

# RBK

## Annual Credit Union Benchmarking Results

RONAN KILBANE  
RBK

# BENCHMARKING

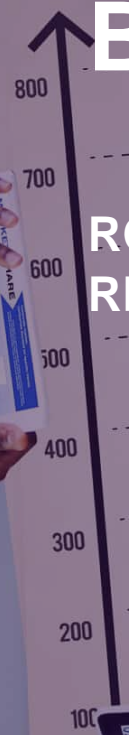
+40.25 \$

-05.75 \$

30%

65%

Entity	EJ+EO	IDGH	EJ+EO	LSM/VK	EJ+EO
Entity 1	86.560	0.650	86.560	24.7050	86.560
Entity 2	57.030	0.607	57.030	5.7540	57.030
Entity 3	5.7540	0.607	5.7540	0.650	5.7540



▲ 86.560	0.650
▲ 57.030	807.5
▲ 5.7540	0.607



# Benchmarking 2025: Survey Context

- 14th Annual Benchmarking Survey
- Survey responses from 72 Credit Unions (PY – 57) and financial data used from 85 Credit Unions (PY - 81) from published annual reports
- Sample of Credit Unions represented €14.43B or 64% of total asset size of Credit Union movement in the State (Sector Asset size was approx. €22.5B across 172 Credit Unions as at 30 September 2025)
- Certain financial data: Results for 30 September 2025 with comparatives for 30 September 2024 from annual reports
- Contributions from Credit Unions ranging in asset size from €5m to €613m
- Mix of Community and Industrial Credit Unions

# Benchmarking 2026: CBI Financial Conditions

- Now 172 trading Credit Unions – down from 183 at 30 September 2024 (228 in 2020)
- Credit Unions with assets > €100m is 71 equivalent to 76% of sector assets
- Assets are a record high of €22.52B
- Loan to asset ratio is an average of 33.9%
- Return on Assets has increased to 1.05%
- Cost to income ratio has shown a 2.5% decrease to 71.5%
- Arrears are at a 10 year low – 2.2%

# Benchmarking 2026: Key Survey Findings

- Continued loan demand reflected in increased Loan to Asset Ratios
- Higher Returns on Investments leading to higher Return on Assets and stable reserves
- Lower Cost to income ratios but a warning of reducing interest rate effects on the Horizon
- Long term lending is growing and capacity under-utilised
- Two Thirds find it challenging to embed ALM
- Online is where its at – utilising technology is a must
- Operational Resilience implementation remains a challenge due to lack of testing
- Cyber Risk remains high
- Skills shortages are the main recruitment challenge

# Areas Covered in the Benchmarking



Financials



Loan Book



Strategy



Human Resources



KPI's



Operational Resilience, BCP, Cyber & IT



ESG



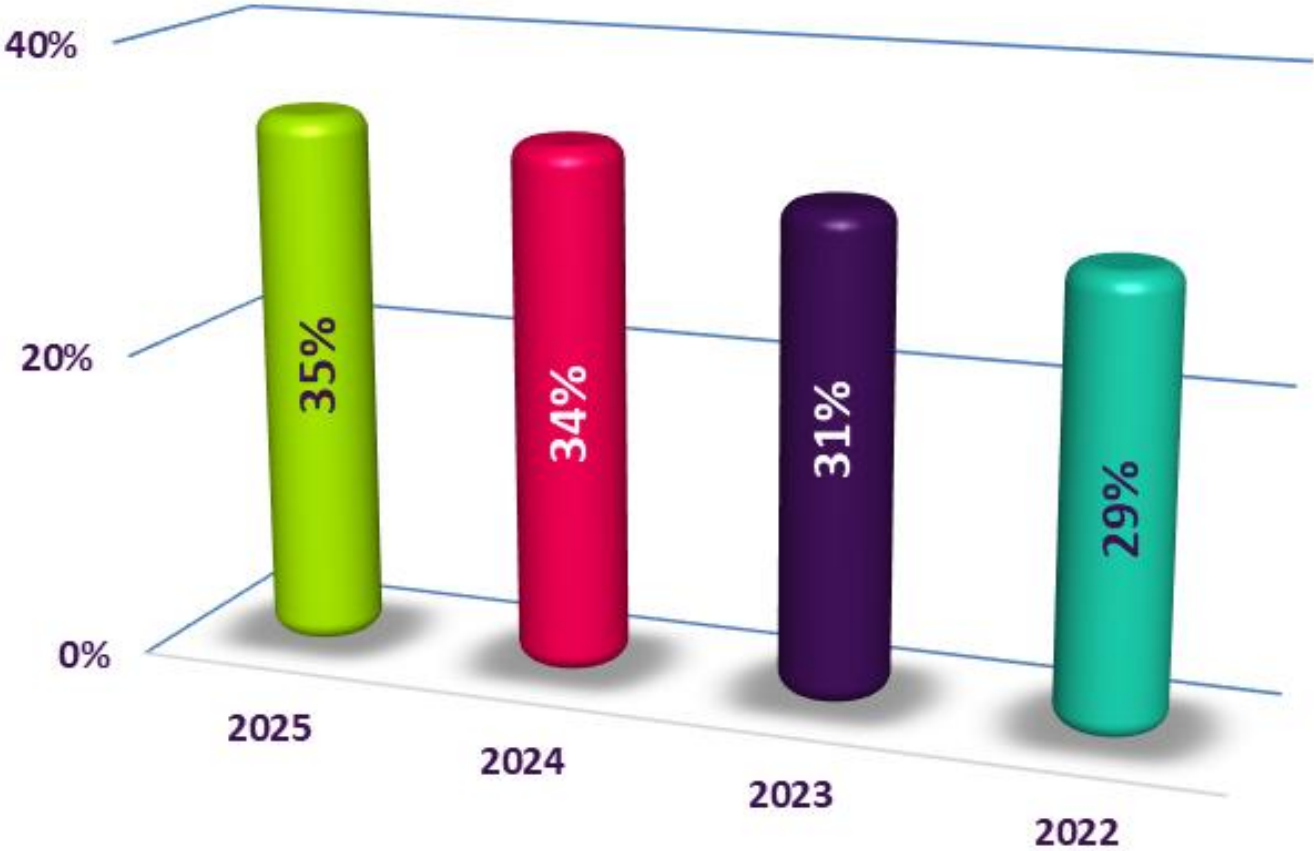
Marketing



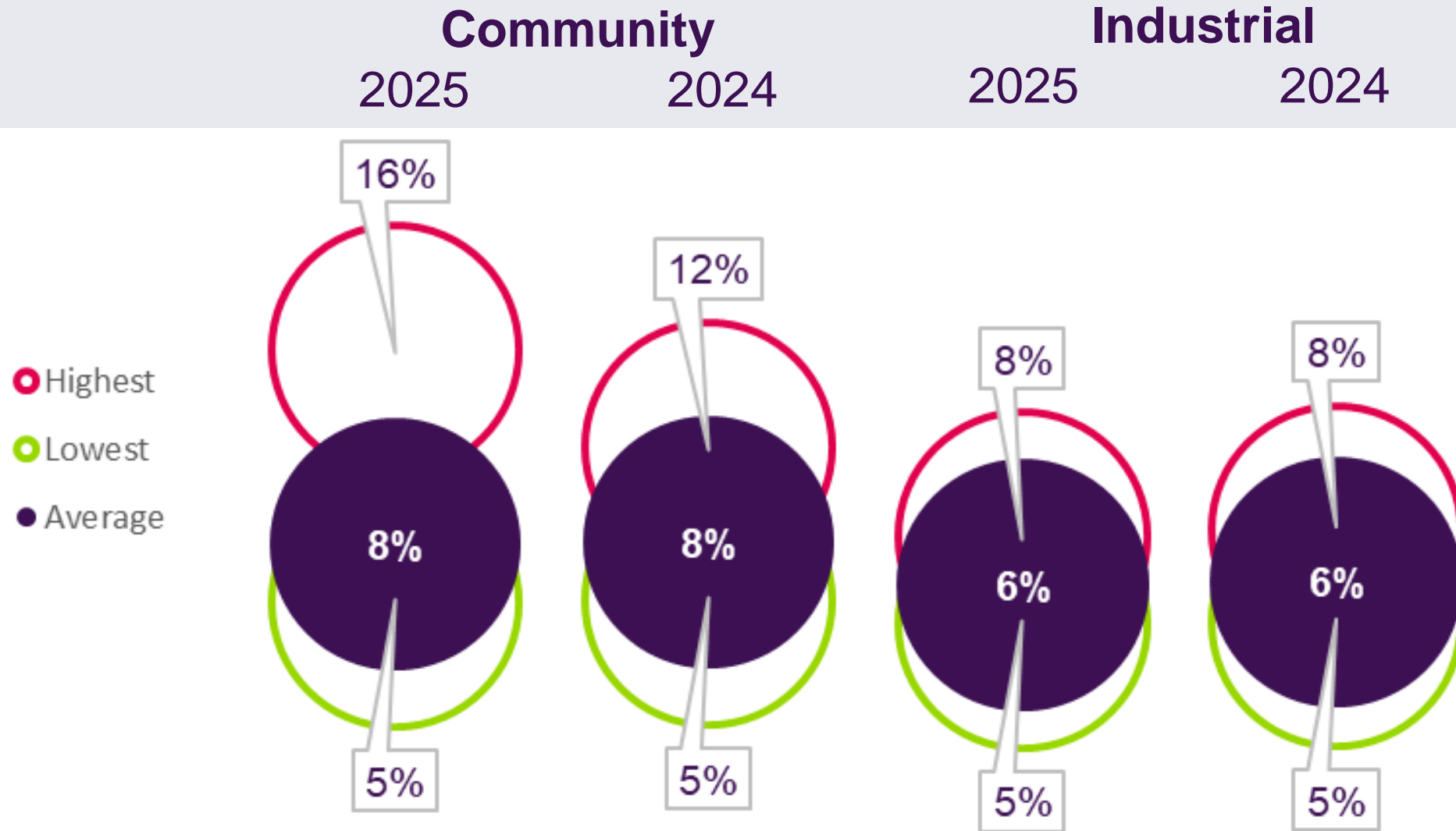


# Financials

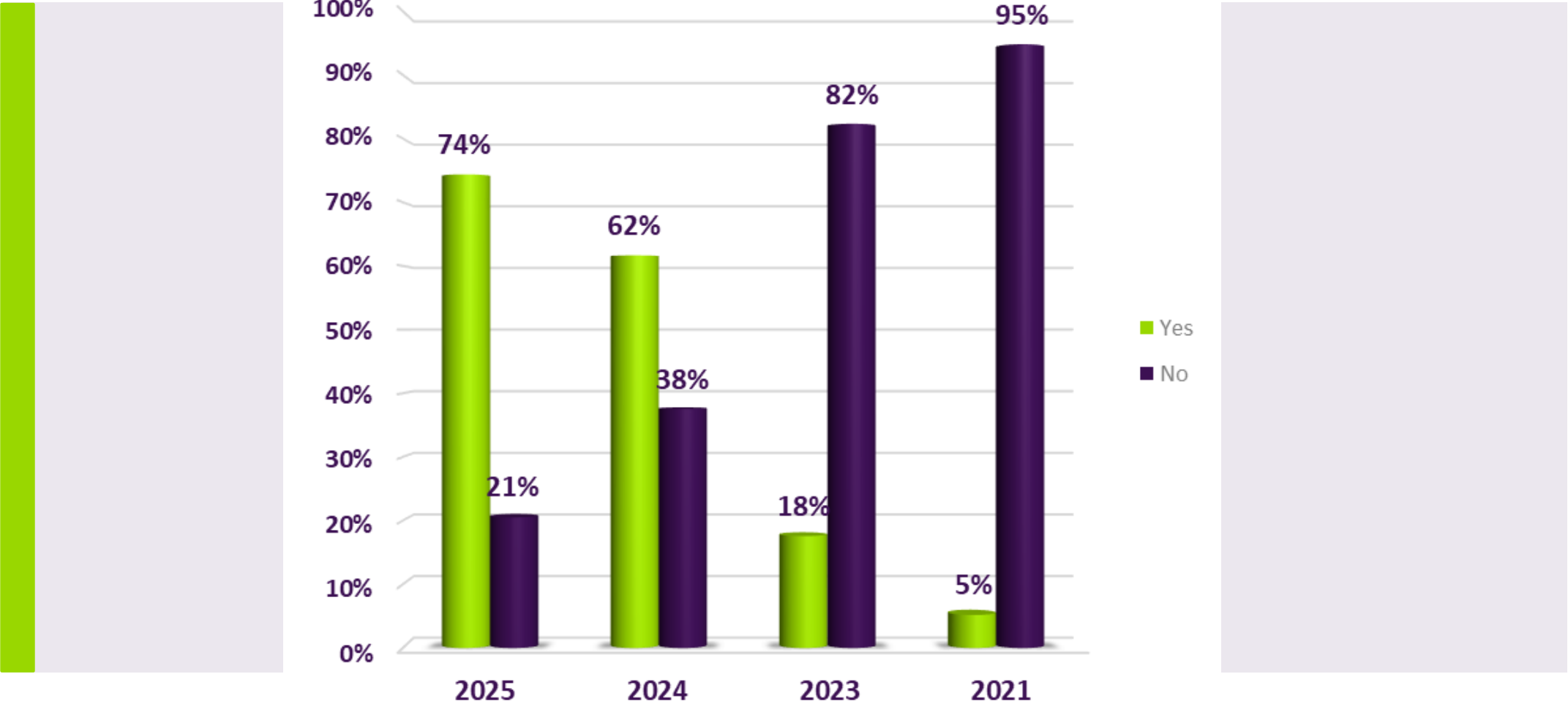
# Gross Loan Book % of Assets



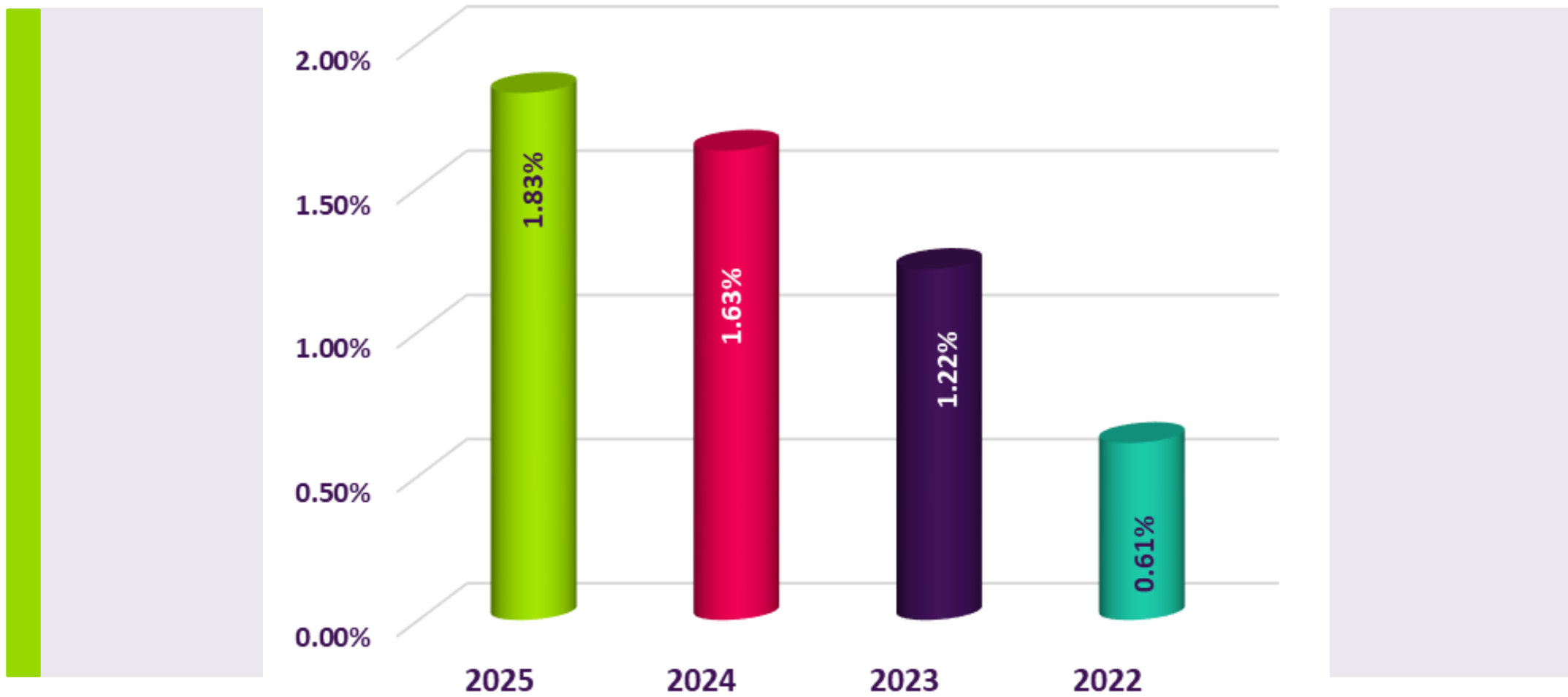
# Average Interest Rate on Loans



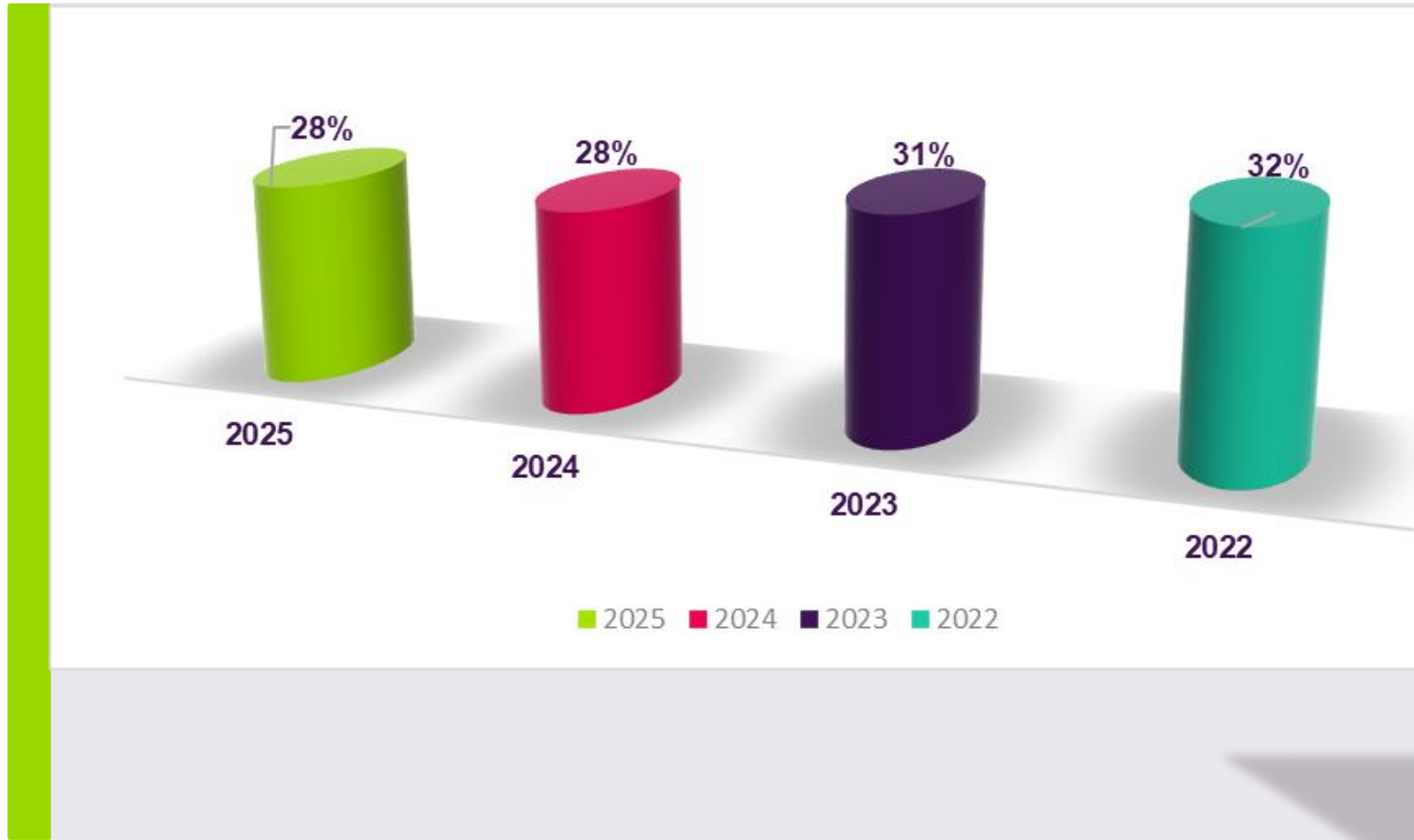
# Did your Credit Union Pay a Dividend?



# Investment Performance



# Wages % of Income



	Wages/ Income ratio	2025	2024
Community	Average	29.0%	28.7%
	Highest	48.1%	47.6%
	Lowest	14.4%	15.7%
Industrial	Average	23.0%	22.4%
	Highest	34.2%	33.4%
	Lowest	11.7%	12.2%

# Cost to Income Ratio

## Community

## Industrial

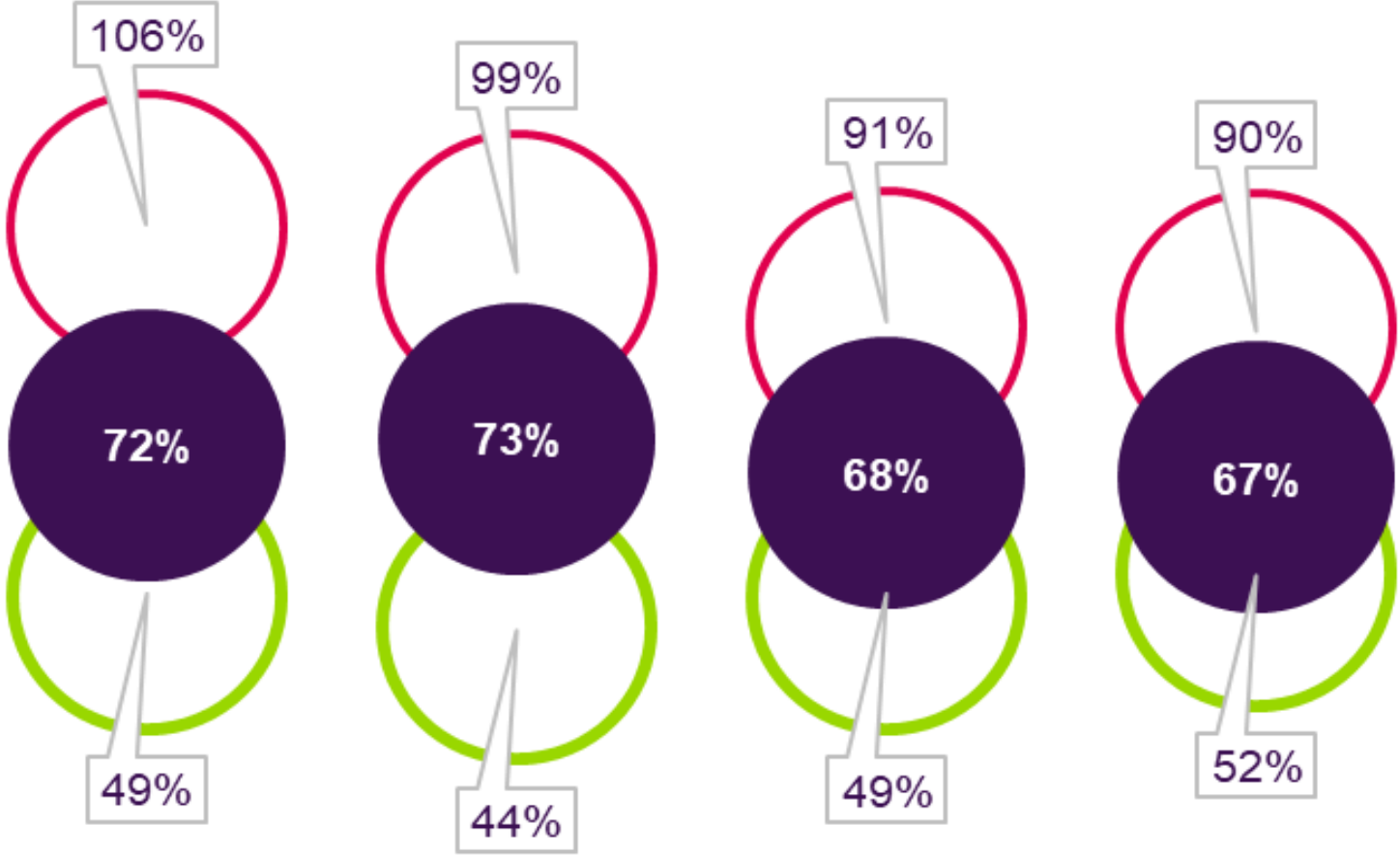
2025

2024

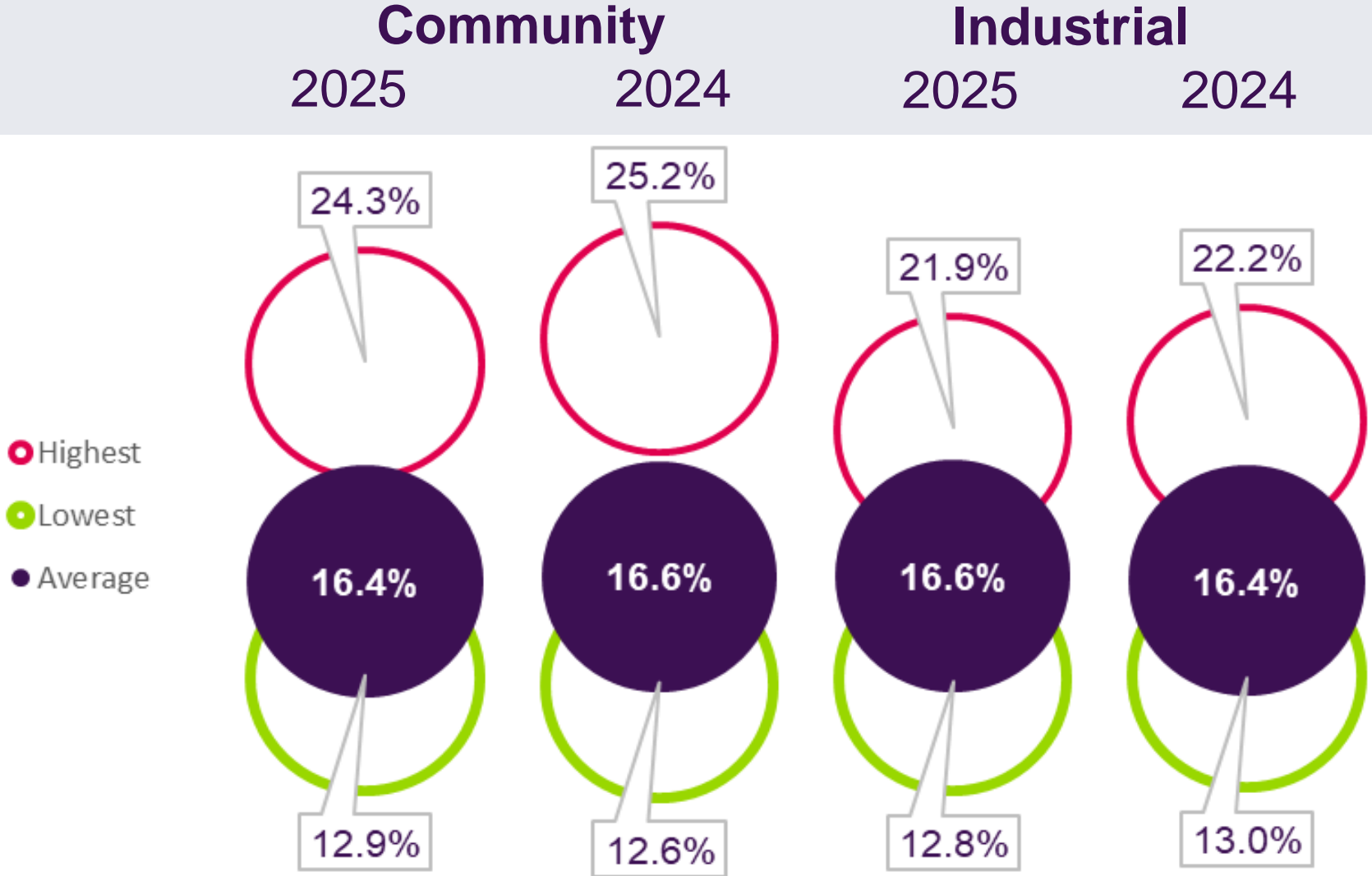
2025

2024

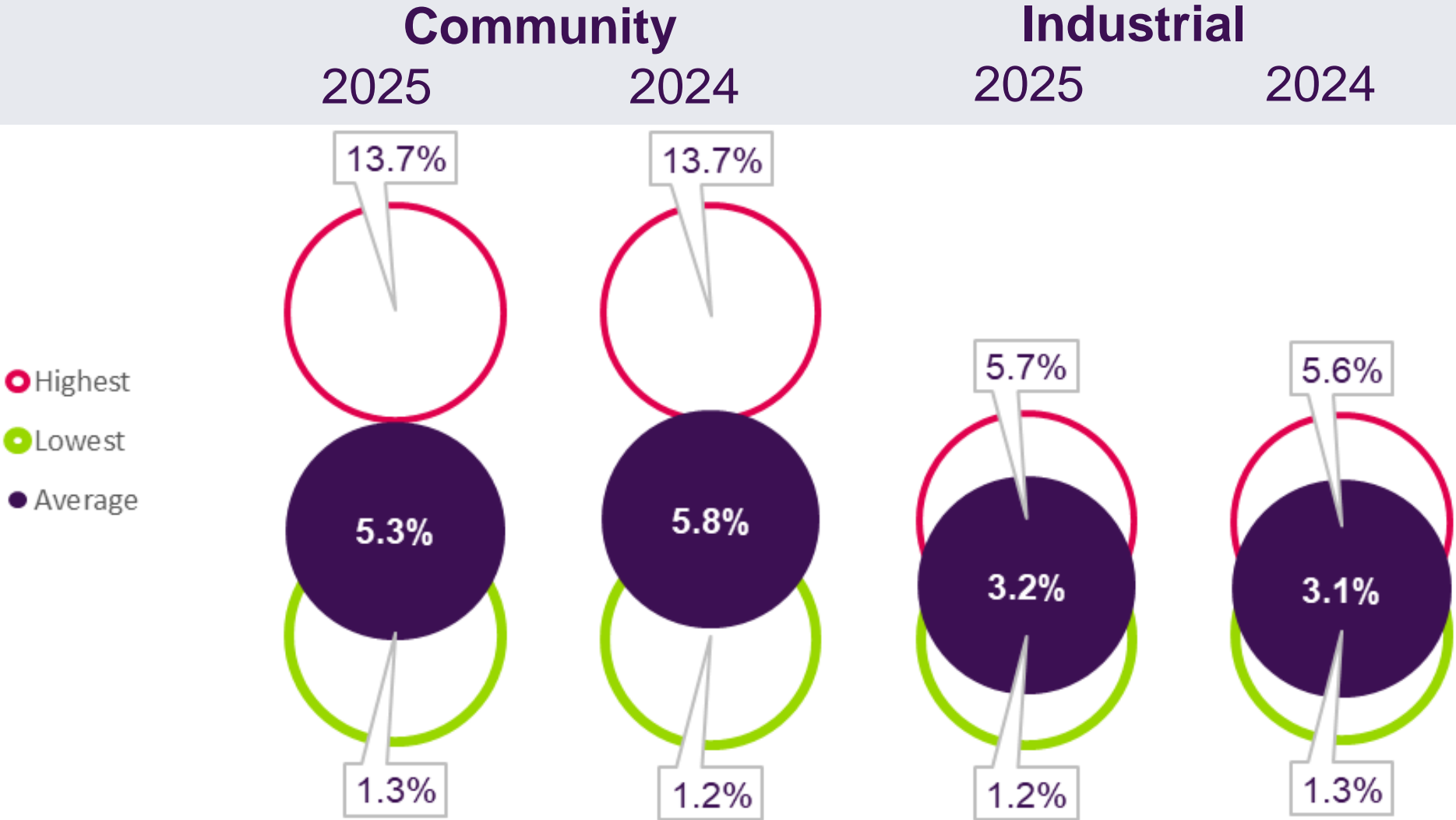
- Highest
- Lowest
- Average



# Reserves Ratio



# Bad Debt Provision as a % of the Loan Book



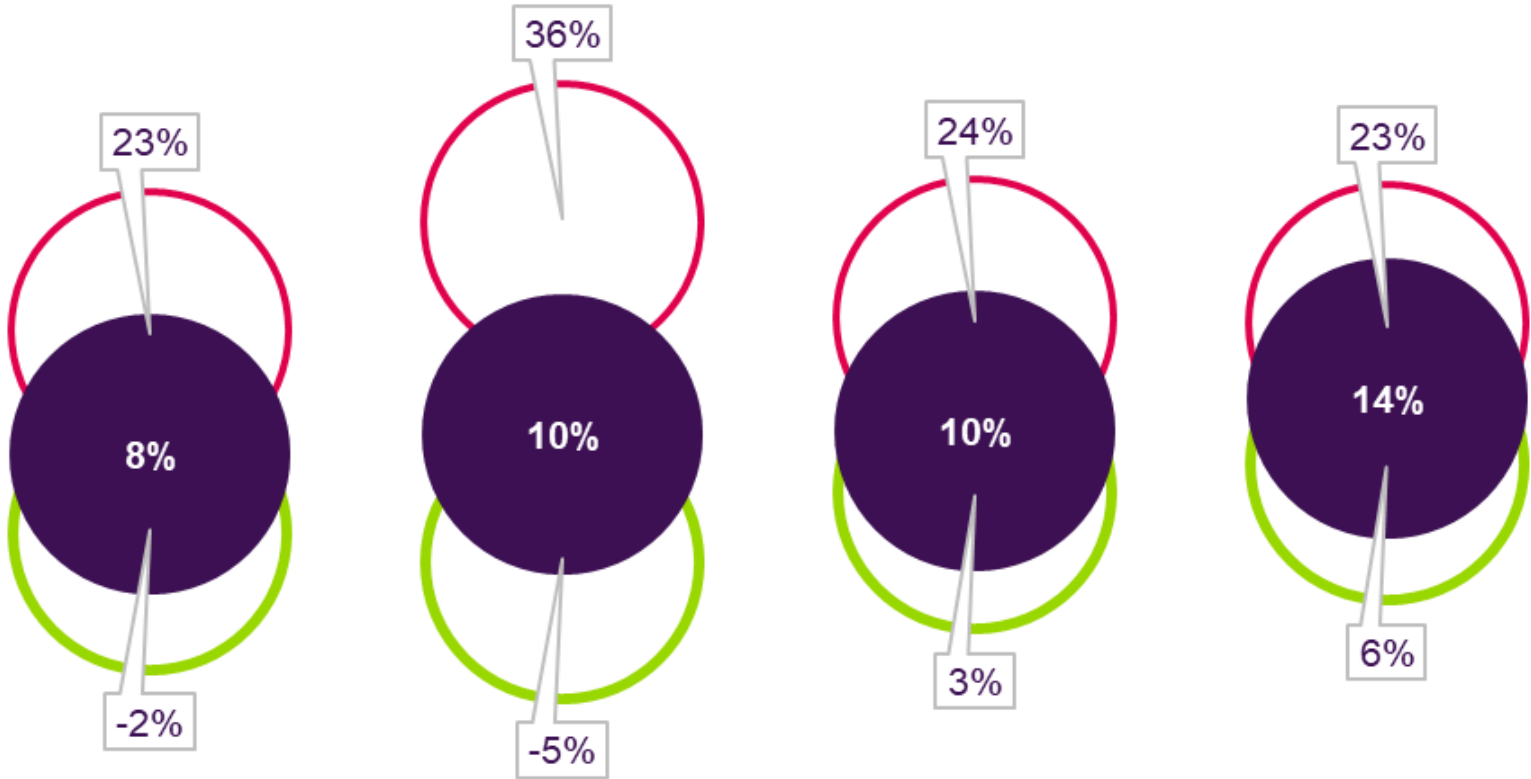


## Loan Book

# Loan Book Growth

**Community**                      **Industrial**  
2025                      2024                      2025                      2024

- Highest
- Lowest
- Average

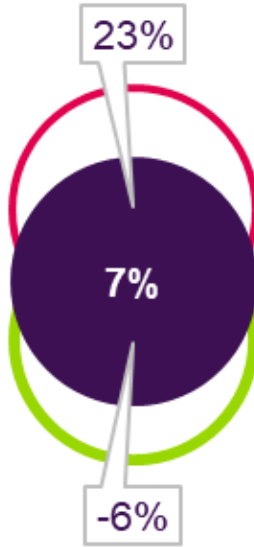
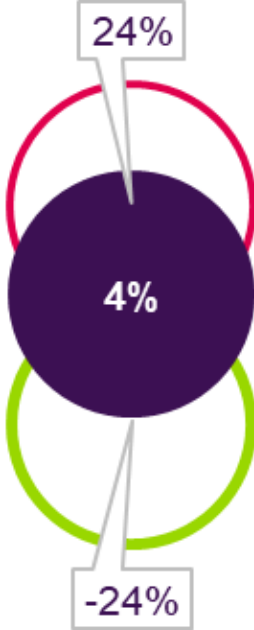
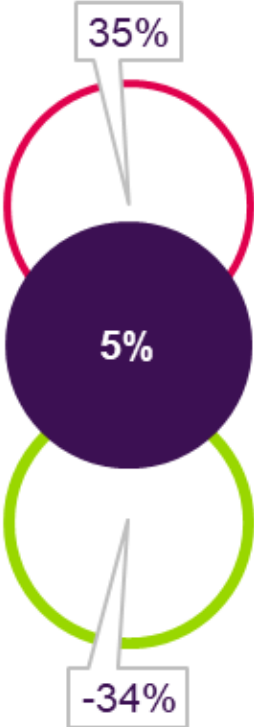
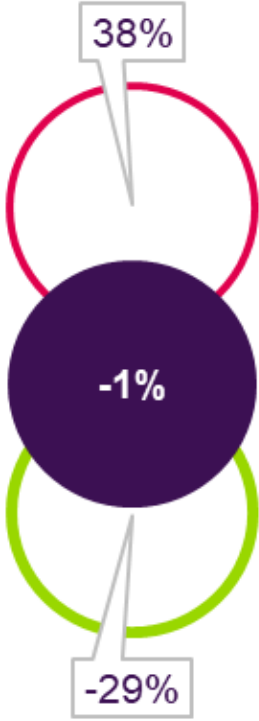


# Loan Issued Growth

**Community**  
2025      2024

**Industrial**  
2025      2024

- Highest
- Lowest
- Average



# Top 3 Fastest Growing Loan Type

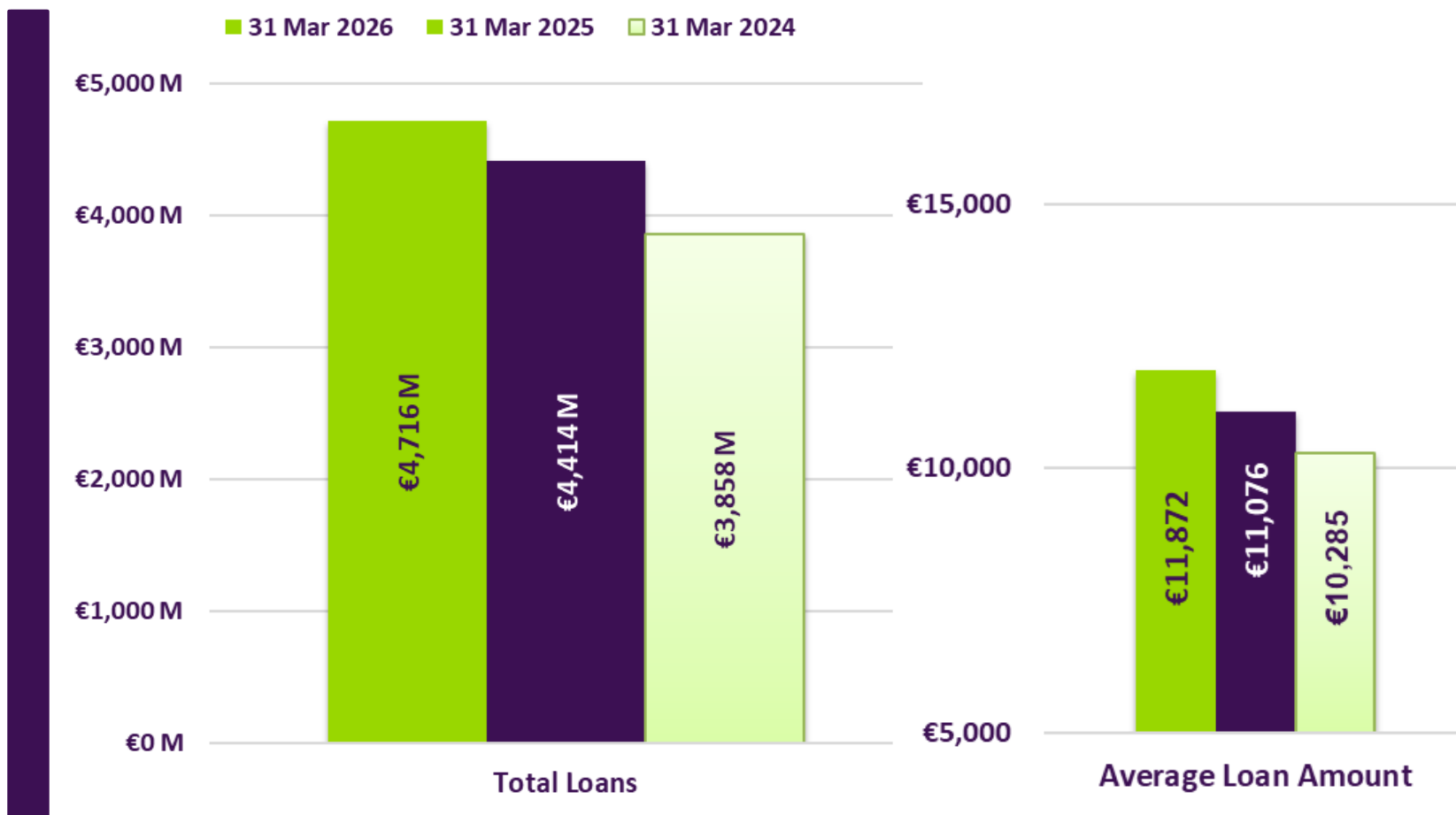
## Current Year

1. Home Improvement Loans (23%)
2. Car Loans (23%)
3. Mortgages (18%)

## Prior year

1. Home Improvements (31%)
2. Car Loans (30%)
3. Special Rate Loans (20%)

# Lending Analysis



Thank you to CUFA for providing the following data.

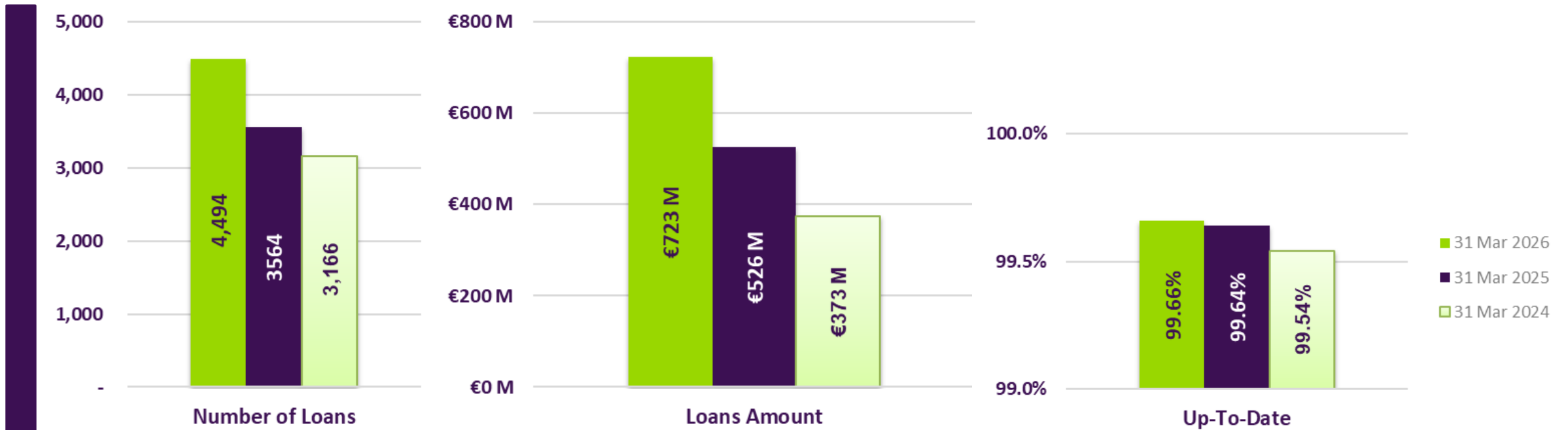
Based on data from 62 Credit Unions

# Value of Loans



As at 31 Mar	Loss Forecast %
2026	2.25%
2025	2.36%
2024	2.63%

# Mortgages



Mortgage Lending is 13.35% of all loans in issue

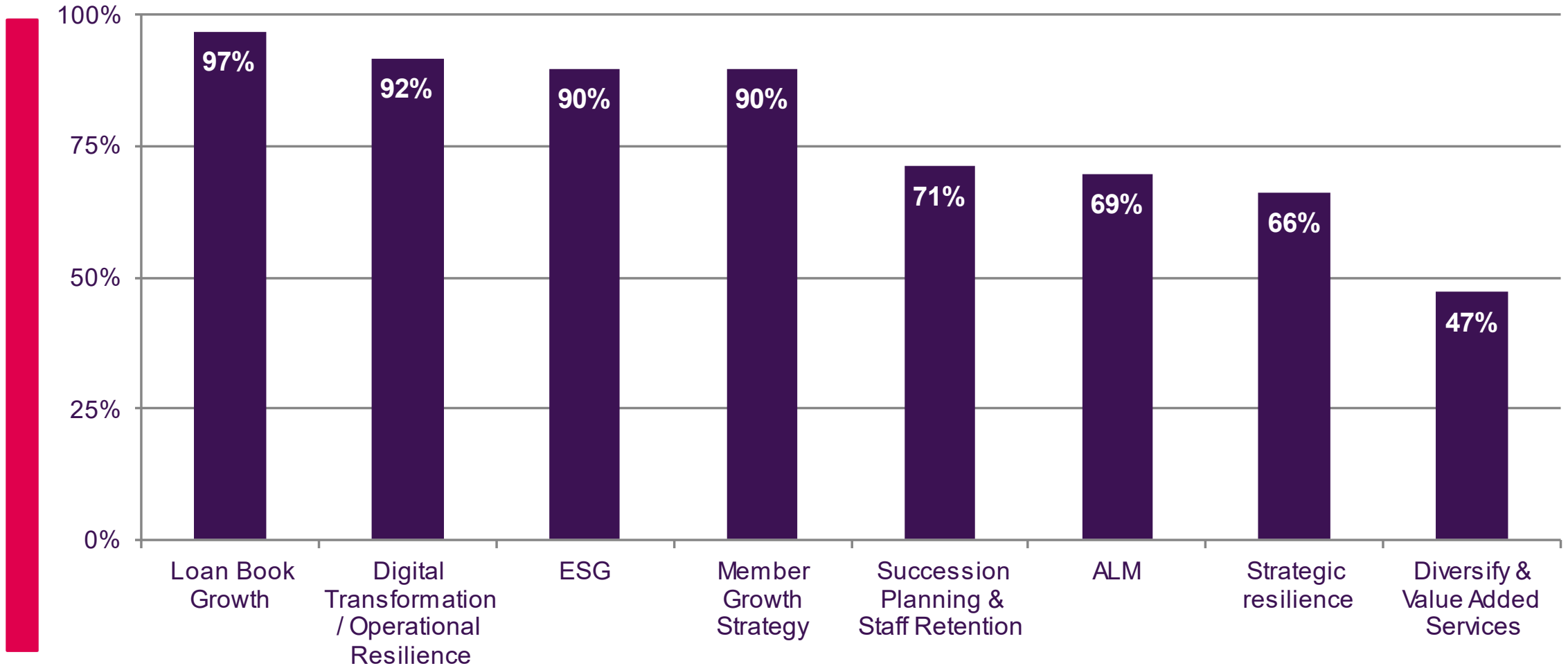
Expected loss on arrears of 19.08% (€406,274) compared with 23.86% (€395,601) in 2025

# STRATEGIC PLANNING

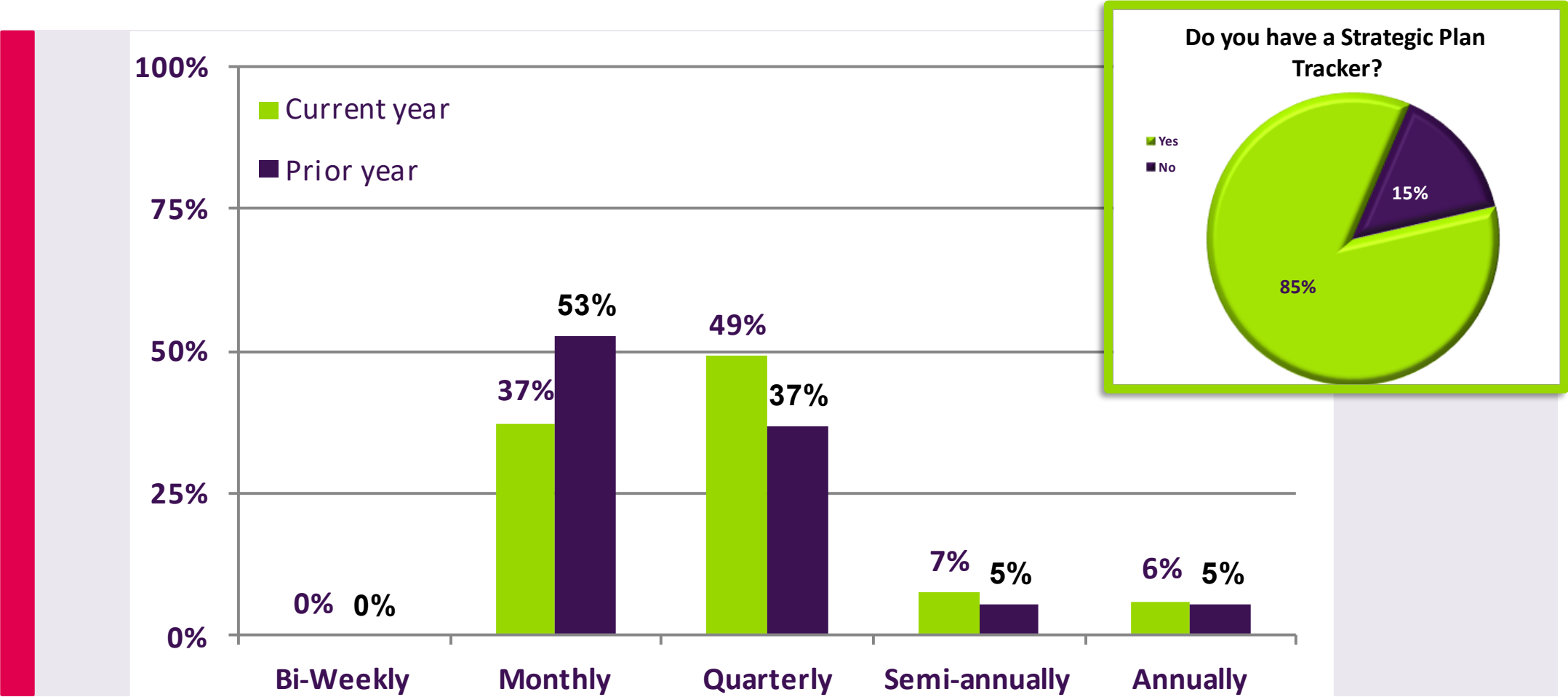


**Strategy**

# Strategic Plan Objectives

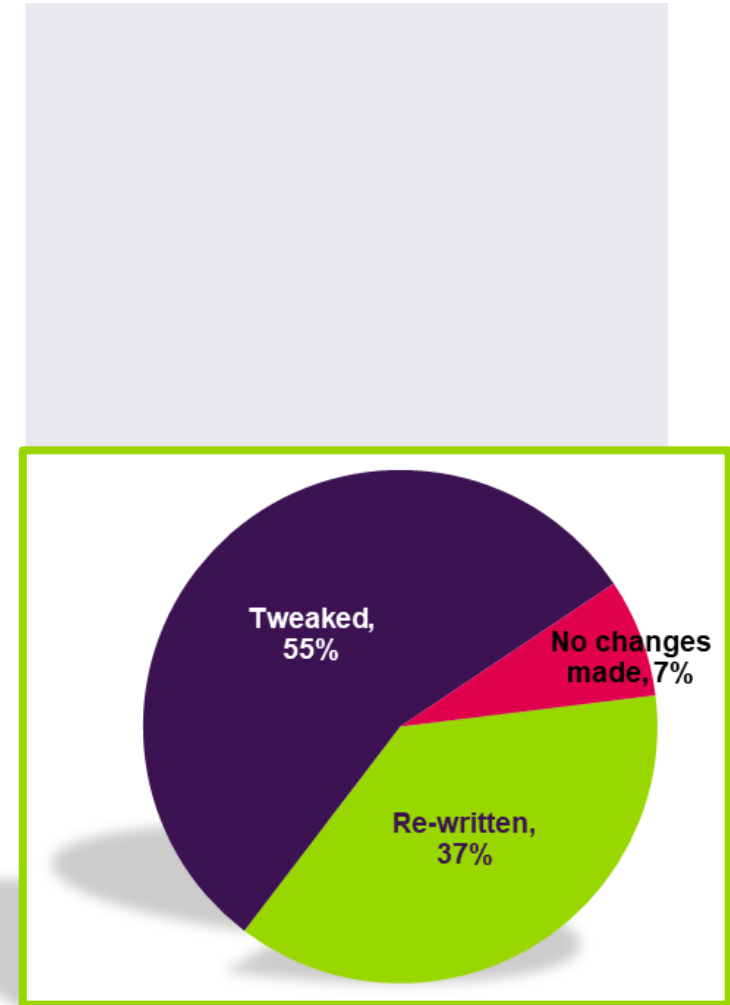
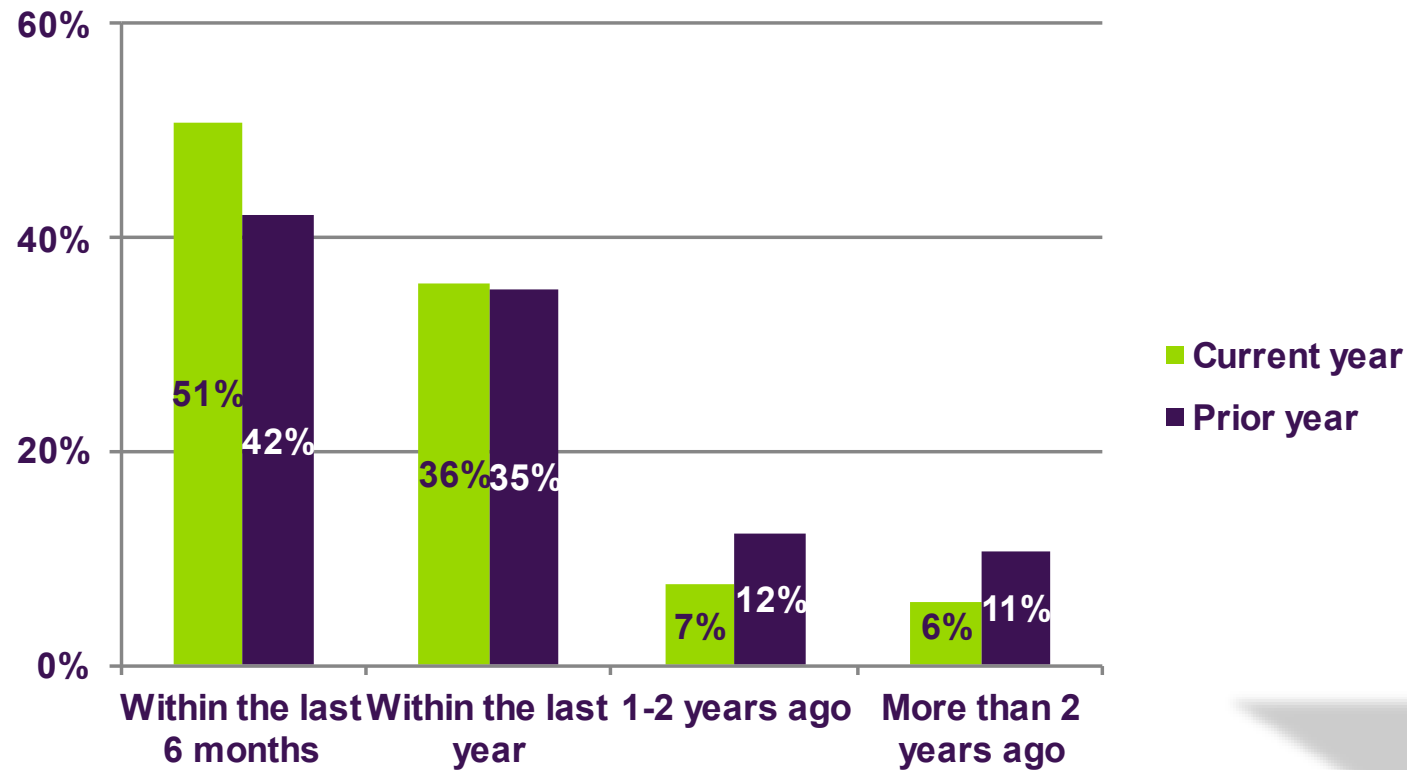


# Strategic Plan Tracking

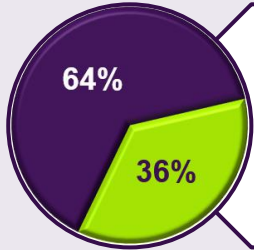


# Strategic Plan Review and Update

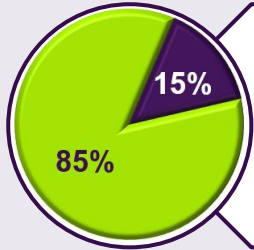
## When was your Strategic Plan last reviewed/updated?



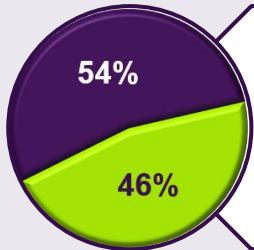
# ALM



64% of Credit Unions **do not** consider their ALM framework suitably developed and embedded

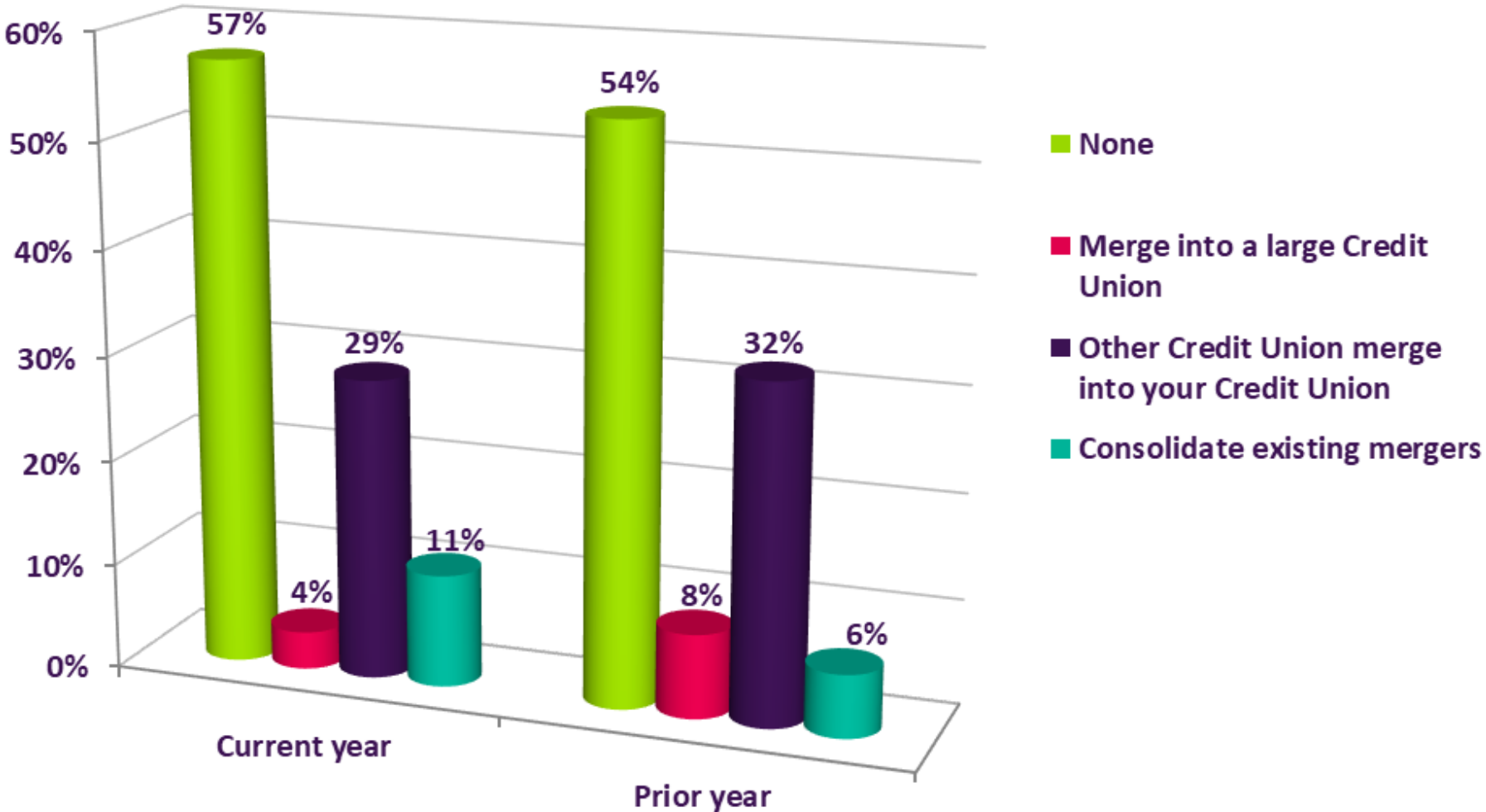


85% are conducting **Liquidity Forecasting** and/or **Stress Testing**



Under half have a **Loan Interest Pricing Framework**.

# Merger Plans in next 3 years



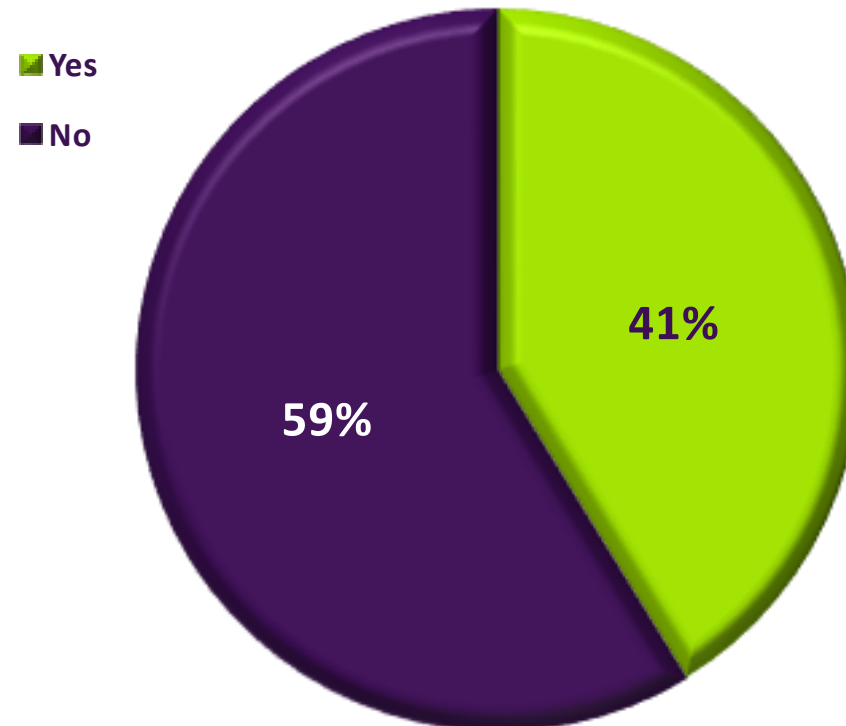


# Human Resources

# Performance Management

- ❖ **78%** of Credit Unions have a Performance Management Framework in place
- ❖ Of these **75%** complete performance appraisals **Annually**, 17% Bi-annually and 4% more frequently
- ❖ **13%** supplement annual appraisals with **informal check-ins/ job chats** throughout the year
- ❖ **62%** of Credit Unions have trained their management team in conducting Performance Appraisal Reviews

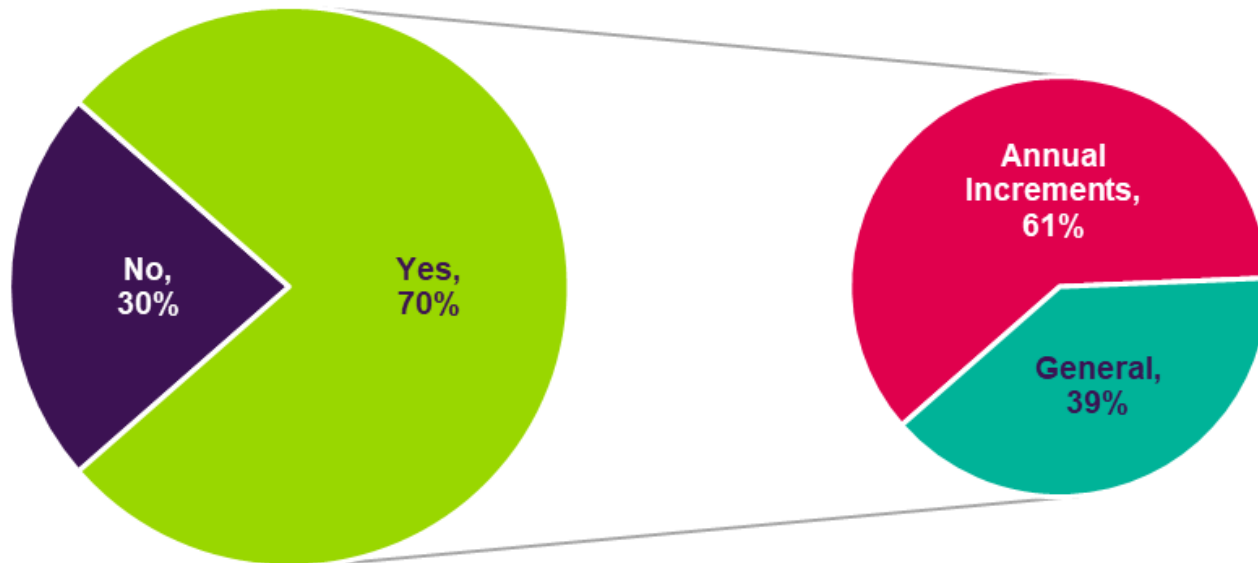
## Is salary progression contingent on performance measured against objectives and KPI's?



# Have you implemented salary increases in the last 12 months?

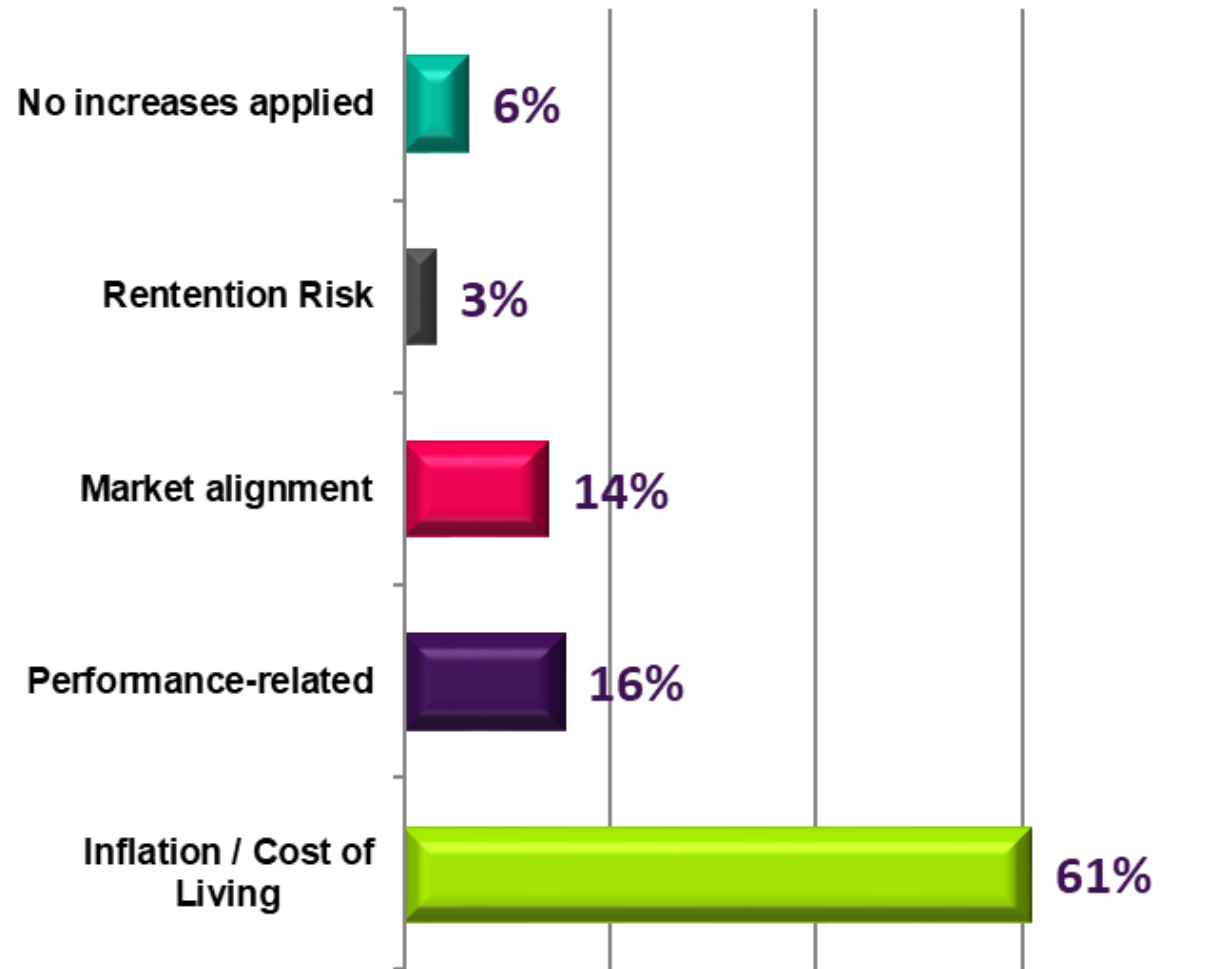
Do you have a salary scale or pay bands in place for each role category in your Credit Union?

If yes, was this based on annual increments or a general increase to all roles across the Credit Union?



- ❖ **55%** of Credit Unions do not disclose salary ranges
- ❖ **31%** communicate salary ranges internally only
- ❖ While only **14%** include this in job ads

## What was the primary driver of pay adjustments in the past 12 months?



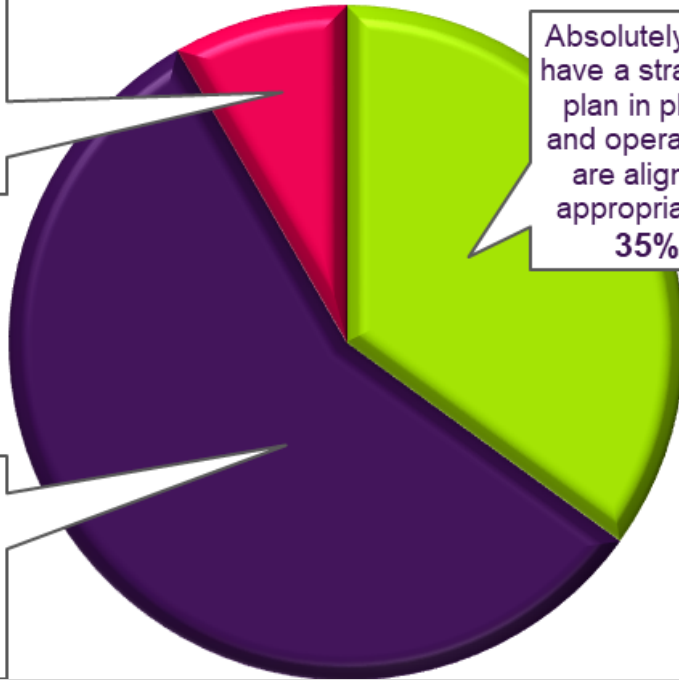
# Organisational Structure

## Do you feel your current structure and people operations support your organisational needs?

We are lacking operational structure to sustain and grow the CU.  
8%

Absolutely. We have a strategic plan in place and operations are aligned appropriately.  
35%

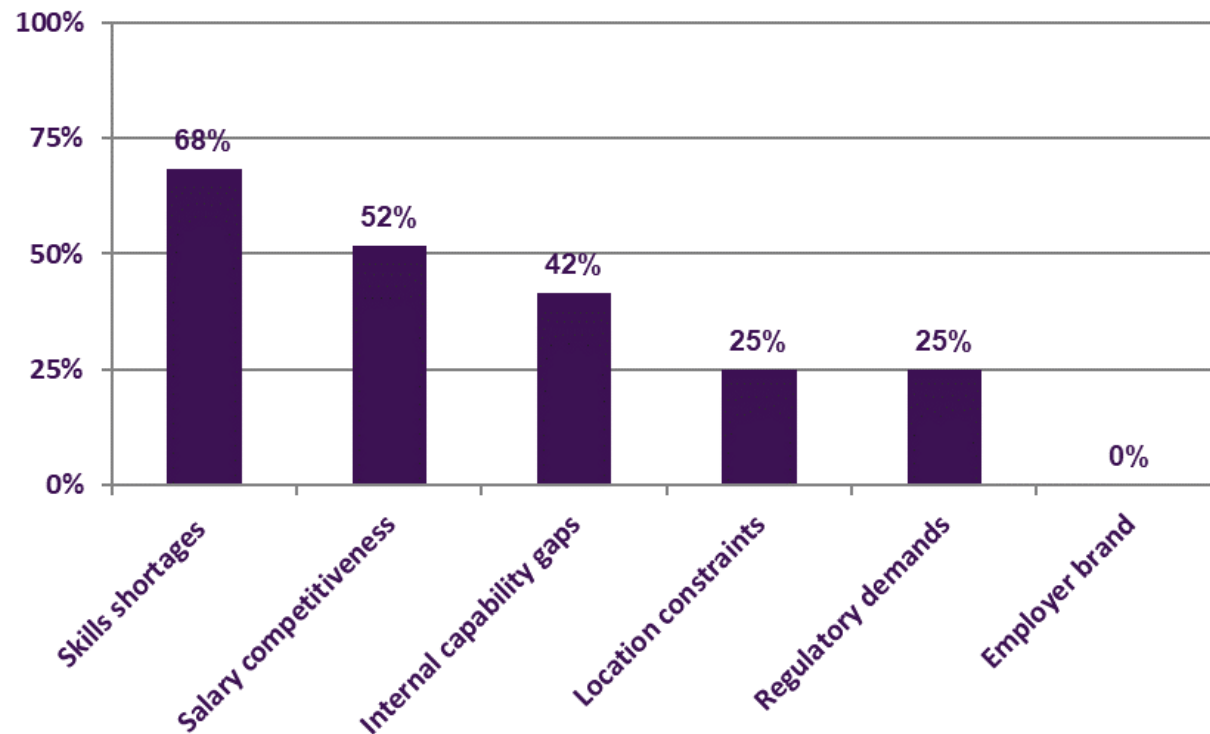
Somewhat. Our operations support some, but not all areas adequately.  
57%



- ❖ 53% of Credit Unions have up-to-date job descriptions in place for **all** positions
- ❖ 33% have up-to-date job descriptions for **most** positions
- ❖ 8% have job description, but not recently updated
- ❖ The remainder do not have job descriptions or only have job descriptions for some positions

# Recruitment

## What are your biggest recruitment challenges currently?



- ❖ 59% expect to maintain a steady hiring position in 2025/2026.
- ❖ 33% anticipate increasing hiring
- ❖ Only 8% expect to decrease the volume of external hiring
- ❖ Key roles/positions to fill include:
  - IT related (23%)
  - Members' Services/ Teller (17%)
  - Operations (12%)
  - Finance (10%)
  - Risk & Compliance , Marketing / Business Development & Lending (8%)
  - HR & Data Analytics (3%)
  - Credit Control & AMLCO (2%)



**KPI's**

# KPI's

72%

Reporting on non-financial KPI's

67%

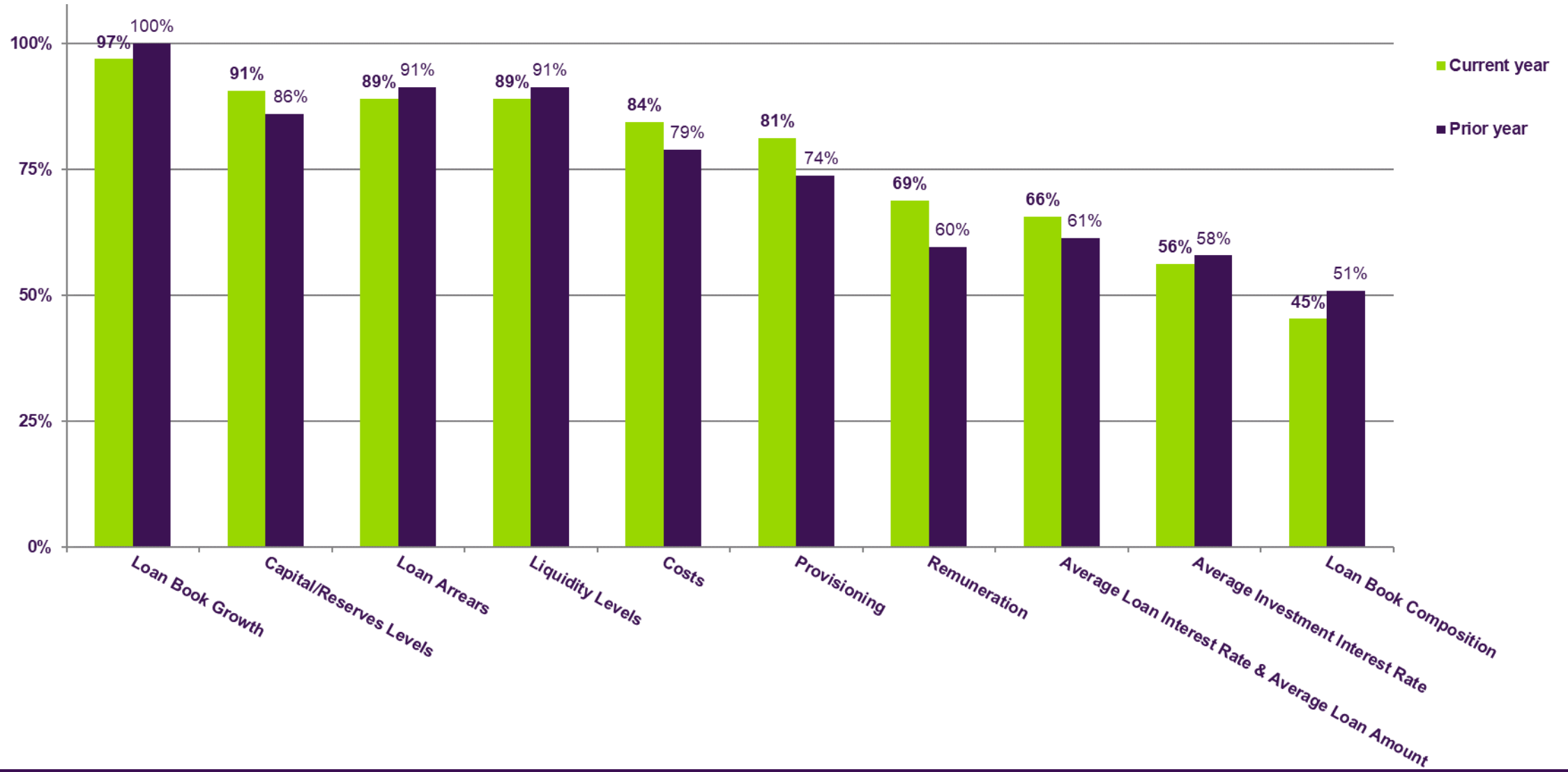
Have KPI's aligned to the Strategic Plan objectives

30% are partially aligned and only 3% are not aligned at all

82%

Reported that KPI's are assisting with driving efficiencies

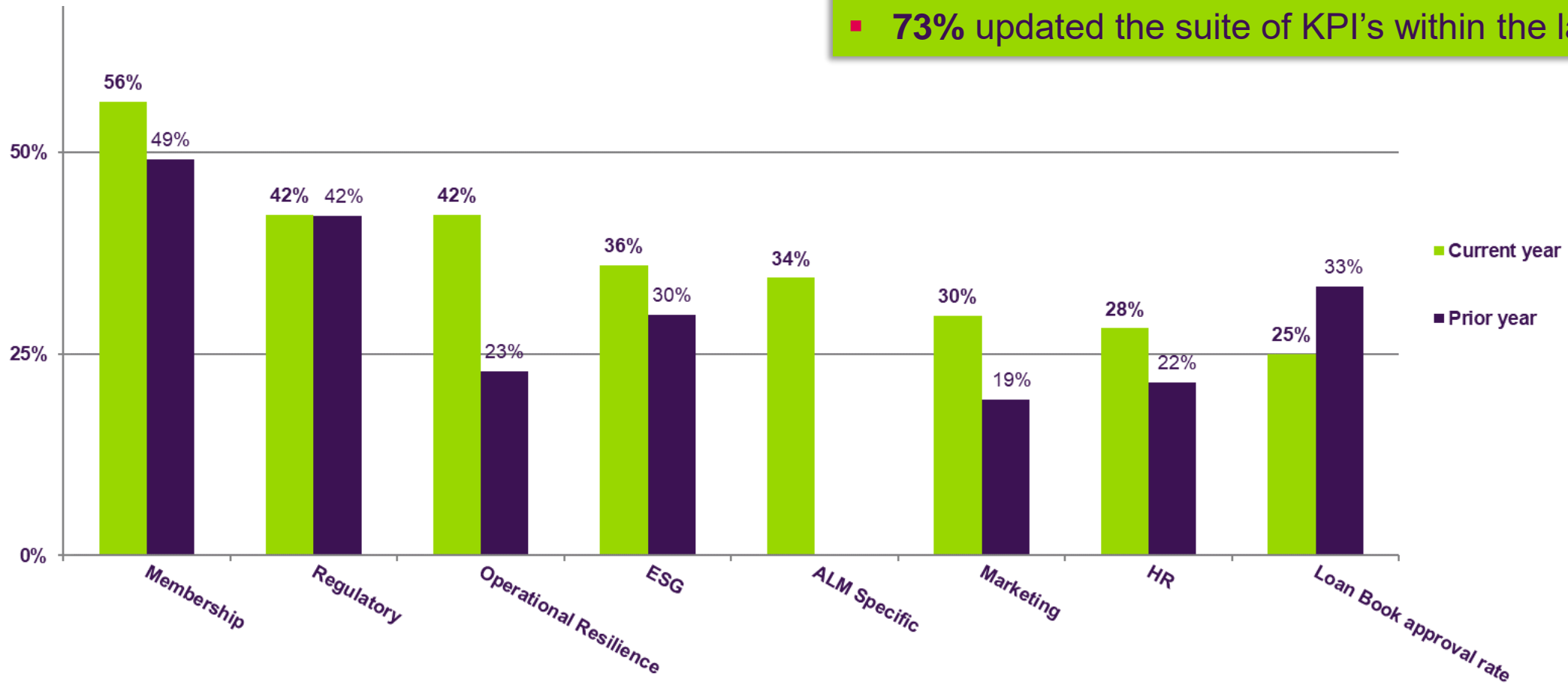
# Financial KPI's



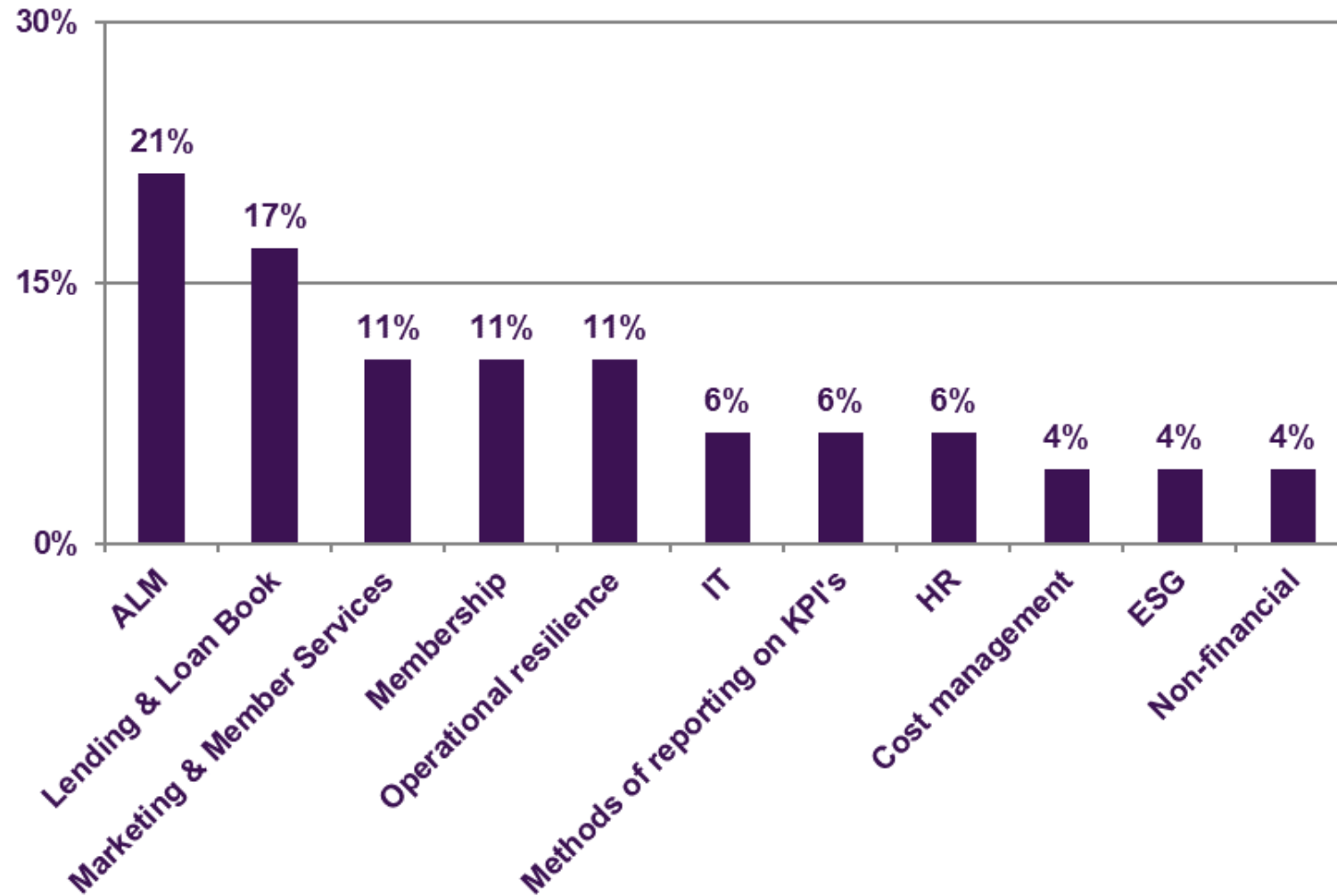
# Non-Financial KPI's

## KPI's

- 78% are reporting on KPI's monthly
- 73% updated the suite of KPI's within the last year



# If you could enhance the Credit Union's KPI's in one area, what would it be?

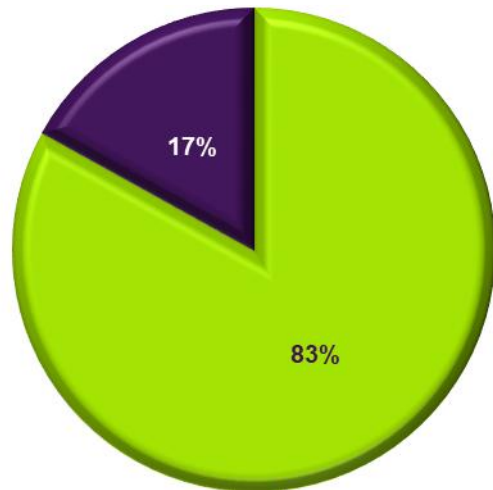




# Climate Change/ESG

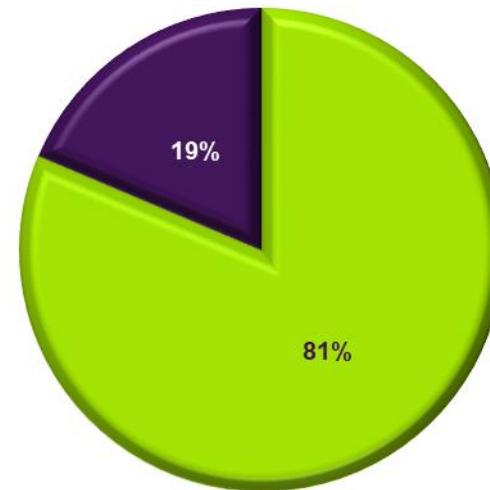
# ESG – Improvements from last year

Do your Products & Services have ESG considerations or options?



Prior year 67% said **Yes**

Does your organisation have an ESG Sustainability Strategy?



Prior year 58% said **Yes**

■ Yes

■ No

✓ 68% of Credit Unions reported having a sub-committee which focuses on ESG Topics

## ESG / Climate risk

71%

- Include ESG risk on the risk register (PY:65%) and **34%** consider ESG topics in the risk assessment (PY: 31%)

41%

- Include climate-related and environmental metrics as key risk indicators in their risk appetite statement.

71%

- Consider climate-related and environmental risk when making investment decisions (PY: 71%)

80%

- Have considered the impact of climate-related and environmental risk on Business Continuity and Operational Risk

Only 19%

- Perform scenario testing in order to effectively plan whether the credit union is exposed to a climate-related or environmental risk.



## Operational Resilience, BCP, Cyber and IT

# Operational Resilience



**YES**

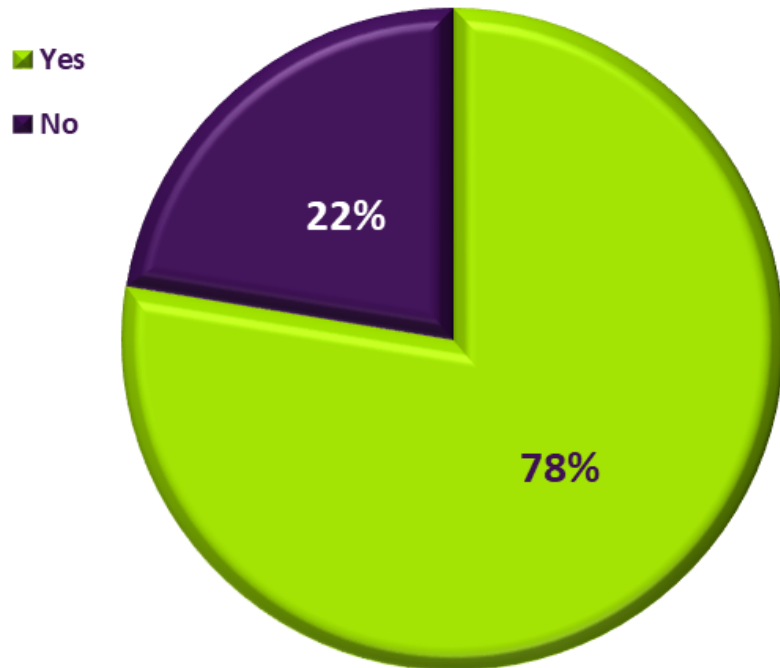
- **53%** of Credit Union's have finalised their Operational Resilience Framework and integrated it into the business



**NO**

- **47%** have not
- Obstacles include:
  - 40% Testing not complete (PY 59%)
  - 40% Resourcing issues (PY 28%)
  - 30% Skill gaps (PY 22%)
  - 27% Framework not finalised (PY 41%)
  - 27% Information gaps (PY 28%)
  - 27% Other (PY 9%)

## Do you complete regular testing of your impact tolerance and BCP arrangement?

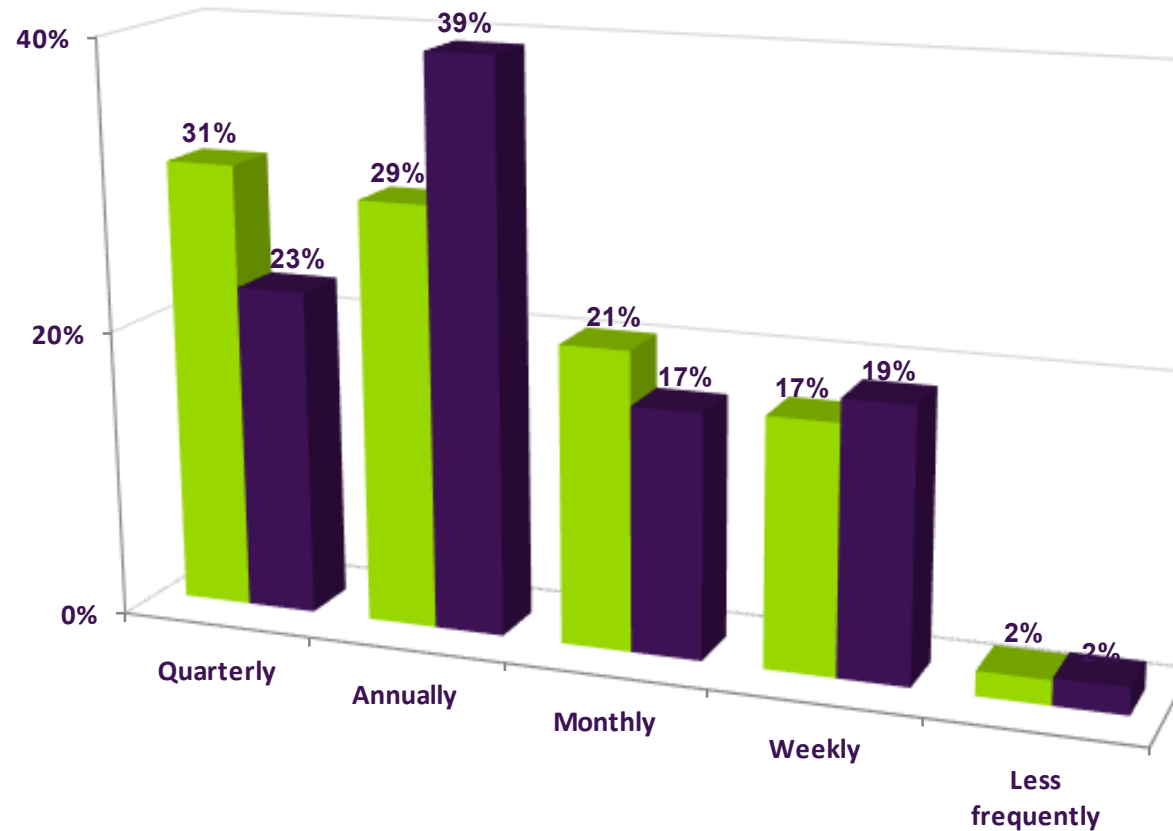


- ✓ Of the Credit Unions that answered “yes”, the majority (67%) complete testing **Annually**.
- ✓ **18%** complete Quarterly testing
- ✓ **4%** complete testing more frequently (weekly / monthly)
- ✓ **12%** are completing testing less often than once per year

# Cyber

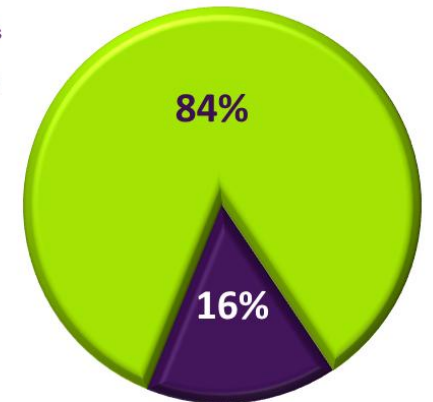
- 7% of Credit Union's surveyed reported a known cyber attack last year (PY – 6%)
- Cyber remains the top risk at 44% (PY- 30%)

## How often do you undertake vulnerability scanning?



## Do you have a documented Cyber Response Plan?

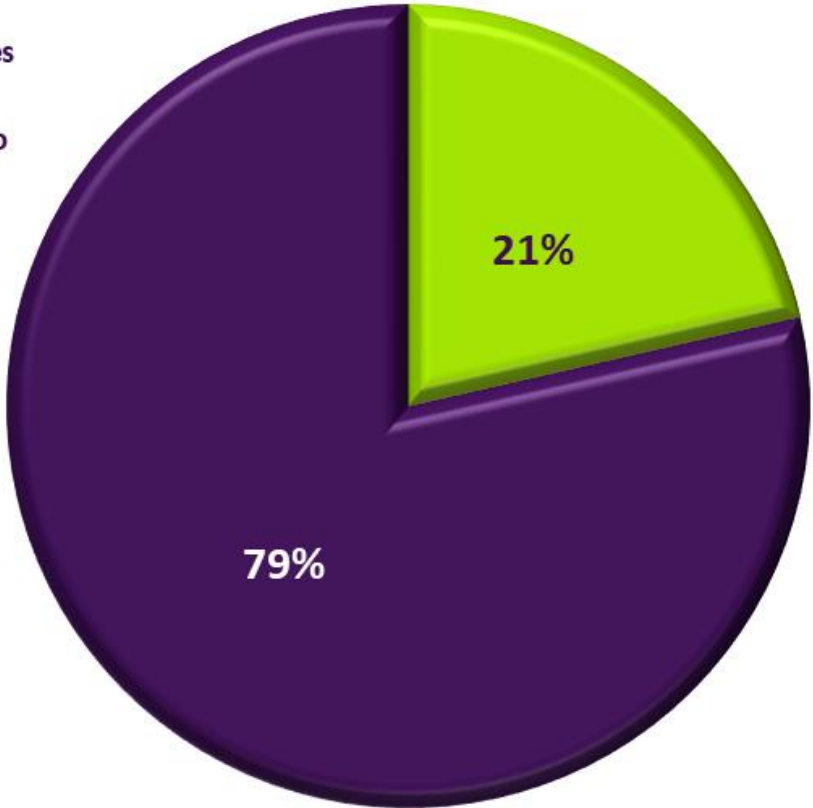
■ Yes  
■ No

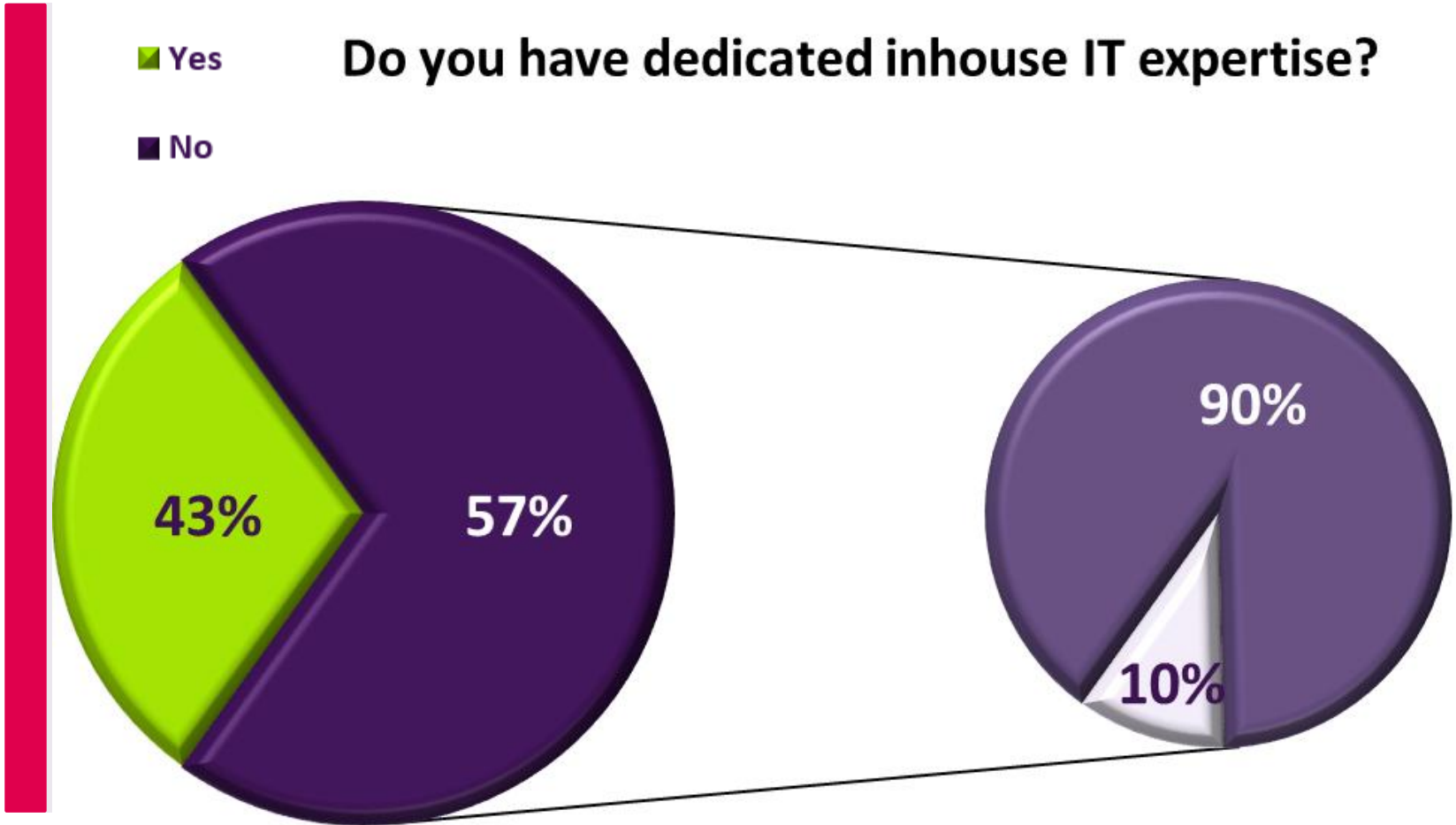


# Fraud

Have you experienced a loss due to fraud?

- Yes
- No





- ✓ Of the Credit Unions that answered “no”, the **majority (90%)** have engaged an external IT expert
- ✓ **67%** are satisfied with the level of management information going to the Board in relation to IT



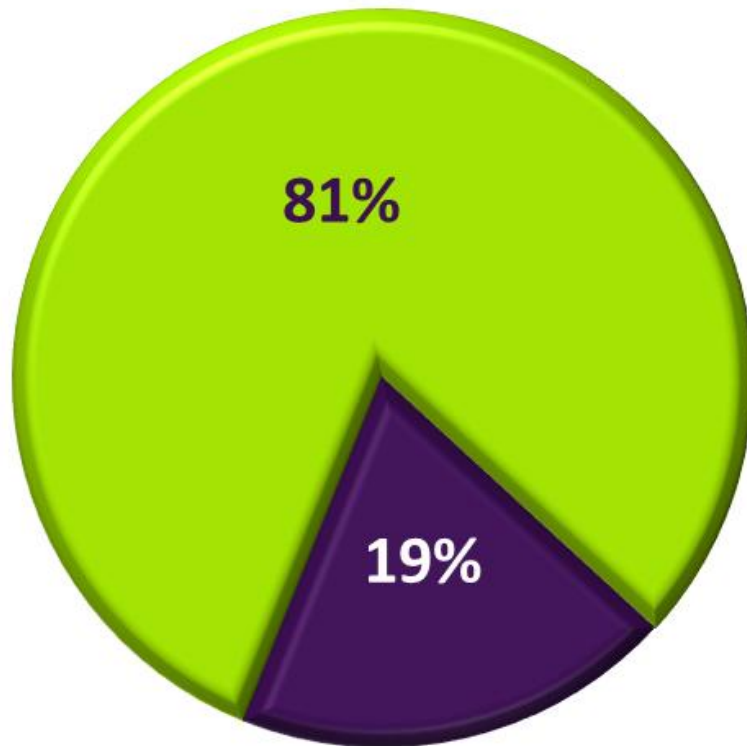
# Marketing

# Marketing/Bus Development Function

**Do you have a separate Marketing / Business Development Function in your Credit Union?**

■ Yes

■ No

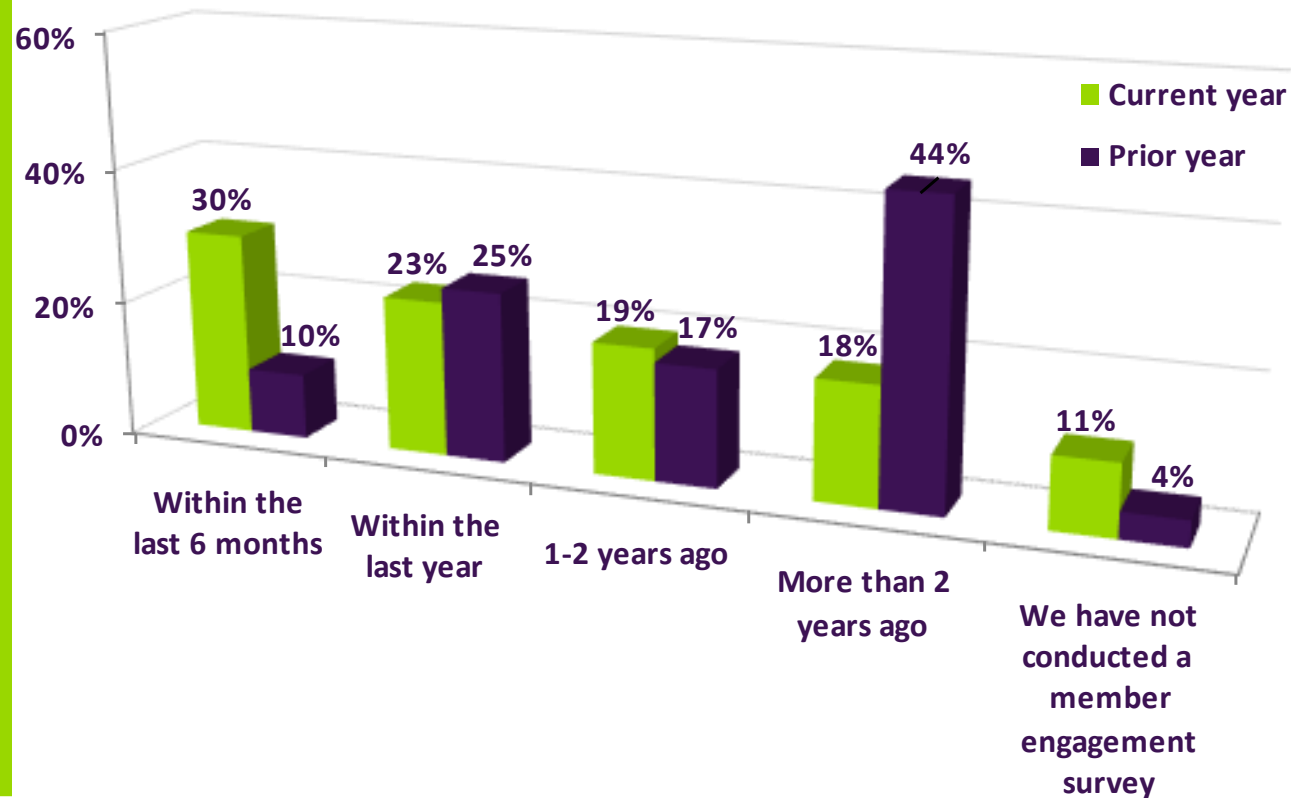


✓ The majority of Credit Unions (70%) rated their Marketing/ Business Development function as 3 or 4 out of 5 (PY - 56%)

✓ 67% of the Credit Unions surveyed reported meeting their new member targets last year

# Member Engagement

## When have you last conducted a Member Engagement Survey?



- ✓ Social media (95%) and website (89%) continue to be the most used platforms for targeting members, followed closely by email (74%)
- ✓ Radio is being used more (49% vs. 35% in previous year)
- ✓ 72% of Credit Unions have up to 50% of their members active online (PY – 69%)

# Common Bond Penetration

## Range

- 10% up to 90%

## Average

- Circa 49% (45% in PY)

## Uncertain

- 33% of respondents were unsure what their common bond % is or found it difficult to establish (17% in PY)



## Conclusions

# Summary and Conclusions

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## Positives

- Credit Union Brand and reputation strong
- Reserves levels are still stable
- Improved profitability facilitating Dividend payments
- Increasing loan books and Loan to Asset Ratios
- Evidence of shift towards online and digital enhancements

# Summary and Conclusions

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## Areas for Improvement

- Continued focus on growing Loan to Asset Ratio
- Improve competitiveness and reduce Cost to Income Ratio
- Operational resilience, BCP testing and Cyber readiness to be strengthened
- Enhancement of strategy and reporting
- KPI reporting needs to be further enhanced and implemented
- Performance management to be aligned to strategy and KPI's
- Improve marketing effectiveness and member engagement to grow common bond penetration



**Questions?**



# Thank you



**We're by your side**

Ronan Kilbane

Partner

T: +353 1 6440100

E: [rkilbane@rbk.ie](mailto:rkilbane@rbk.ie)

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