.

<sup>†</sup> Based on nameplate capacity in megawatts (AC) provided by project sponsor.

<sup>1</sup> Based on the foreign exchange rate available at end of day on settlement date.

<sup>2</sup> Represents the amount of eligible green projects to which green instruments may be allocated, determined in accordance with U.S. Generally Accepted Accounting Principles as of June 30, 2025. The total value of eligible green projects in the Eligible Portfolio exceeds the amount of outstanding green instruments, with no unallocated proceeds remaining. Note: Totals may not sum due to rounding.

<sup>3</sup> Represents estimated tons of annual CO<sub>2</sub> avoided based on 2024 generation data and U.S. Environmental Protection Agency (EPA) 2023 Avoided Emissions Factors (AVERT) by region. If a project spans multiple regions, a national average emission factor was used for the applicable generation type. Actual 2024 generation of each project was utilized. If actual data is unavailable, estimated 2024 generation, provided by independent, external project engineers was used. Solar projects may include energy storage systems, not reflected in installed solar capacity. Reflects projects in the Eligible Portfolio on June 30, 2025, with impact metrics as of prior year end. Note: Totals may not sum due to rounding.

<sup>4</sup> Reflects the total capital committed to the project spotlighted.



## INDEPENDENT ACCOUNTANT'S REPORT

**Deloitte & Touche LLP**  
 30 Rockefeller Plaza  
 New York, NY 10112-0015  
 USA

To Those Charged with Governance:

We have examined the assertion made by Morgan Stanley and its wholly owned subsidiaries (collectively "Morgan Stanley") that as of June 30, 2025, an amount of \$28.6 million from its outstanding Green Instruments set forth in Schedule A of the Management Report on Sustainable Instruments and the Eligible Portfolio ("Management's Report") is not greater than the amount of assets in the Green Eligible Portfolio set forth in Schedule B of Management's Report (the "subject matter") and that the amounts in Schedules A and B of Management's Report meet the Eligibility Criteria set forth in Management's Report (the "criteria"). Morgan Stanley's management is responsible for its assertion. Our responsibility is to express an opinion on the subject matter based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the subject matter is presented in accordance with the criteria, in all material respects. An examination involves performing procedures to obtain evidence about the subject matter. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the subject matter, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements related to the engagement.

Our examination was not conducted for the purpose of evaluating (i) the environmental benefits of the outstanding Green Instruments or the Green Eligible Portfolio or (ii) conformance of the outstanding Green Instruments or the Green Eligible Portfolio with any third-party published principles, standards or frameworks, such as the Green Bond Principles, published by the International Capital Market Association. Accordingly, we do not express an opinion or any other form of assurance other than on management's assertion included in the accompanying Management's Report.

The preparation of the subject matter requires management to interpret the criteria, make determinations as to the relevancy of information to be included, and make estimates and assumptions that affect reported information. Obtaining sufficient appropriate evidence to support our opinion does not reduce the inherent uncertainty in the amounts and disclosures. The selection by management of a different but acceptable measurement method may have resulted in materially different amounts and disclosures being reported.

Information on pages 1, 2 and 5, which is outside of the subject matter, was not subject to our examination and, accordingly, we do not express an opinion or any form of assurance on such information.

In our opinion, the subject matter is presented in accordance with the criteria in all material respects.

/s/ Deloitte & Touche LLP

November 20, 2025

## Management Assertion Regarding Sustainable Instruments and the Eligible Portfolio

Management of Morgan Stanley and its wholly owned subsidiaries (collectively “Morgan Stanley”) is responsible for the completeness, accuracy and validity of this Management Assertion and the information in the Management Report on Sustainable Instruments and the Eligible Portfolio as of June 30, 2025 (“Management’s Report”). Management is also responsible for the collection, quantification and presentation of the information included in Management’s Report and for the selection and development of the criteria which management believes provides an objective basis for measuring and reporting on the Sustainable Instruments and the Eligible Portfolio.

Management asserts that as of June 30, 2025, an amount of \$28.6 million from its outstanding Green Instruments set forth in Schedule A of Management’s Report is not greater than the amount of assets in the Green Eligible Portfolio set forth in Schedule B of Management’s Report and that the amounts in Schedules A and B of Management’s Report meet the Eligibility Criteria set forth below.

## Management Report on Sustainable Instruments and the Eligible Portfolio

Schedule A – Sustainable Instruments Outstanding as of June 30, 2025

| Sustainable Instruments              | Gross Proceeds (\$USD MM) <sup>▲</sup> |
|--------------------------------------|----------------------------------------|
| Green Instruments                    | 28.6                                   |
| Social Instruments                   | -                                      |
| <b>Total Sustainable Instruments</b> | <b>28.6</b>                            |

Schedule B – Eligible Portfolio Assets as of June 30, 2025

| Eligible Portfolio              | Amount (\$USD MM) <sup>▲1</sup> |
|---------------------------------|---------------------------------|
| Green Eligible Portfolio        | 535.3                           |
| Social Eligible Portfolio       | -                               |
| <b>Total Eligible Portfolio</b> | <b>535.3</b>                    |

## Eligibility Criteria

Morgan Stanley issues green, social and sustainability instruments (together referred to as the “Sustainable Instruments”) included in Schedule A of Management’s Report. Morgan Stanley finances and invests in green and social assets that can be comprised of loans, investments and expenditures (together referred to as the “Eligible Portfolio”). The Eligible Portfolio included in Schedule B of Management’s Report includes projects from the Green Eligible Portfolio that meet the eligibility criteria set forth below.

| Eligible Category | Environmental Objective   | Eligibility Criteria                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-------------------|---------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Renewable Energy  | Climate change mitigation | <p>Financing for, and investments in, renewable and low-carbon energy, including the development, storage, transmission, construction, installation, operation, acquisition, maintenance, upgrades and associated costs relating to the following:</p> <ul style="list-style-type: none"> <li>• Wind energy</li> <li>• Solar energy</li> <li>• Hydro power<sup>2</sup></li> <li>• Geothermal energy facilities<sup>3</sup></li> <li>• Hydrogen produced with renewable energy</li> </ul> |
| Energy Storage    | Climate change mitigation | <p>Financing for, and investments in, battery storage systems, including the development, transmission, construction, installation, operation, acquisition, maintenance, upgrades and associated costs</p>                                                                                                                                                                                                                                                                               |

▲ USD equivalent amount uses spot Foreign Exchange rate available at end of day on settlement date.

<sup>1</sup> The reported amounts of the assets in the Eligible Portfolio are determined in accordance with U.S. Generally Accepted Accounting Principles as of June 30, 2025.

<sup>2</sup> Consists of activities that comply with any of the following: a) an electricity generation facility that is a run-of-river plant and does not have an artificial reservoir; b) an electricity generation facility with power density above 5 W/m<sup>2</sup> for projects built before 2020 and 10 W/m<sup>2</sup> for projects built after 2020; or c) an electricity generation facility where the life-cycle greenhouse gas (“GHG”) emissions from the generation of electricity from hydropower are lower than 100gCO<sub>2</sub>e/kWh for projects built before 2020 or 50gCO<sub>2</sub>e/kWh for projects built after 2020, as verified by a third party.

<sup>3</sup> Consists of activities where the life-cycle GHG emissions from generation of electricity from geothermal energy are lower than 100gCO<sub>2</sub>e/kWh, as verified by a third party.

## Disclosures

This material is not a solicitation of any offer to buy or sell any security or other financial instrument or to participate in any trading strategy. In particular, neither this document nor any other related material may be distributed or published in any jurisdiction in which it is unlawful to do so, except under circumstances that will result in compliance with any applicable laws and regulations.

Environmental, Social and Governance (“ESG”) investments in a portfolio may experience performance that is lower or higher than a portfolio not employing such practices. Portfolios with ESG restrictions and strategies as well as ESG investments may not be able to take advantage of the same opportunities or market trends as portfolios where ESG criteria are not applied. There are inconsistent ESG definitions and criteria within the industry, as well as multiple ESG ratings providers that provide ESG ratings of the same subject companies and/or securities that vary among the providers. Certain issuers of investments may have differing and inconsistent views concerning ESG criteria where the ESG claims made in offering documents or other literature may overstate ESG impact. ESG designations are as of the date of this material, and no assurance is provided that the underlying assets have maintained or will maintain any such designation or any stated ESG compliance. As a result, it is difficult to compare ESG investment products or to evaluate an ESG investment product in comparison to one that does not focus on ESG. Investors should also independently consider whether the ESG investment product meets their own ESG objectives or criteria. There is no assurance that an ESG investing strategy or techniques employed will be successful. Past performance is not a guarantee or a dependable measure of future results.

Please note that there is currently no legal, regulatory or similar definition of what constitutes a “sustainable” instrument or as to what precise attributes are required for a particular issuance to be defined as “sustainable.” Without limiting any of the statements contained herein, Morgan Stanley makes no representation or warranty as to whether an instrument constitutes a sustainable instrument, unless otherwise specified by Morgan Stanley, or whether an instrument conforms to investor expectations, objectives or criteria for investing in sustainable instruments. For information on characteristics of a specific sustainable instrument, use of proceeds, a description of applicable projects and/or any other relevant information about the instrument, please reference the offering documents for the instrument. Any decision to subscribe for or purchase any instrument should be made only after carefully reviewing such offering documents, including any documents incorporated by reference therein, and consulting with legal, tax, financial and other advisors, as appropriate.

Bonds are subject to risks, including interest rate risk. When interest rates rise, bond prices fall; generally, the longer a bond’s maturity, the more sensitive it is to this risk. Bonds may also be subject to call risk, which is the risk that the issuer will redeem the bond at its option, fully or partially, before the scheduled maturity date. The market value of bonds may fluctuate, and proceeds from sales prior to maturity may be more or less than the amount originally invested or the maturity value due to changes in market conditions, actual or perceived changes in the credit quality of the issuer or other factors. For a complete list of risk factors, please reference the offering documents for the instrument.

Certain statements herein, including expectations related to the impact of the projects in the green eligible portfolio, may be “forward-looking statements” within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995.

For more information about Morgan Stanley, visit [morganstanley.com](https://morganstanley.com).

Actual results or actions may differ from the forward-looking statements. These statements are not historical facts or statements of current conditions, but instead are based on management’s current expectations and are subject to uncertainty and changes in circumstances. These statements are not guarantees of future results or occurrences and involve certain known and unknown risks, uncertainties and assumptions that are difficult to predict and are often beyond our control. In addition, this report contains statements based on hypothetical scenarios and assumptions, which may not occur or differ significantly from actual events, and these statements should not necessarily be viewed as being representative of current or actual risk or forecasts of expected risk.

Actual results and financial conditions may differ materially from those included in these statements due to a variety of factors, including, among others, data quality and availability, global socio-demographic, political and economic conditions and trends; energy prices; technological innovations; climate-related conditions and weather events; counterparty and client behavior and financial health; the evolution of consumer behavior; insurance applicability; legislative and regulatory changes; the need for thoughtful climate policies, the challenge of balancing short-term targets with the need to facilitate an orderly transition and energy security; the potential impact of legal and regulatory obligations; and other unforeseen events or conditions, and the precautionary statements included in this report and those contained in Morgan Stanley’s periodic filings with the Securities and Exchange Commission (SEC) under the Securities Exchange Act of 1934, as amended (Exchange Act). Certain forward-looking statements included in this report are also based on assumptions, standards, metrics, methodologies and frameworks for measurement, reporting and analysis of climate change that continue to evolve, vary across jurisdictions and regulatory bodies and are the subject of proposed regulatory changes in multiple jurisdictions, which may have a material impact on our future measurement and reporting, as well as the results of the efforts set forth in this report. Any forward-looking statements made by or on behalf of Morgan Stanley speak only as to the date they are made, and Morgan Stanley does not undertake to update forward-looking statements to reflect the impact of circumstances or events that arise after the date the forward-looking statements were made.

No reports, documents or websites that are cited or referred to in this report shall be deemed to form part of or be incorporated by reference into this report. In addition, certain information contained in this report has been derived from information released by third-party sources, which Morgan Stanley believes to be reasonable, although Morgan Stanley has only been able to complete limited validation. Third-party climate information may not reflect the latest or most accurate data. To the extent that such third-party information we use is subsequently determined to be erroneous or otherwise not in keeping with best practices, it may affect our disclosures. Certain third-party information may change over time as methodologies evolve and are refined or current data changes or is restated or new data is added. These and other factors could cause results to differ materially from those expressed in the estimates and beliefs made by third parties and by Morgan Stanley.

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