

## 2023 UK Gender Pay Gap Report

Closing the UK Gender Pay Gap remains a priority for Morgan Stanley. The Gender Pay Gap is a core metric to which we hold ourselves accountable as we strive to grow the representation of women within senior leadership and in client-facing roles.

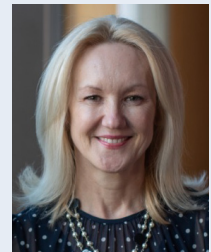
We acknowledge that closing the Gender Pay Gap will require continued focus and rigour, and we remain committed to our 5-point action plan:

- **Senior Leadership Commitment** through regular review of key metrics and alignment of our strategy with our goals. This includes annual diversity reviews and succession planning with senior leadership;
- **Focus on Recruitment**, ensuring that our experienced hiring efforts reflect our commitment to gender parity and replicate the successful outcomes of our early-career efforts, leading to increased female applicants and experienced hiring at 40%;
- **Path to Leadership and Robust Talent Management**, enhancing our talent development offerings with a focus on executive coaching, career planning and progression. We measure our success in improving gender representation in our officer promotion classes each year. In 2024, 35% of UK officer promotions were women and female MD promotions were at a 5-year record high;
- **Focus on Benefits & Wellbeing**, offering a comprehensive suite of family-friendly and gender-inclusive benefits, policies and resources. Our work in this space supports the retention and progression of working parents, along with the support of our EMEA Head of Family Advocacy;
- **Manager Education** to equip our managers with the skills and tools they need to be effective and inclusive, eliminating bias from performance processes and unlocking the value and potential of our talent.

Morgan Stanley is committed to embedding diversity and inclusion as an essential pillar of our business strategy to reflect the values of our employees, clients and shareholders as well as the demographics of the communities in which we live and work across the globe.

In this report, we publish our UK Gender Pay Gap figures for 2023.

### CEO Statement



“Our 2023 Gender Pay Gap Report illustrates the need to continue our commitment to advancing women into senior leadership positions. This is a central tenet of our diversity strategy, and is supported by making investments in resources to enhance the career progression of our talent. We are proud to report steady growth in our female officer population and promotion classes, as well as key appointments into executive roles.

Over the last few years, we set ourselves a goal of achieving 50% female representation amongst our campus and entry-level employees, which we have met. Prioritising the retention and development of this population will build a strong pipeline to achieve our long-term goal.

In six years, we have narrowed the median gender pay gap from 35.2% to 27.3% in 2023. We are committed to continued progress but appreciate there is much work still to do. Our EMEA Operating Committee continues to advance this priority and embed accountability into each of our divisions with strong oversight by firm leadership.

I confirm the data in this report is accurate.”

**Clare Woodman**  
Head of EMEA & CEO of Morgan Stanley & Co. International Plc



The Prince's Responsible Business Network  
Race at Work Charter signatory



# Executive Summary – Morgan Stanley UK Group

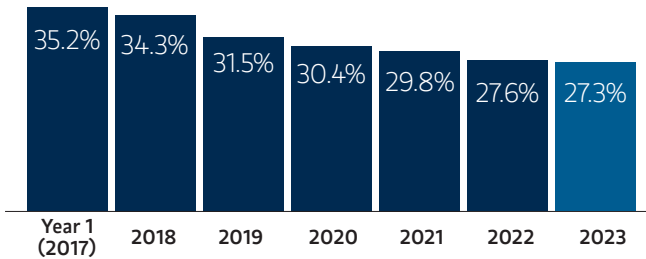
In this summary, we review the combined data of the three employment entities as Morgan Stanley UK Group (MS UK Group), which provides a more balanced reflection of our total UK workforce and enables us to highlight trends.

Fairness in our pay practices is central to our compensation strategy. Underlying our results is a greater proportion of men than women in senior positions and in businesses with the highest market rates of pay. We remain committed to reducing our Gender Pay Gap, and are confident that our focus on retention, advancement and succession planning will help us address this.

### Median Hourly Pay Gap

Our 2023 median hourly pay gap is 27.3%, which is a 0.3 percentage point decrease in comparison to 2022, and a 7.9 percentage point decrease from our first report for 2017. Whilst this demonstrates that our efforts to narrow the pay gap are yielding results, we have considerable work remaining to achieve gender balance across all levels.

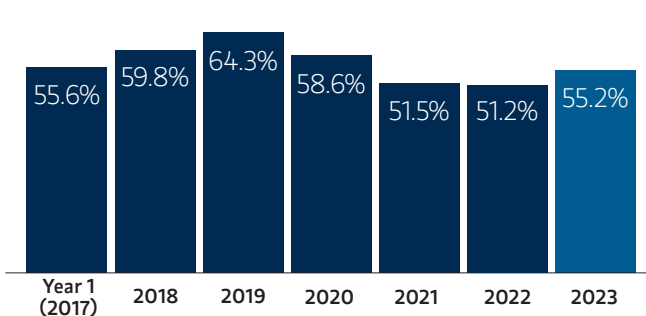
MS UK Group Median Hourly Pay Gap



### Median Bonus Gap

Our 2023 median bonus gap increased to 55.2%. This increase is mainly driven by our front office entity, Morgan Stanley & Co. International Plc, where we saw an increase in median bonus gap of 9.2%. We are confident that the growing proportion of women in entry- to mid-level roles will assist us in closing the bonus gap in the long-term. Equally, we are aware that this long-term view may impact our near-term figures, as progress made at the entry- and mid-levels is dampened by a high proportion of long-tenured men at the senior management level. In addition, we are enhancing our female talent hiring pipeline to facilitate sustainable, long-term advances in gender equity.

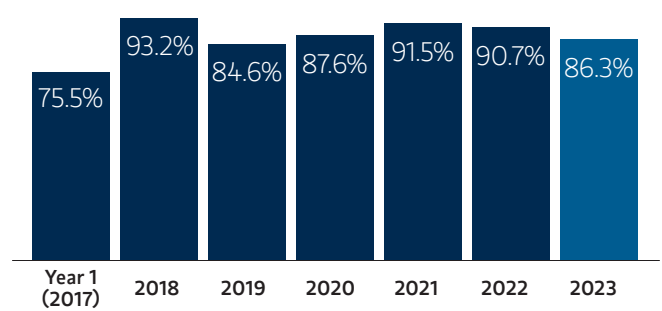
MS UK Group Median Bonus Gap



### Proportion Receiving a Bonus

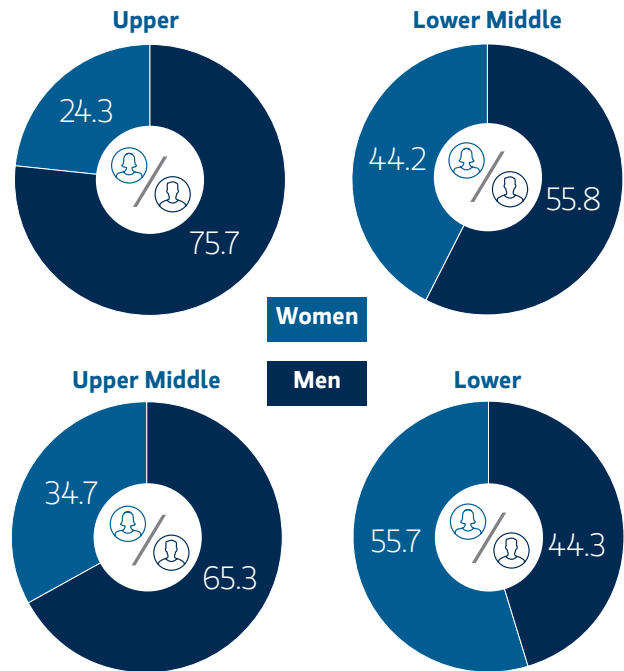
In 2023, 86.3% of eligible women received a bonus, compared to 90.7% in 2022. The higher figures seen in 2018, 2021 and 2022 are a result of special bonus payments made to all eligible employees in those years.

MS UK Group Proportion of Women Receiving a Bonus



### Pay Quartiles

Female representation in the top quartile improved by 1.1% in 2023, a 5% increase in our representation since our first report. The composition of our workforce is illustrated in the diagram below, showing the percentage of women in each pay quartile for the Morgan Stanley UK Group.



YoY Var % Women

Upper	↑ 1.1
Upper Middle	↑ 1.8

YoY Var % Women

Lower Middle	↑ 1.8
Lower	↑ 1.1

## Statutory Figures – Morgan Stanley UK Group: Morgan Stanley UK Limited, Morgan Stanley Employment Services Limited and Morgan Stanley & Co. International Plc

Detailed below is a full summary of all statutory Gender Pay Gap data for the three Morgan Stanley UK entities that had 250 or more employees as of April 2023 and comprise the Morgan Stanley UK Group (MS UK Group).

- Morgan Stanley UK Limited (MSUK – predominantly support functions)
- Morgan Stanley Employment Services Limited (MSES – mixture of revenue generating divisions and support functions)
- Morgan Stanley & Co International Plc – (MSIP – predominantly revenue generating divisions)

		MS UK GROUP	MSUK	MSES	MSIP
Snapshot pay (%)	Median	27.3	19.8	27.6	36.9
	Mean	40.1	18.3	61.4	48.0
Bonus pay (%)	Median	55.2	36.1	53.9	65.8
	Mean	68.8	33.8	82.3	67.6
Proportion who received a bonus (%)	Women	86.3	87.9	77.3	84.8
	Men	88.6	88.8	87.3	88.5
Pay quartiles (% female)	Quartile 1	55.7	54.4	52.3	55.6
	Quartile 2	44.2	47.1	55.6	37.3
	Quartile 3	34.7	37.6	40.7	28.4
	Quartile 4	24.3	28.7	26.9	15.2

### The Gender Pay Gap Explained

The Gender Pay Gap is the average pay difference between women and men across an organisation regardless of role or level.

The Gender Pay Gap is different to equal pay. Equal pay ensures that women and men are being paid equally for the same or similar role, or for work of equal value.

The Firm is committed to ensuring compensation and reward decisions are fair, equitable and consistent, and are made based on an individual's role, performance and experience regardless of gender, race, ethnicity or other demographic.