

Morgan Stanley
AT WORK

Annual Stock Plan Participant Survey

2022 Results



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Introduction



Although the majority (79%) of participants are satisfied with their stock plan benefits, only 38% understand how to maximize those stock plans.

Stock Plan Benefits Can Be a Competitive Advantage

With the ever-evolving labor market of recent years, people and companies have been scrambling to adjust. From the Great-Resignation to the Great Re-hire, 2023 could be the year of the “Great Retention”, as focus shifts to creating and maintaining employee loyalty.

Morgan Stanley at Work fielded a twenty-question annual Voice of the Participant (VOP) Survey with 86,000 U.S. stock plan participants - a 205% increase in response year-over-year (YoY) – to gather insights and feedback about stock plan experiences, and to explore the value of stock plan benefits in driving employee retention.

What remains clear is that stock plan benefits are a valuable—and valued—workplace offering, even in times of market volatility, and that maintaining employee loyalty requires some employer-led actions. Workplace financial benefits continue to be an important consideration when determining whether to accept – or stay at – a job, together with an expectation that companies will help employees get the most out of these benefits through education and other resources.

Organizations that successfully leverage equity to engage their workforce may inspire more satisfied and financially-empowered employees – and that engagement may help retain talent.

Executive Summary

Core Findings

Stock Plan perceived value is higher and so is the need for answers.

When asked what financial wellness benefits they were most interested in, employees mentioned access to financial professionals for help with investing-related questions (67%) and comprehensive financial planning with a Financial Advisor (65%) as their top two.



Less than half, **46%**, know how to reach someone to ask questions about their stock plan.

Stock Plan understanding has increased but gaps remain.

Overall knowledge about stock plan benefits had a 3-5% point increase over the past year. Yet there is still a lack of comprehension when it comes to some of the more nuanced aspects of the offering—62% of employees do not understand how to potentially maximize financial benefits from their stock plan benefits.



Only **39%** of respondents said they understand how taxes might impact their stock plan benefits.

Educational content demand is strong and key to empowering employees.

The results of our survey show that the perceived value of stock plan benefits has increased, and employers are recognizing this. The next step is to arm employees with the information they need, to help them make more confident decisions and get the most out of their stock plan benefits.

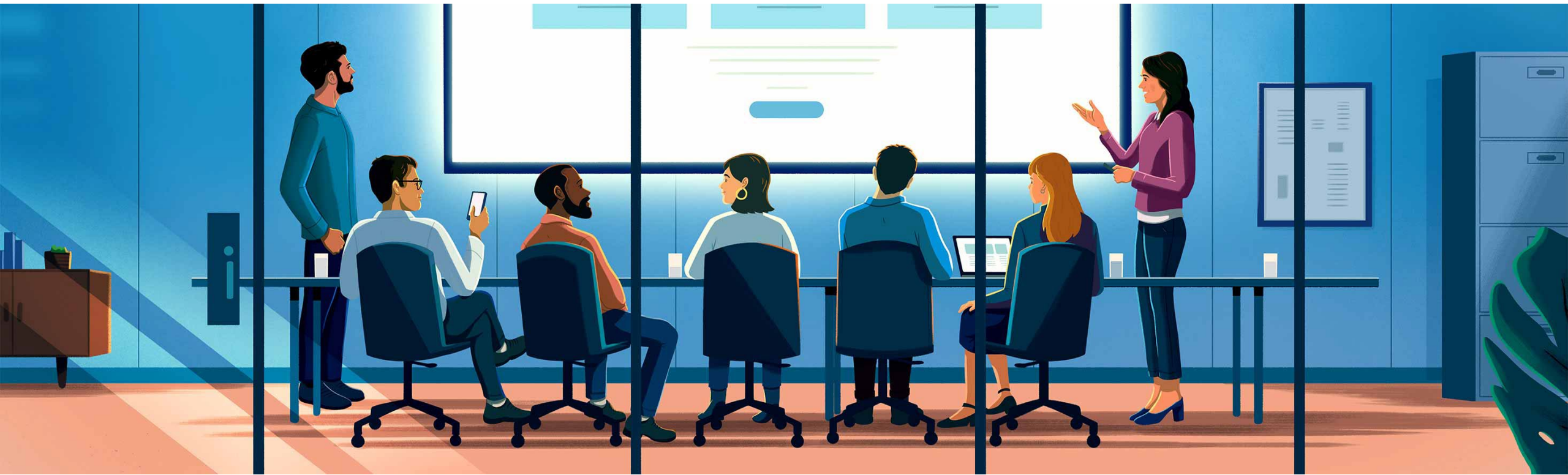


60%+ said they are likely to attend an education session on investing, stock plan benefits, or retirement.

Morgan Stanley
AT WORK

Annual Stock Plan Participant Survey

Research Methodology



Morgan Stanley at Work Voice of the Participant

Annual Survey Results

20+ question survey emailed to active, domestic stock plan participants ⁽¹⁾

Fielded: 9/22 – 10/4/2022

86K surveys completed

5.6% participation rate

Completed surveys earned a chance to win one of ten sets of Apple AirPods²



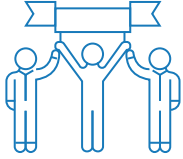
1. Excluded Officers/BOD/Sec 16
2. Survey included opportunity to opt-out of incentive due to employer gifting policy

Annual Stock Plan Participant Survey

Key Findings



Participants Value their Company Stock Plan Benefits



79% of participants were satisfied with their stock plan benefits



45% of participants said stock plan benefits were a reason they joined their companies



60% said stock plan benefits were a reason they have *stayed* at their companies



71% say stock plan benefits were a way for their company to recognize their accomplishments

COMPARED TO:

- 77% in 2021

COMPARED TO:

- 41% in 2021

COMPARED TO:

- 58% in 2021

COMPARED TO:

- 69% in 2021

Not All Participants Have the Knowledge They Need



39%

understood how **taxes** impact their stock plan benefits

COMPARED TO:

- 34% in 2021

38%

understood how to maximize the **financial benefit** from their stock plans

COMPARED TO:

- 33% in 2021

46%

knew how to reach someone to **ask questions** about their stock plan

COMPARED TO:

- 41% in 2021

Participant Satisfaction with Morgan Stanley at Work

83%

of participants reported they were somewhat or very satisfied with our website and services.

Compared to 79% in 2021

WEBSITE CUSTOMER
SATISFACTION

79%

Compared to 77% in 2021

MOBILE CUSTOMER
SATISFACTION

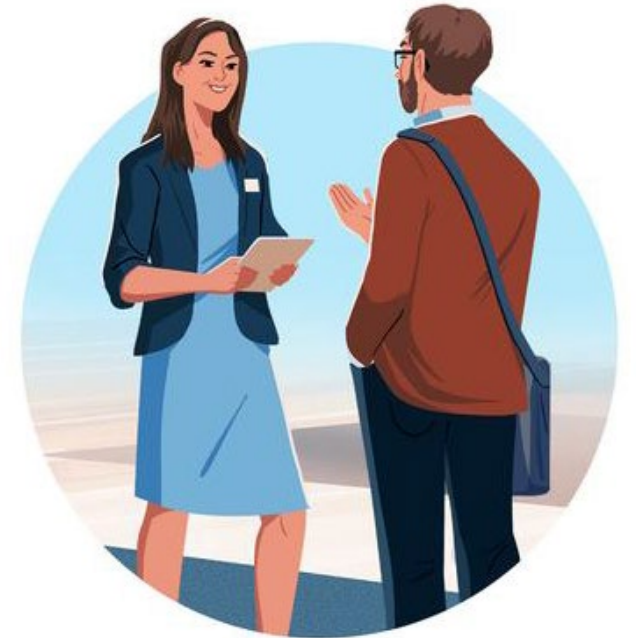
79%

Compared to 78% in 2021

CALL CENTER CUSTOMER
SATISFACTION

83%

Compared to 81% in 2021



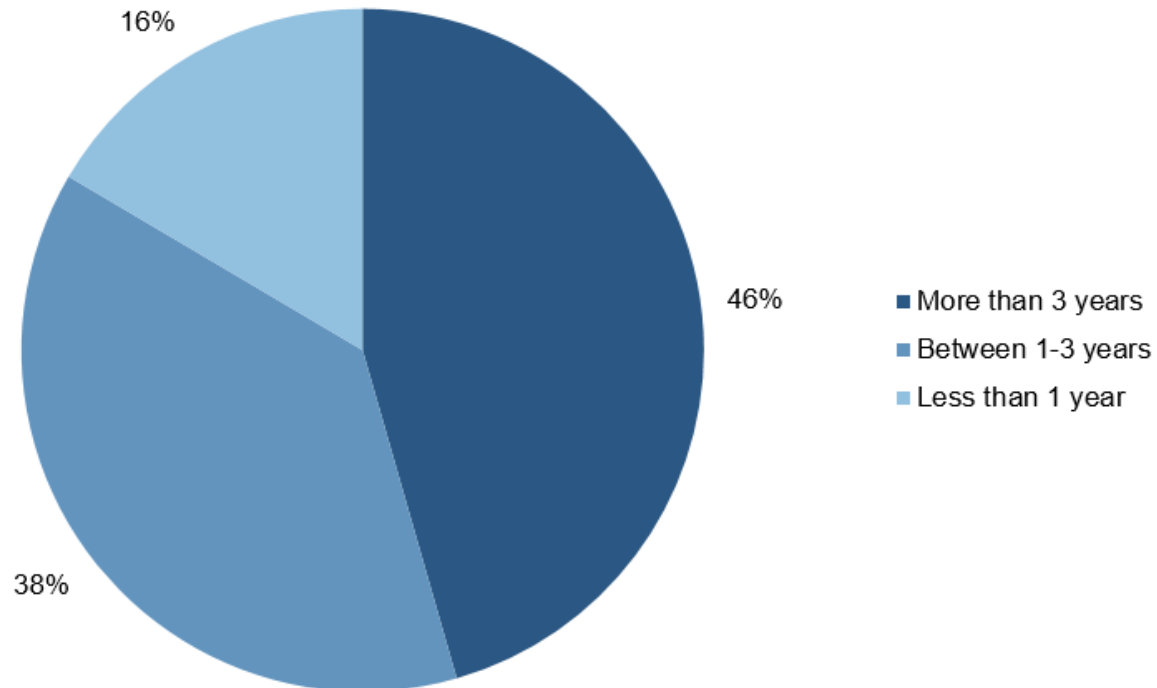
The participants' experience may not be representative of the experience of other customers. The testimonial is no guarantee of future performance or success. Morgan Stanley Smith Barney LLC has not paid a fee in exchange for the survey participation. The participants are current clients of Morgan Stanley at the time of the publication.

Annual Stock Plan Participant Survey
Stock Plan Findings



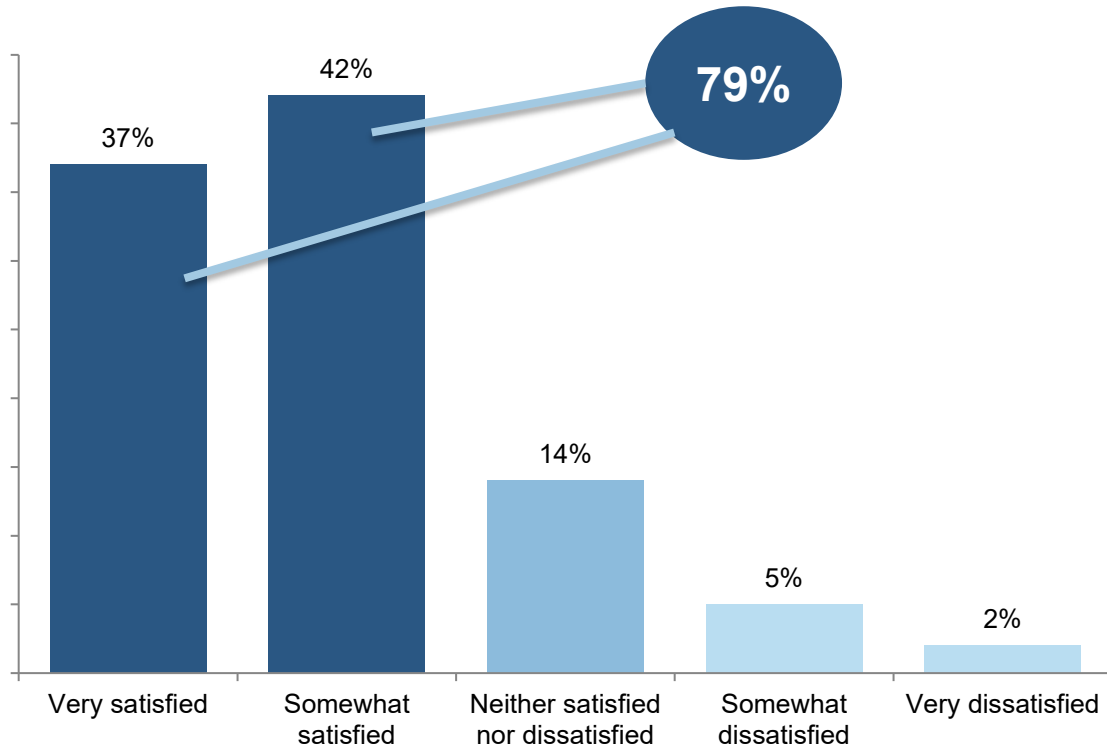
Participant Profile Overview

How long have you been participating in your company's stock plan benefit program?



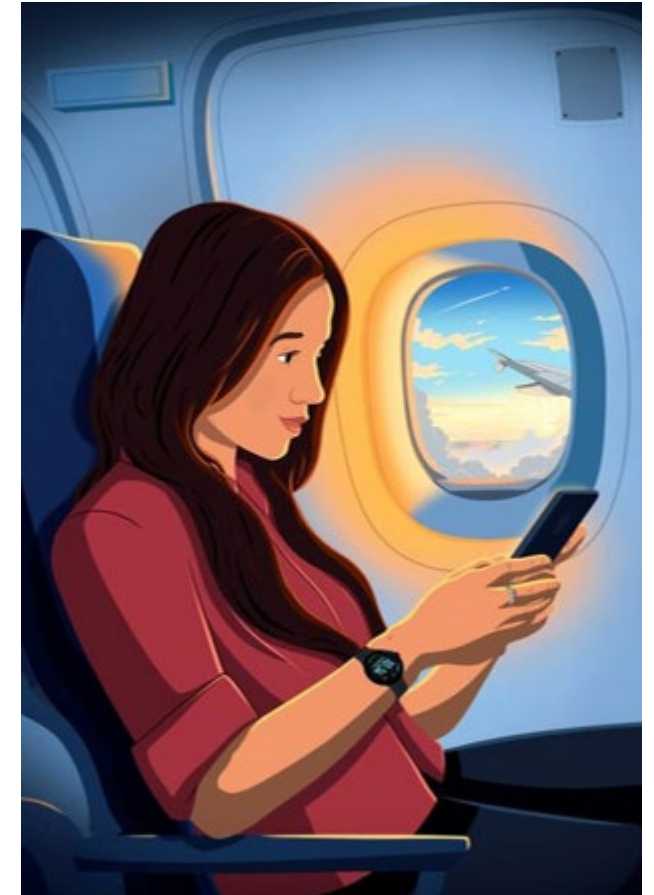
Participant Satisfaction with Company Stock Plan Benefits Remains High

Overall, how satisfied are you with your company's stock plan benefit offering?



Compared to 2021

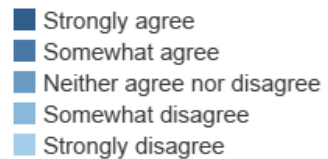
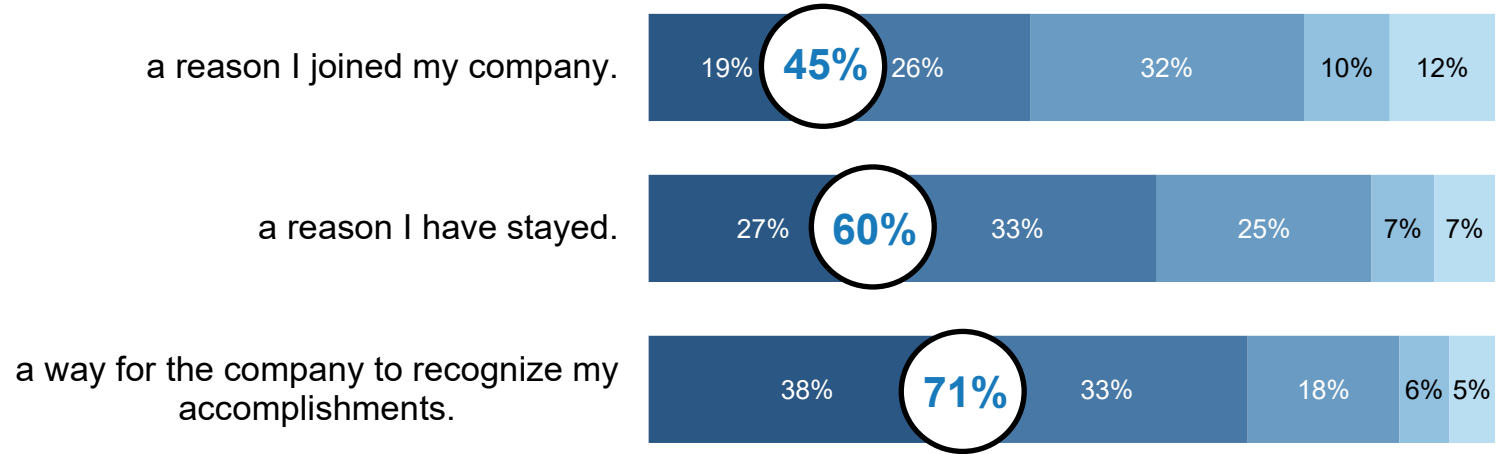
77% indicated they were very or somewhat satisfied with their company's stock plan benefit offering.



1. Satisfaction calculated as Very satisfied + Somewhat satisfied or Top 2 boxes

Participant Stock Plan Perceived Value is Higher This Year

My current stock plan benefits are:



Compared to 2021

40% ... a reason I joined my company

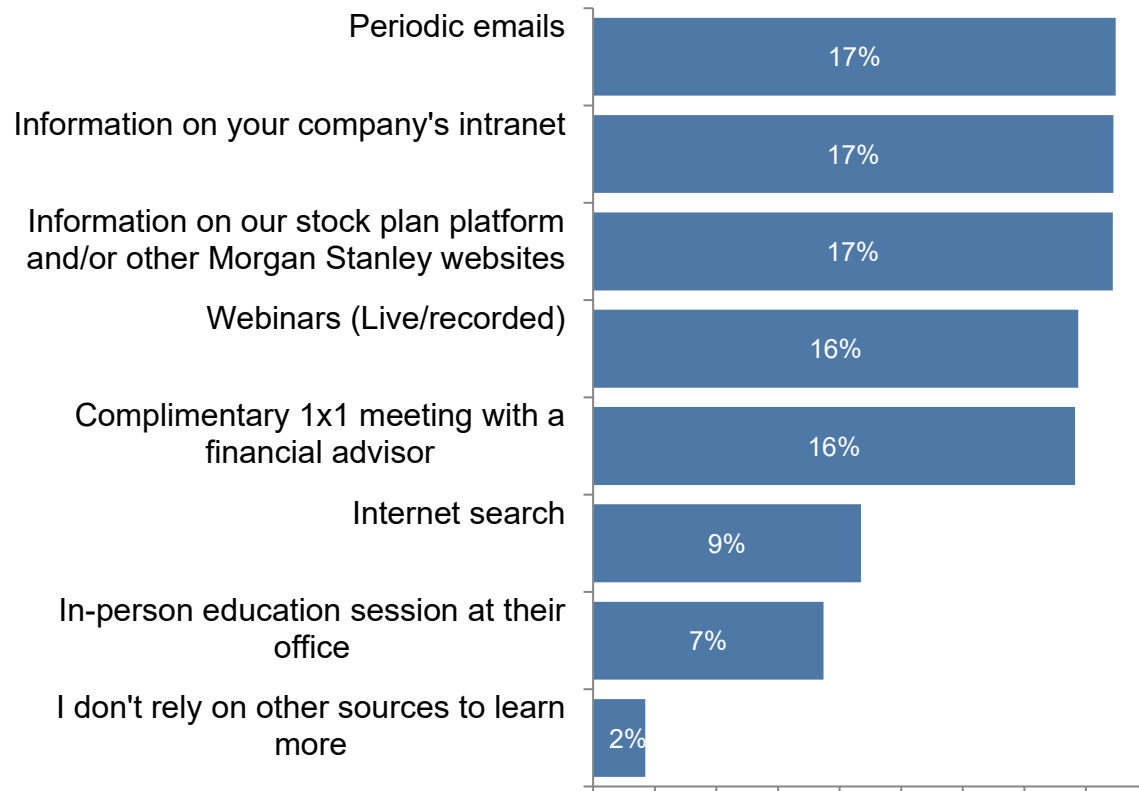
58% ... a reason I've stayed

69% ... a way for the company to recognize my accomplishments



Participant Preferred Learning Channels Are Fairly Evenly Split This Year

What is your preferred way of learning more about your stock plan benefits?



Compared to 2021

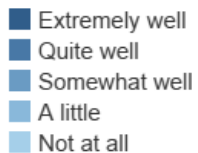
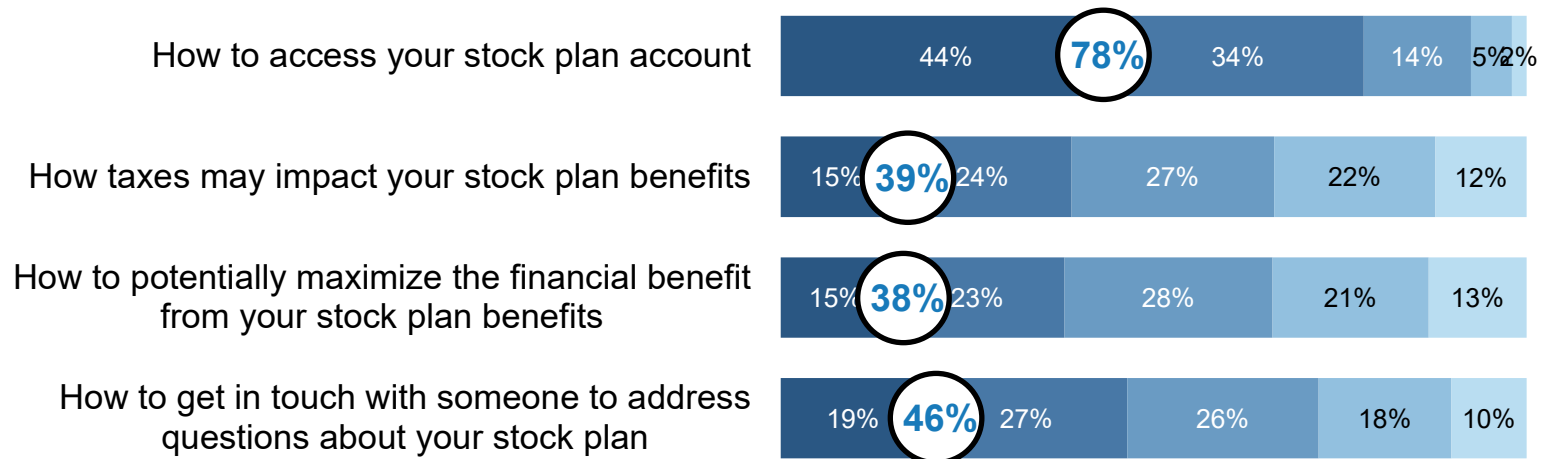
- 21% indicated that their preferred way to learn more about stock plan benefits was to rely on information on our stock plan platform or other website
- All other statistics about the same





Participant Stock Plan Comprehension Offers Educational Opportunities

How well do you understand each of the following about your company's stock plan benefits?



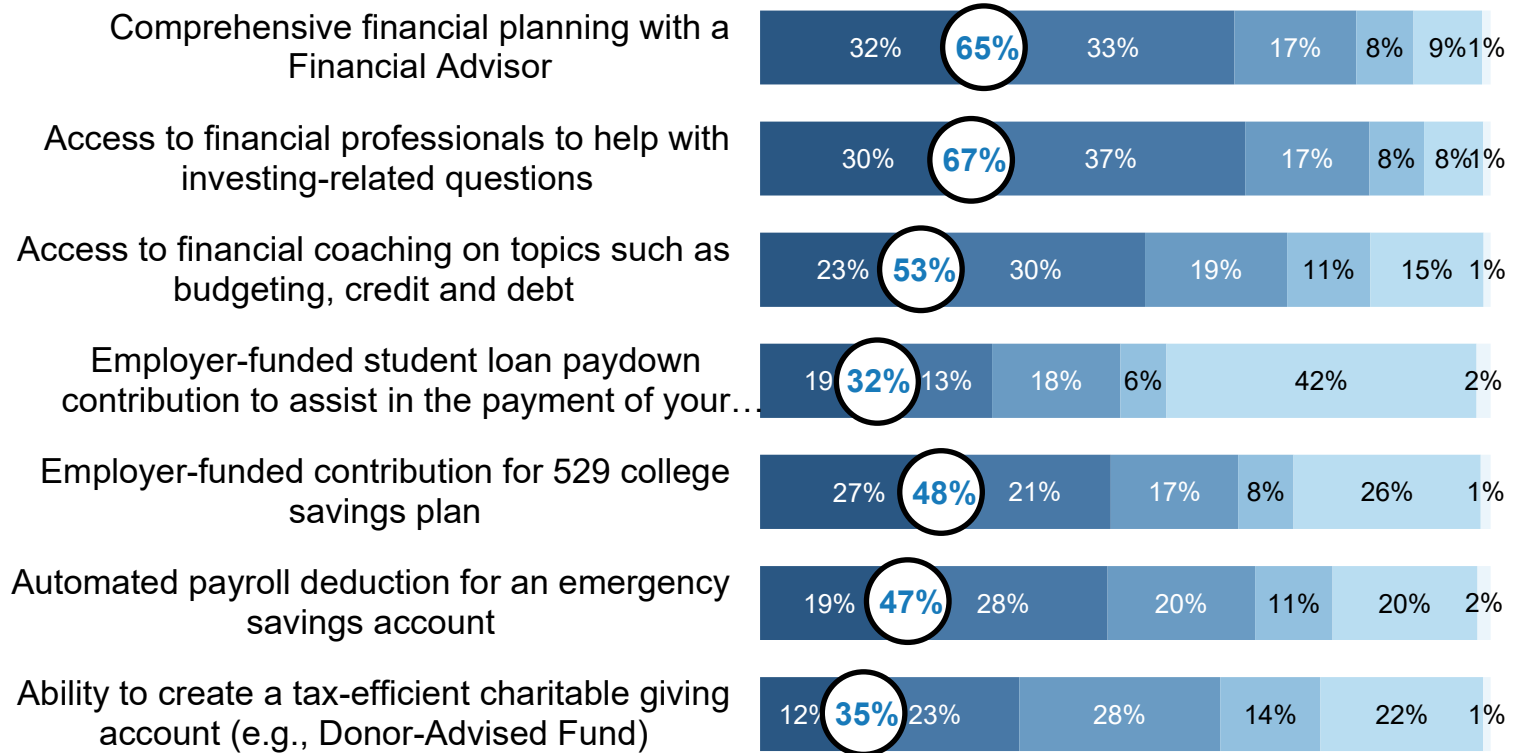
Compared to 2021

- Overall knowledge was 3-5% pts. higher this year.
- However, trends were similar: most respondents indicated they knew how to access their stock plan account (75%), but many struggled to make sense of how taxes impact stock plan benefits (34%), how to maximize their financial benefits (33%), and how to get their questions answered (41%).



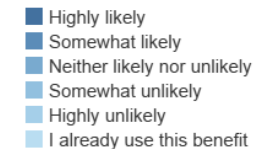
Participant Interest in Financial Wellness Benefits

If your company offered the following benefits, how likely are you to use each of the benefits listed?



Key Findings

- Participants were more interested in investing help from financial professionals (65%) than financial coaching on financial topics (53%)
- Interest in employer-funded 529 contributions (48%) and automatic payroll deductions for Emergency Savings (47%) was higher than for employer-funded student loan paydown (32%) and donor-advised funds (35%)



Annual Stock Plan Participant Survey

Participant Experience

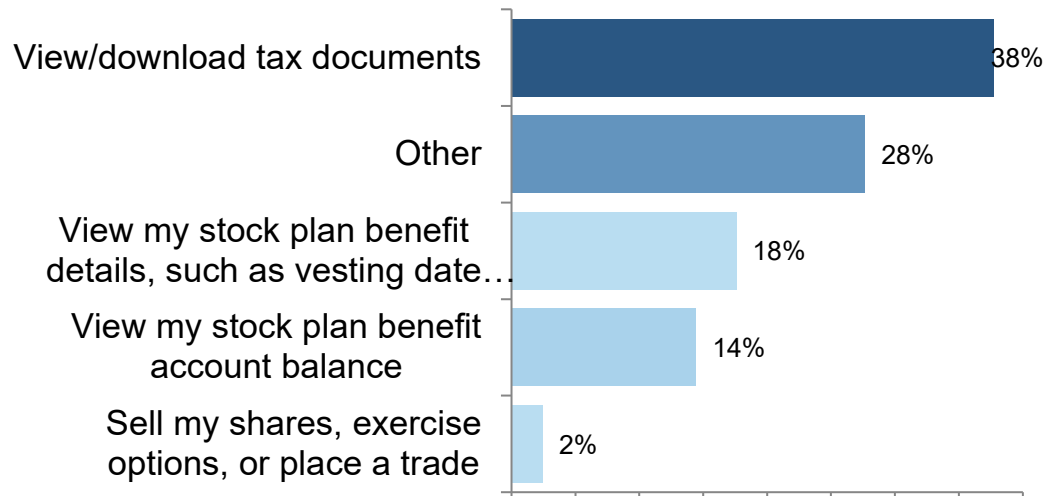




Website Activity and Satisfaction

91% of respondents reported logging into their stock plan platform in the past year. Of those that did...

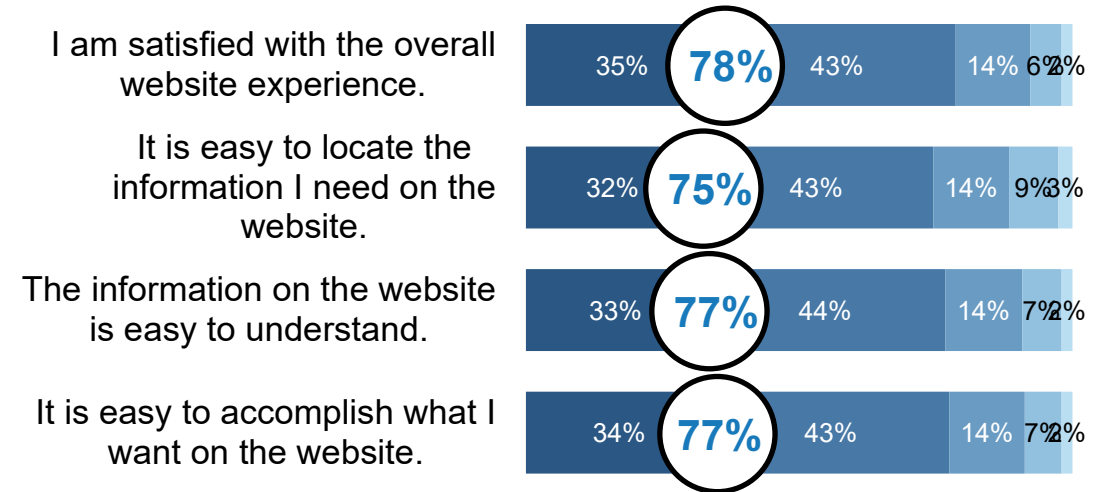
What do you typically do when you log-on to your account?



COMPARED TO:

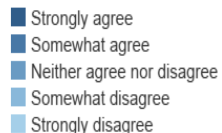
- In 2021, 39% of respondents logging in to their stock plan accounts, did so to check account balances.
- The 2022 transition to instead checking tax documents makes sense in light of depressed equity valuations.

Please rate your level of agreement with the following statements about the website:



COMPARED TO:

- In 2021 77% were satisfied with their overall website experiences
- Ease of understanding and ease of accomplishment both increased this year (from 73% and 75%, respectively)

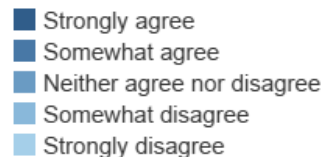
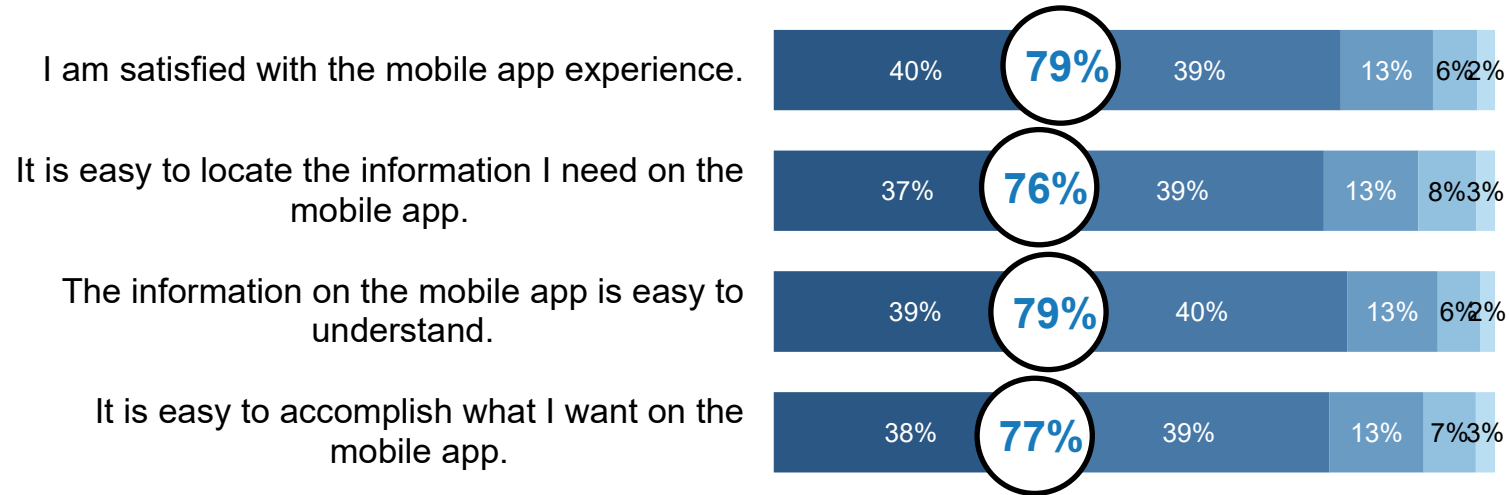




Mobile App Usage and Satisfaction Improved in 2022

41% have used the mobile app in the past year (77% E*TRADE, 23% Morgan Stanley). Of those that did...

Please rate your level of agreement with the following statements:



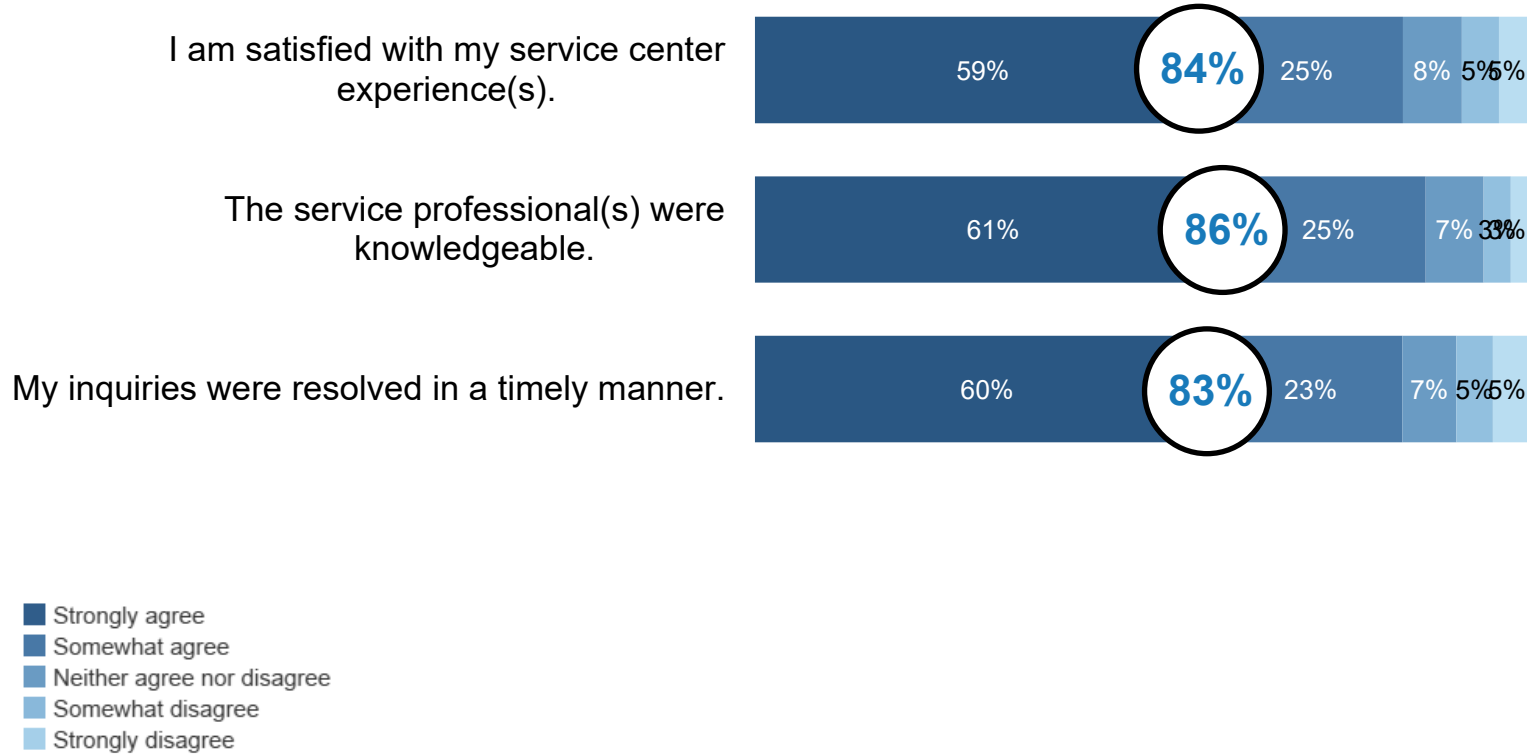
Compared to 2021

- Overall satisfaction was higher this year, likely driven by improvements in MS mobile satisfaction and more E*TRADE respondents
- 78% were satisfied with the mobile app experience
- 73% agreed it is easy to locate info on the app
- 75% agreed that information on the mobile app is easy to understand
- 71% agreed it was easy to accomplish what they want on the mobile app

Service Center Experience Perceptions Improved This Year

13% of respondents reported calling our Service Center in the past year. Of those that did...

Please rate your level of agreement with the following statements:

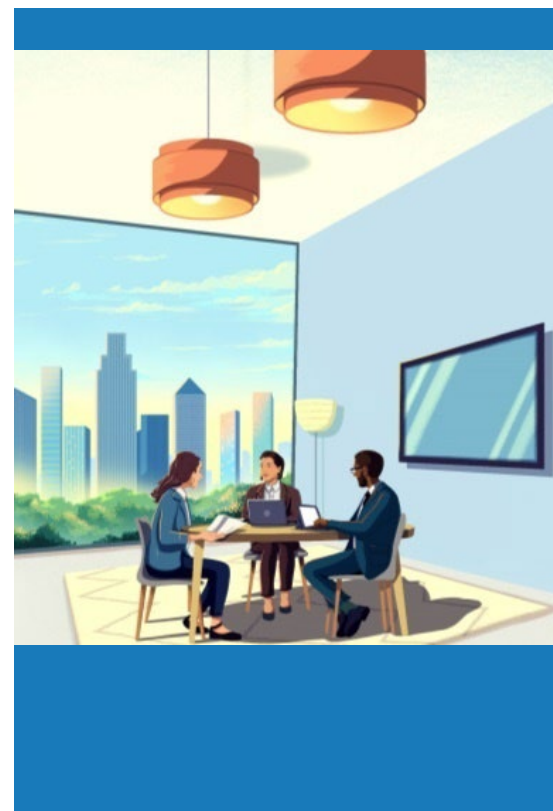


Compared to 2021

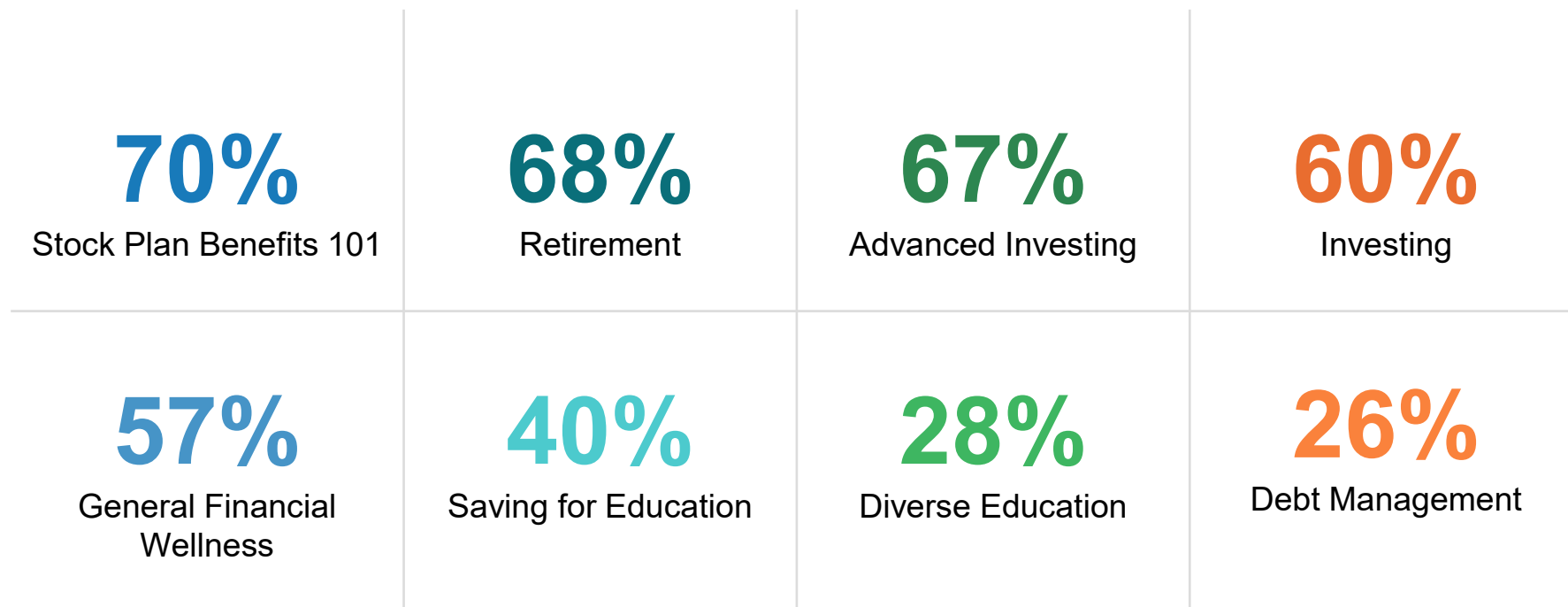
- Overall satisfaction is higher
- 82% were satisfied with the service center experience
- 85% agreed that the service professional(s) were knowledgeable
- 82% agreed that inquiries were resolved in a timely manner



Demand for Educational Content is Strong with Equity, Retirement and Investing Leading the Way



Respondents said they are likely or very likely to attend an education session from Morgan Stanley at Work on each of the following topics:



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Next Steps



Next Steps

We are happy to answer any questions or schedule a follow-up meeting to further discuss how we can help your business.



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