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Analysis of UK CEO Pay in 2025/26: High Pay Centre

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July 2026

Summary of key findings

- Median FTSE 100 CEO pay increased 8.6% to £5.06 million from £4.66 million in 24/25.
- Mean FTSE 100 CEO pay decreased from £6.09 million to £5.89 million last year.
- The median FTSE 100 CEO pay of £5.06 million is 130:1 times the median earnings of a UK full-time worker in 2025 (£39,039)[1], up from 124:1 last year.
- The number of CEOs paid in the £1 - £4 million range decreased from 39 last year to 32, with the number in the £4 - £10 million range increasing from 44 to 50. The number paid in the £10 million plus range was 11, versus 12 last year.
- A total of 66 firms (70%) increased their CEOs pay package from the previous year, up from 61% of firms who did so last year
- The mean LTIP payment increased 20% from £2,258k last year to £2,709k, while the mean STIP award increased 14% from £1,614k to £1,843k.
- 97% of firms awarded their CEO an STIP bonus, up from 93% last year, while 80% awarded an LTIP, down from 84%.
- In total, £856.6 million was spent on FTSE 100 executives, including £550.4 million on CEOs. This figure was £1bn last year, though this was skewed by the £212 million paid to executives at Melrose
- The median total spend on executives by a company was £7.47 million, up from £6.74 million last year
- Currently 10 FTSE 100 companies have female CEOs. This is one fewer than last year. In three of these cases, however, they only became CEO part way through the year, while Liv Garfield was replaced at Severn Trent by James Jesic.

Introduction

This year's annual CEO pay report may unfortunately be the High Pay Centre's last one. Having announced our closure last week, while there is a possibility that the organisation may find a way to re-open, there is no guarantee that we will be here next year to publish such an analysis next year.

This is extremely unfortunate in the context of this year's findings, which show the most significant growth in the gap between FTSE 100 CEO pay and UK worker pay that we have seen for 8 years and with CEO pay levels reaching their highest levels for the 4th year in a row.

This is at least partially the consequence of successive governments neglecting the issue of corporate governance reform and turning a blind eye to the issues of excessive pay and excessive pay inequality. In this context, we hope that this year's report will illustrate the urgent need for these issues to return higher up the political agenda and for the new Prime Minister to make corporate governance part of a wider programme of economic reform. Increasing the sense of fairness within companies and ensuring that businesses work in the interests of wider society, rather than against it, is fundamental to restoring public trust in business and business leaders [2]. It is also essential to building an inclusive economy, with a more productive workforce that can drive long-term prosperity.

Recent polling in the UK showed 65% of respondents in support of limiting the gap between CEOs and their lowest paid employees to a maximum 10:1 ratio [3]. While many would argue that this is unachievable, it does demonstrate the huge disparity between how the economy functions in practice and the general public's conception of fairness. It also shows that a government willing to take more radical action on addressing extreme pay inequality is likely to have the public on its side.

This report, detailing CEO pay levels at FTSE 100 companies in 2025/26, is intended to provide an insight into the pay practices at some of the UK's biggest employers, illustrating the extent to which those at the top benefit from the UK's current corporate culture.

Annual reports of UK-listed companies provide a range of useful data on CEO compensation and employee award, assisting stakeholders track broader trends across different types of business models and sectors. This analysis provides a comprehensive overview of the key trends in FTSE100 CEO pay for 2026, highlighting how pay practices change over time, the impact this has on pay growth relative to the wider UK workforce and how a select group of high earners in listed firms may benefit disproportionately from the UK's current business framework at the expense of the wider workforce.

Methodology

Our research covers the FTSE 100 cohort as at June 2026 and analyses the information published in their annual reports for their financial year ending between 1 April 2025 and 31 March 2026.

We excluded FTSE 100 companies Alliance Witan, Scottish Mortgage Investment Trust, Foreign & Colonial Investment Trust, Polar Capital Technology Trust, Tritat Big Box REIT and Pershing Square Holdings from our analysis as they are externally managed investment trusts and therefore not relevant to the study of CEO and employee pay.

Figures for total CEO pay are based on the 'single figure' disclosed in companies' annual reports, calculated according to a methodology prescribed by government regulation. In cases where there has been a change of CEO during the financial year, the figure reflects the total remuneration awarded to the two (or more) individuals in their role as CEO, including any one-off costs like transfer expenses and golden handshakes.

Where we have calculated the proportion of CEO pay made up of bonuses and LTIPs, we have counted all instances in which a bonus or LTIP was not paid as 0. This includes companies where a bonus or LTIP scheme was not in place, as well as those where the minimum performance criteria to trigger a pay-out were not met, or where the bonus or LTIP was waived on a discretionary basis.

Averages (mean and median)

Both the mean and the median are single values that describe the middle or average of a range of values. The mean is calculated by adding together all the values in a dataset and then dividing the result by the number of values in that dataset. To find the mean pay received by FTSE CEOs, we have added all of the CEO single figures together and then divided the total by the number of FTSE CEOs in our sample (94 excluding Scottish Mortgage, Foreign & Colonial Investment Trust, Alliance Witan, Polar Capital Technology Trust, Tritax Big Box REIT and Pershing Square Holdings as discussed). The median is found by listing all the values in numerical order. If there is an odd number of values, the median is the number in the middle of the list; if there is an even number of values, the median is the mean of the two middle numbers. Both the mean and median figures are useful in exploring the distribution of single figure outcomes received by FTSE CEOs. If the mean and median single figures for remuneration were the same, this would indicate that there was no skew in how pay has been distributed. If the mean and the median are widely different, the dataset is skewed, either by the presence of very low earners (where the mean is below the median) or by a group of very high earners (where the mean is above the median).

Foreign exchange rates

All pay figures have been converted to sterling before analysing the data. We have used the spot rates closest to each company's year-end. These are taken from government sources [4].

Analysis of Executive Pay in 2025/26

FTSE 100 CEO pay trends in 2025/26

Median FTSE100 pay was £5.06 million in 2025/26. As was the case last year, this is now the highest level of median pay on record, representing an increase of 8.6% from £4.66 million last year. Mean pay stood at £5.89 million, down 3.3% on the £6.09 million reported last year. However, this decrease can mostly be attributed to an exceptionally high pay award for Melrose Industries of £58.93m. If Melrose is excluded from last year and this year's samples, mean pay would have increased by 6.5% from £5.53m to £5.89m [5].

The median figure of £5.06 million means a typical FTSE100 CEO is paid 130 times that of a median UK worker (£39,039), up from 124 times last year. This is the largest gap between the pay of FTSE 100 CEOs and the UK median worker since 2017/18.

Figure 1: The ten FTSE 100 companies with the highest CEO pay in 2024/25

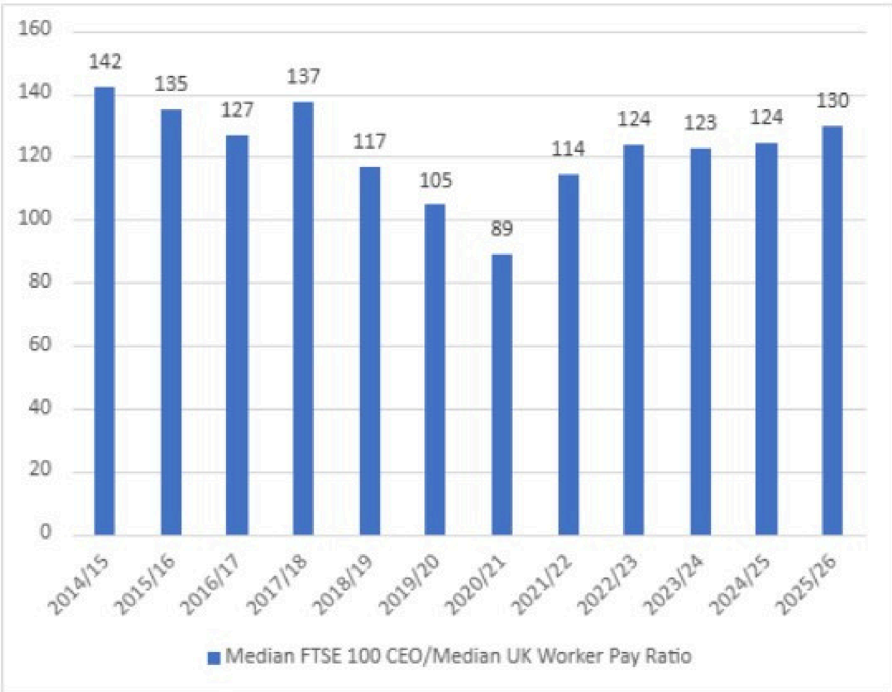


Figure Two: Median single figure of FTSE 100 CEOs since 2014/15 (£m)

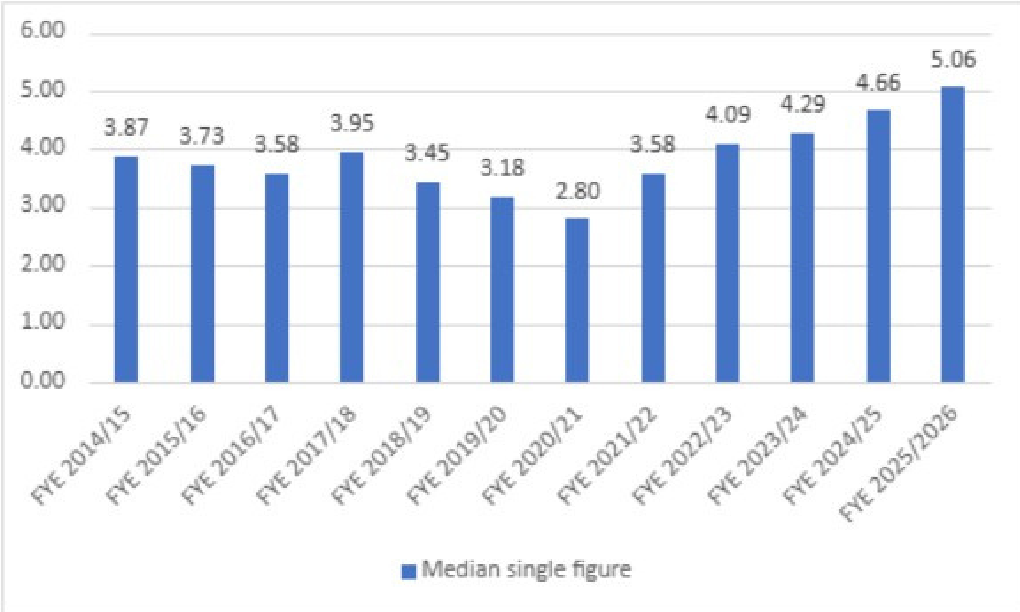


Figure Three: Mean single figure of FTSE 100 CEOs since 2014/15 (£000s)

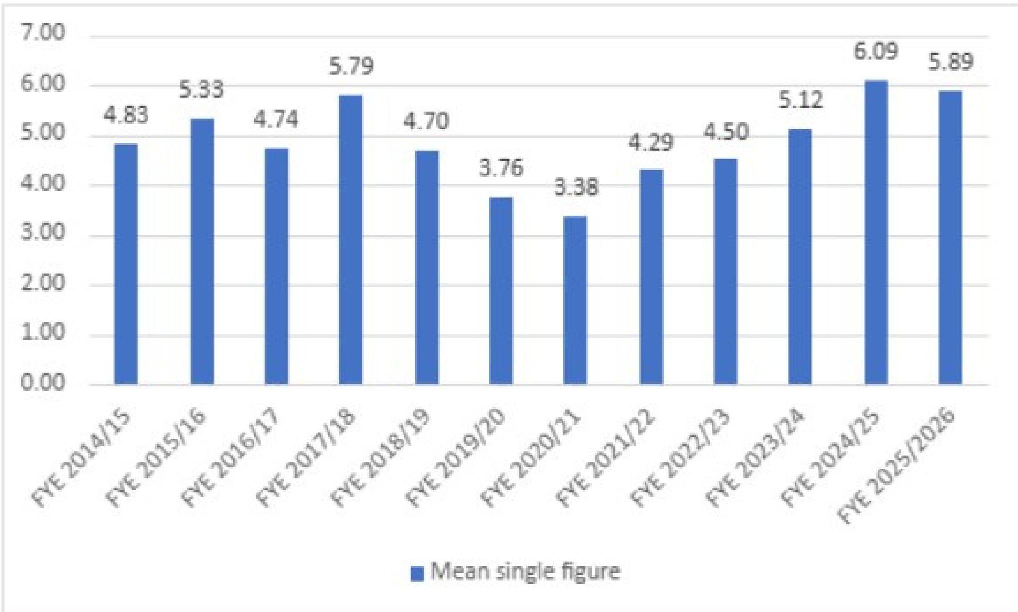
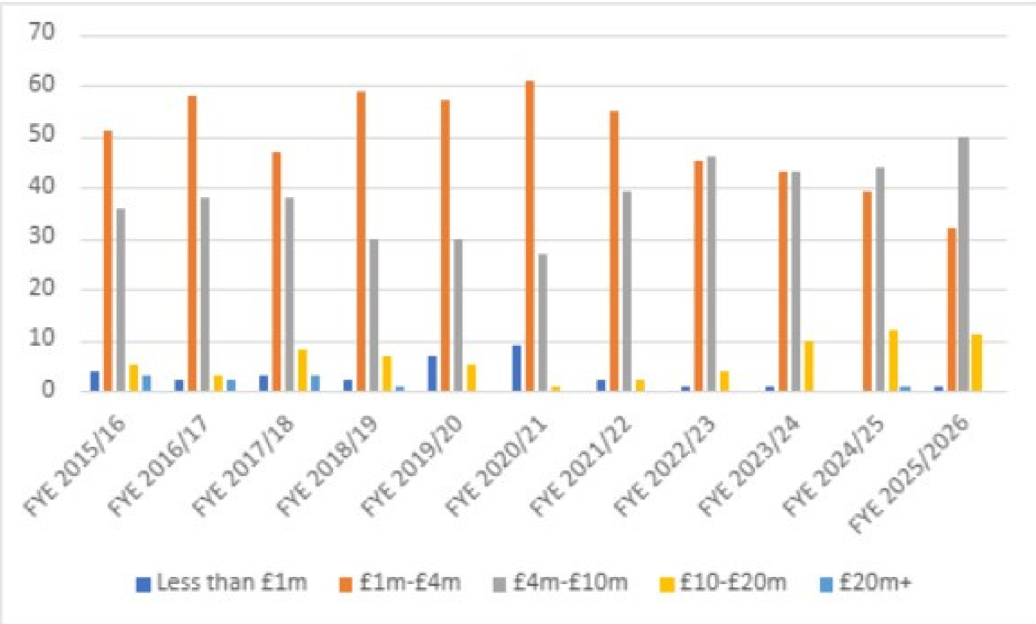


Table One: The ten FTSE 100 companies with the highest CEO pay in 2025/2026

Company	CEO	Pay (£m)
AstraZeneca	Pascal Soriot	17,696
GSK	Emma Walmsley	15,681
Barclays	C.S. Venkatakrishnan	15,045
Shell	Wael Sawan	13,756
Standard Chartered	Bill Winters	12,694
BAE Systems	Charles Woodburn	12,397
RELX	Erik Engstrom	11,436
Tesco	Ken Murphy	10,842
Compass	Dominic Blakemore	10,508
IHG	Elie Maalouf	10,317

The increase in median CEO pay now means there are fewer CEOs paid in the £1m - £4m range, dropping from 39 firms to 32 from last year, while the number in the £4m - £10m range has increased from 44 to 50. Unlike last year, there are no CEOs paid above £20m.

Figure Four: Distribution of FTSE 100 CEO single figure pay (no. of CEOs)



A total of 66 firms (70%) increased their CEO's pay package from the previous year, up from 61% of firms who did so last year. 27 (29%) firms awarded a smaller pay package from last year, down from 38% in 2024/2025.

Table Two: The 5 FTSE 100 companies with the highest absolute increases in CEO pay from 2024/25 to 2025/26

Company	CEO	Pay Increase (£m)
Endeavour Mining	Ian Cockerill	10.999[6]
Vodafone	Margherita Della Valle	5.307
Shell	Wael Sawan	5.141
GSK	Emma Walmsley	5.122
Barclays	C.S. Venkatakrishnan	3.423

Table Three: The 5 FTSE 100 companies with the largest absolute decreases in CEO pay from 2024/25 to 2025/26

Company	CEO	Pay Decrease (£m)
Melrose	Peter Dilnot	-56.152
Pearson	Omar Abbosh	-13.572
Legal & General	Antonio Simoes	-7.454
HSBC	Georges Elhedery	-5.335
Coca-Cola	Damian Gammell	-4.051

Table Four: The 5 FTSE 100 companies with the highest percentage increases in CEO pay from 2024/25 to 2025/26

Company	CEO	Pay Increase (%)
Smiths Group	Roland Carter	165
Games Workshop	Kevin Rountree	145
BT	Allisson Kirkby	124
Vodafone	Margherita Della Valle	110
M&G	Andrea Rossi	85

Table Five: The 5 FTSE 100 companies with the highest percentage decreases in CEO pay from 2024/25 to 2025/26

Company	CEO	Pay Decrease (%)
Melrose	Peter Dilnot	-95
Pearson	Omar Abbosh	-83
Legal & General	Antonio Simoes	-71
British Land	Simon Carter	-65
Severn Trent	LIv Garfield/James Jesic	-47

CEO Pay Components

A CEO's pay package is formed of base salary, a short-term incentive plan (STIP) based on performance during the year, long-term incentives (LTIP) based on performance over a longer time span, as well as pension and other benefits. Figure four highlights the split in these separate components, with almost half (45%) of a CEO's pay package coming from LTIP. Unlike a typical employee, just 18% on average comes in the form of salary.

Together, bonuses in the form of LTIP and STIP formed 76% of total pay, up from 72% last year. This is down to the mean LTIP payment increasing from £2,258k last year to £2,709k. In the same period, the mean STIP award increased from £1,614k to £1,844k. In total, 97% of firms awarded their CEO an STIP bonus, up from 93% last year, while 80% awarded an LTIP, down from 84%.

Total STIP awards amounted to £173.3 million, up from £150.1 million in 2024/25. Total LTIP awards reached £254.7 million, up from £210 million the previous year.

Figure 5: Mean components in FTSE 100 single-figure pay for 2025/26 (£000)

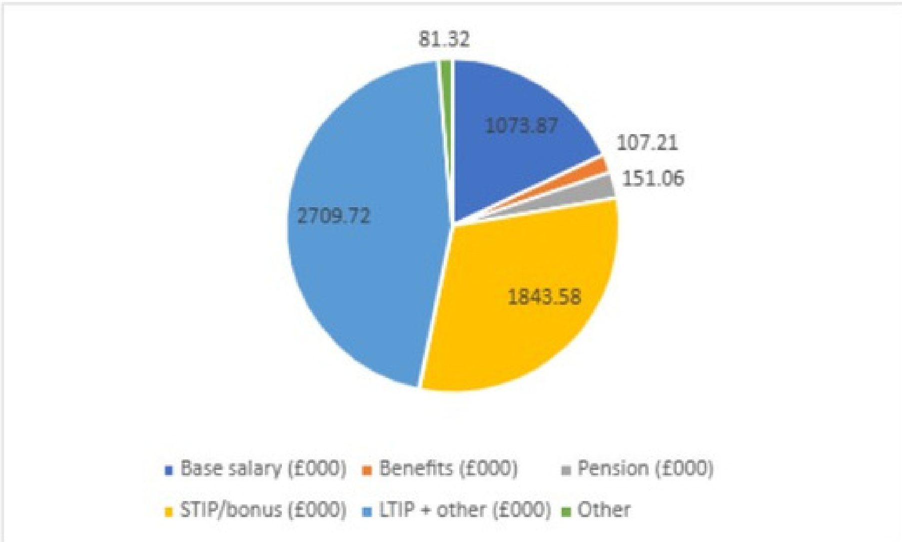
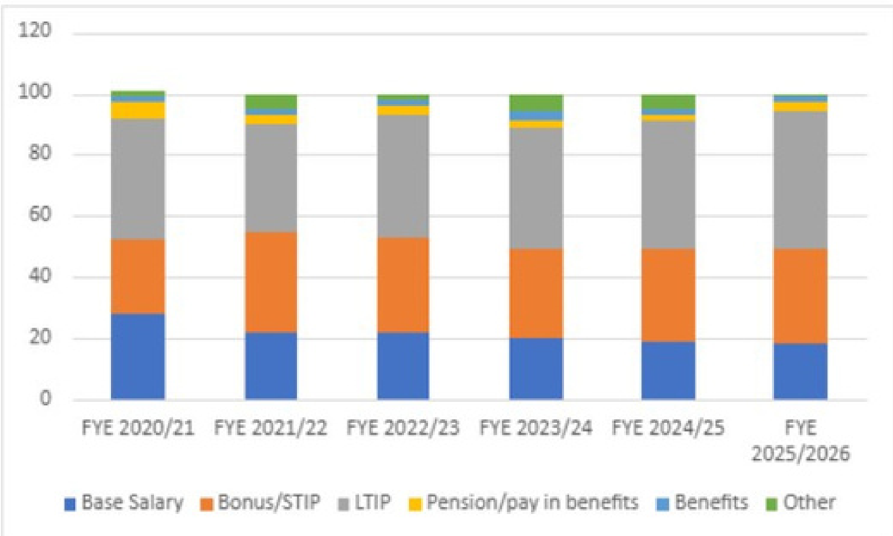


Figure Six: Mean year-on-year comparison of components of FTSE 100 single figure pay (%)



The pay of other executives

While the pay of CEOs is crucial to understanding the nature of internal firm inequality, the pay of other top earners below the CEO represents a further opportunity cost in terms of pay increases for the wider workforce. Unfortunately, disclosures on these individuals are rare, making it hard to ascertain the nature of this opportunity cost with detail. Disclosure of the pay of other executives, however, does offer an element of insight into this. In total, £856.6 million was spent on FTSE 100 executives, including £550.4 million on CEOs. The median total spend on an executive was £7.47 million, up from £6.74 million last year. Six firms spent over £20 million on all of their executives, down from seven last year.

Table Six: Five FTSE 100 companies with the highest expenditure on executive pay in 2024/25

Company	Pay (£m)	Number of Executives
BAE Systems	32.443	3
AstraZeneca	25.542	2
GSK	25.411	2
Barclays	24.015	2
Shell	22.226	2

Diversity

Currently 10 FTSE 100 companies have female CEOs. This is one fewer than last year. In three of these cases, however, they only became CEO part way through the year, while Liv Garfield was replaced at Severn Trent by James Jesic. Of the firms that had a female CEO for the entire year, the median single figure of pay was £5.695 million, up from £3.27 million. This increase was in large part down to the £15m+ pay package for Emma Walmsley at GSK.

Conclusion

The data from this year illustrates how the UK's model of executive pay is at a crossroads. A typical FTSE 100 CEO's total compensation is at the highest it has ever been, while the gap in between these executives and the median UK worker is the highest it's been for 8 years. With growing calls for UK CEO pay to align with US-style executive compensation, ensuring that such awards are fair and proportionate is more important than ever. An 8.6% median CEO pay increase, at a time when employee wages continue to stagnate, living standards fall and the cost-of-living crisis continues, is in neither the country's nor the economy's best interests.

It is more evident than ever that tough questions have to be asked of companies, the government and regulators over what a fair and proportionate system of pay looks like. While measures increasing transparency over pay are welcome and have enabled stakeholders to depict the inherent unfairness in the UK's business model, they have not gone far enough in preventing rampant executive pay or ensuring a more equitable distribution of corporate wealth.

Policy recommendations

The High Pay Centre believes that the following policy recommendations would help to ensure fairer, more proportionate and economically sensible levels of executive pay. These recommendations build on our Charter for Fair Pay published in Autumn 2024, as well as submissions to government consultations undertaken as part of the Employment Rights Act and our Summer 2025 analysis of FTSE 100 pay ratio disclosures. All relevant publications can be found at highpaycentre.org/publications.

1. Implement the Employment Rights Bill in full

The relationship between stronger trade union coverage and reduced intra-firm and societal pay inequality is well documented. With enhanced representation and bargaining power, workers are empowered to negotiate a fairer share of the wealth created by their labour, relative to senior managers and wealthy investors. The Employment Rights Act makes some really positive steps in this respect, requiring employers to notify workers of their right to join a trade union and guaranteeing unions reasonable access to workplaces, so they can inform workers about the work done by unions, enabling them to make a free and informed choice on union membership. These proposals should be implemented in full and supplemented by limitations on the ability to manipulate votes on union recognition, and assurances that a vote to recognise a union also involves a right to consultation on major business practice decisions.

2. **Introduce worker representation on company boards**

Large companies should be required to reserve a proportion of board seats for directors elected by the workforce, with at least one such representative serving on the remuneration committee. This would bring frontline perspectives into boardroom discussions and improve accountability on decisions relating to pay and corporate culture. Workers, who often have a greater stake in the long-term success of the company than investors who can sell their shares more easily than workers can change jobs, are also likely to favour productivity -enhancing investment over measures to boost short-term profitability. The forthcoming Audit Reform and Corporate Governance Bill provides an opportunity to implement this requirement.

3. **Reform corporate reporting on pay**

The Secretary of State for Business and Trade's commitment to a review of corporate non-financial reporting is welcome – annual reports typically run to over 200 pages in length, very often as a result of lengthy narrative reporting that is essentially included as a marketing exercise, but still often lack fundamental information on how workers at the company are paid. It would be particularly useful for reports to provide detail on the number and cost of high earners within set pay bands, as is the case for charities and government bodies, as well as the number paid below a local living wage rate. This would enable investors and other stakeholders to better assess the value and opportunity costs of expenditure on top pay, as well as any potential risks arising from low pay or from the impact of pay inequality on workforce morale. More granular disclosure of pay information would also enable workers and their representatives to take a more informed position in pay negotiations, potentially leading to better pay outcomes for low- and middle-earning workers.

4. **A 'Fat Cat Tax'**

A way of directly addressing extreme pay inequality between executives and workers could be a new 'Fat Cat Tax', whereby firms would pay a corporation tax surcharge on their yearly profits if single-figure remuneration for an executive director exceeds a specified multiple of the median UK worker's salary. This would be a progressive system, starting with a small tax on those pay packages that exceed 10:1, before increasing in size at thresholds of 50:1, 100:1, 200:1 and 500:1. Not only would this incentivise firms to scale back the levels of corporate wealth flowing to a small handful of individuals but also could be used to raise funds to be invested in education and early years provision, helping to tackle inequality at source. While companies would not be prevented from continuing to pay sizeable fees to their leaders, increased tax receipts would help ensure that there is a shared societal benefit to such a model if it persists.

Endnotes

[1] Office for National Statistics, Annual Survey of Hours and Earnings, 23 October 2025
[2] Ipsos (2025), Ipsos Veracity Index 2025
[3] YouGov (2026). https://yougov.com/en-gb/daily-results/20260417-642b4-3
[4] HMRC exchange rates for 2025: monthly, via https://www.trade-tariff.service.gov.uk/exchange_rates/monthly?year=2025
[5] It is worth noting that Melrose make the bulk of their CEO pay awards through 'employee share plans' which pay out on a 5 yearly basis. In seven of the past ten financial year's Melrose's CEO single figure pay has been below £1.5 million i.e. considerably lower that median single figure pay in each of these years.
[6] The prior-year single-figure remuneration for former CEO Sébastien de Montessus was –US$10.954m following the application of clawback and malus provisions after his dismissal, while current Ian Cockerill was paid $2,565 that year with his pay increasing to $3,557 in the most recent financial year. While De Montessus's tenure ended on 4 January 2024 due to serious misconduct, since this date and the time of the clawback took place during that financial year (the previous full financial year to the data used for this report), this explains why CEO pay for this financial year has increased by $10,999