

## Nationwide Faces Member Backlash Over Refusal of Binding Vote on CEO's 43% Pay Rise

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Nationwide Building Society is facing mounting criticism after refusing to give its members a binding vote on a 43% pay increase awarded to its chief executive, Debbie Crosbie. The decision has sparked a backlash from customers and campaigners, who argue that such a significant pay rise, worth an additional £1.3 million, undermines the mutual principles on

which the society was founded. Despite growing calls for transparency and accountability, Nationwide's leadership insists the decision falls outside the remit of member approval.

The controversy centres on Crosbie's total remuneration package for the 2024/25 financial year, which rose to £4.15 million from £2.9 million the year before. The increase includes bonuses and long-term incentives, alongside a base salary of £1.3 million. While the society's performance has remained strong, reporting healthy profits and a stable customer base, critics argue the scale of the pay hike is excessive for a mutual organisation, which is owned by its members and not shareholders.

Nationwide confirmed it will not hold a binding vote on executive pay at its upcoming annual general meeting. Instead, members will be allowed a non-binding advisory vote, a move that has prompted frustration among campaigners. Representatives from the group Save Our Bank, which advocates for ethical banking, described the decision as a "step backward for democratic accountability." They argue that as a member-owned institution, Nationwide must reflect the views of its members in key governance decisions.

Crosbie, who joined Nationwide in 2022, has defended the remuneration package, pointing to the organisation's strong performance under her leadership. The society posted pre-tax profits of £1.8 billion, a figure bolstered by increased mortgage lending and strong savings inflows. However, campaigners maintain that high executive pay contradicts the ethos of mutual banking, which is supposed to prioritise customers over profit.

The issue is drawing wider attention at a time when executive compensation is under scrutiny across the financial sector. With cost-of-living pressures still weighing heavily on many households, critics warn that awarding multi-million-pound pay packages risks alienating customers and damaging trust. The Building Societies Association has encouraged greater transparency among mutuals but stopped short of recommending mandatory binding votes on pay.

As tensions escalate ahead of Nationwide's AGM, the pay controversy is shaping into a test of whether Britain's largest building society can balance performance-based incentives with the expectations of its member-owners. The outcome may influence future debates on governance within the mutual sector.