

Stapi pension fund

Financial statement 2023

Stapi lífeyrissjóður
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Independent auditors report

To the Board of Directors and members of Stapi Pension Fund

Endorsement relating to the audit of annual accounts

Opinion

We have audited the annual accounts of Stapi Pension Fund (the “fund”) for the year 2023. The annual accounts contain a statement of changes in equity for the disbursement of pensions, a statement of financial position, statement of cash flow, statement of actuarial position, information on material accounting policies and other annotations.

It is our opinion that the annual accounts provide a true and fair view of the fund’s financial position on 31 December 2023 and its performance and movement of cash in hand during the year 2023 in accordance with legislation on annual accounts and the regulations of the Financial Supervising Authority regarding the annual accounts of pension funds.

This opinion is in agreement with our report to the audit committee and the Board of Directors.

The basis for this opinion

Our audit has been conducted in accordance with international auditing standards. Our responsibilities according to those standards are further explained in the chapter *Auditor’s responsibilities relating to the auditing of annual accounts* in the endorsement. We are independent of the fund in accordance with the applicable code of conduct for auditors. We believe we have obtained sufficient and appropriate auditing documents on which to base our opinion.

According to our best knowledge and understanding we declare that we have not provided any unlawful services according to Paragraph 1, Article 5 of Regulation 537/2014 of the European Parliament and that we are unrestrained by the fund in our auditing.

We were first elected the fund’s auditors at its Annual General Meeting, 30 June 2020 and have been the fund’s auditors continuously since then.

Critical audit matters

Key auditing elements are those which, according to our professional assessment, carried the strongest weight in the auditing of the annual accounts. We do not express specific opinions regarding individual key aspects, but we emphasised those features during the general auditing of the annual accounts and when deciding upon our opinion thereof.

Independent Auditor's Report cont.

Key aspect	Audit response
<p>Assessing investments</p> <p>The booked value of investments amounted to 371,352 million ISK, or 98% of total assets on 31 December 2023 (2022: 339,121 million ISK). As regards investments, explanatory notes 2 and 10-12 are referred to.</p> <p>Investments are, for example, stocks and shares, unit share certificates and tied bank deposits. The fund pursues an investment policy which, among other things, relates to the composition of securities and the tolerance limits of individual asset classes.</p> <p>The investments are variously booked according to market value, original purchase price demand, or in accordance with an assessment method where variables are based on market information and external sources. Due to the scale and importance of investments and since they are in part booked at appraised value, their assessment is a key aspect of auditing.</p>	<p>Our auditing methods aimed at confirming the appraised value of investments. This work comprised, <i>inter alia</i>:</p> <ul style="list-style-type: none"> • Information was gathered regarding the investment process as well as the methodology and premises on which asset assessment was based. • The market value of a sample of booked securities was confirmed supported by data providers • The fund's methods and calculations regarding unlisted investments were assessed. • Our value assessment specialist conducted independent calculations of the value of a sample of bonds booked at market value or retained until maturity date. • Explanatory notes were checked in annual accounts relating to investments.

Key aspect	Audit response
<p>Auditing of pension obligations. The fund's pension obligations amounted to ISK 628,636 million at the end of 2023 (2022: ISK 619,260 million). Reassessed obligations in excess of the assets of the fund's mandatory division amounted to ISK 15,930 million at end of year, or 2.5% of net assets (2022: ISK 31,424 million, or 5.07%). The fund's actuarial position is also referred to in explanatory note 14.</p> <p>Actuarial position indicates the fund's ability to meet its pension obligations. The calculation is carried out by an independent actuary, based on premises issued by the Association of Icelandic Actuaries and accepted by the Ministry of Finance and Economic Affairs. Due to the importance of the fund's actuarial position, pension obligations are a key factor in the audit.</p>	<p>Our audits aimed at reviewing the premises used by an actuary when assessing pension obligations. This process involved, <i>inter alia</i>:</p> <ul style="list-style-type: none"> • We assessed the independence and competence of the actuary. • Information was gathered on work procedures relating to the actuary's calculations. • Information was gathered regarding the fund's work procedures when recalculating the actuarial obligation, the actuarial reassessment of securities and the fund's monitoring of members' entitlements. • Diagnostic actions were performed as regards the development of the pension obligations, their premises and conclusions. • We recalculated a sample of the actuarial reassessment of securities. • We evaluated a review of the actuarial position and explanatory note 14 in the annual accounts, confirming that the presentation was in accordance with regulations.

Independent Auditor's Report cont.

Responsibilities of the Board of Directors and CEO regarding the annual accounts

The Board of Directors and the CEO are responsible for the compilation and clear presentation of the annual accounts in accordance with legislation on annual accounts, as well as assuming responsibility for the internal controls required to enable them to produce annual accounts without material misstatements, whether this be due to fraudulent behaviour or errors.

When compiling the annual accounts, the Board of Directors and the CEO are under an obligation to assess the fund's viability and provide relevant information on all aspects which may affect the fund's performance as a going concern and to base their financial reporting on the principle of continuing viability, unless their intention is either to dissolve the fund or wind up the operation, or in the event that they have no other realistic option than terminating the fund's activity.

The Board of Directors and the CEO shall monitor the compilation and presentation of the annual accounts.

Auditors' responsibilities regarding the annual accounts

Our aim is to acquire reasonable assurance as to whether the annual accounts in their totality are free of significant misstatement, whether this be due to fraudulent behaviour or errors, and to produce an audit endorsement which states our opinion. Reasonable assurance entails reliability but no guarantee that an auditing process in accordance with international auditing standards will always reveal significant or material misstatements in the event that those are present. Misstatements may be due to fraudulent actions or errors and are regarded as significant if they on their own, or in totality, could influence financial decisions of the users of the accounts.

When auditing in accordance with international auditing standards we invariably apply our professional judgement, critically assessing audit evidence. In addition:

- We examine and assess the risk of a significant misstatement in the annual accounts, whether due to fraudulent acts or errors; we plan and carry out auditing processes to respond to such risks and we acquire sufficient and relevant auditing evidence on which to base our opinion. The risk of failing to find a significant misstatement due to fraudulence is greater than that of not uncovering erroneous faults, since fraudulence may involve conspiracy, forgery or deliberate omission, misleading presentation, or the avoidance of internal audit.
- We build up an understanding of internal audit, in order to be able to plan appropriate auditing practices, but not for the purpose of assessing the effectiveness of internal audit.
- We examine whether administrative financial reporting methods, assessments and relevant explanations are appropriate.
- We form a conclusion as to whether the Board of Directors and CEO make appropriate use of the principle of viability as expressed in the financial statements and we assess, on the basis of our audit whether circumstances exist which might raise serious doubt as to the fund's viability. In the event that we believe material doubt exists as regards viability, we are, in our endorsement, obliged to draw special attention to relevant explanatory notes in the annual accounts or, if such explanatory notes are unsatisfactory, to withhold unreserved endorsement. Our conclusion is based on auditing evidence obtained up to the date of our endorsement. Nevertheless, future events or circumstances may render the fund nonviable.

Independent Auditor's Report cont.

- We assess the presentation, structure and content of the annual accounts as a whole, including explanatory notes, as well as estimating whether the annual accounts provide a lucid illustration of background events and business transactions.

Inter alia, we inform the Board of Directors and the audit committee of the estimated scope and time limits of the auditing process and of consequential findings which may arise during the course of our audit, for example material flaws in internal audit.

Furthermore, we declare to the Board of Directors and the audit committee that we have acted in accordance with the code of ethics with regard to independence and that when appropriate we shall disclose information on relationships or other conditions which may be seen to undermine our independence and we shall provide details of any mitigating actions we have taken in such an eventuality.

We estimate from matters reported to the Board of Directors and the audit committee, which elements are of the highest significance in terms of auditing the annual accounts and thus identified as key elements of the auditing process. We describe those elements in our endorsement unless laws and regulations prevent such disclosures, or in the event that special and extremely rare circumstances cause us to decide not to provide information on a key element, since the negative consequences of such communication are considered weightier than the public benefit of disclosure.

Confirmation relating to other legal provisions

In compliance with the stipulations of Paragraph 2, Article 104 of Act no. 3/2006 on annual accounts we confirm that, to the best of our knowledge, the report by the Board of Directors accompanying these annual accounts provides the information required in accordance with legislation on annual accounts and which is not contained in explanatory notes.

Hrafnhildur Helgadóttir, auditor, is accountable for the audit of the annual accounts and for this endorsement.

Reykjavík 20 March 2024

KPMG ehf.

Report by the Board of Directors

The operations of the fund

Stapi Pension Fund operates in accordance with Act No. 129/1997 on the Compulsory Insurance of Pension Rights and the Operations of Pension Funds. The fund's operation is authorized by the Ministry of Finance according to Article 52 of the above-mentioned Act. The fund's objective is to guarantee its members as well as their surviving spouses and children pension rights in compliance with the fund's Articles of Association. The fund comprises three separate sections: a mandatory division, a voluntary division and a specially designated voluntary division.

The fund's Board of Directors anticipates that the operations of the fund will follow a similar pattern in the next few years.

Yield

Nominal yield of the fund's assets in 2023 amounted to 6.2% but due to a high level of inflation the fund's real return was negative by 1.7%. This is the second year in succession when yield is negative; in 2022 it was negative by 12.6%. Increasing domestic interest rates exercised a certain negative influence on the fund's market bonds as well as on domestic securities, whereas foreign securities returned acceptable yield. Although most of the asset classes in the fund's portfolio returned positive nominal yield, high domestic inflation caused their real return to fall below the target of the fund's investment strategy.

In spite of poor real return during the past two years, the fund's assets have returned a satisfactory long-term yield. The fund's average real return during the past 10 years remains above its real return target, or 3.6%.

Fund membership and contributions

In the year 2023, 22,511 fund members working for 3,840 employers paid contributions to the fund's mandatory division. The year's total contributions were ISK 18,739 million. Contributions to the mandatory division amounted to ISK 17,721 million, increasing by 12% from the previous year and contributions to the voluntary division increased by 13.7% from the previous year totalling ISK 480 million. Contributions to the specially designated voluntary division amounted to ISK 537 million during the year. The number of active members who generally make regular monthly contributions to the fund was ISK 16,239 in the mandatory division, 895 in the voluntary division and 422 in the specially designated voluntary division.

Pension entitlements

Undecided entitlements within Stapi's system of entitlements mostly develop in accordance with the fund's asset index. Thus, alterations in property values have a smaller impact on the fund's ability to fulfil its liabilities than otherwise would have been the case. Assessment of the fund's liabilities is based on a prediction of fund members' life expectancy, which involves a high degree of uncertainty. Icelanders' average lifespan has been increasing and it would be irresponsible not to expect this trend to continue in the years to come. Based on an unchanged pension age and entitlements such a development would negatively affect the fund's ability to fulfil its long-term liabilities since under such circumstances fund members would generally receive payments for a longer period than assumed in calculations. Consequently, the fund's system of entitlements must be based on up-to-date and forward-looking demographic premises.

Report by the Board of Directors, cont.

Pension disbursements

The mandatory division's total pension disbursements during the year amounted to ISK 10,707 million, rising by 17.8% from the previous year. Individual retirement pension plans were ISK 7,920 million, disability benefits amounted to ISK 23,94 million, spouse pensions were ISK 336 million, child benefits were ISK 57 million. Disbursements from the voluntary division amounted to ISK 277 million and ISK 28 million from the specially designated voluntary division. The total number of pensioners in the mandatory division at the end of year was 12,528.

Operating expenses

The fund's operating expenses in 2023 amounted to ISK 551 million. Operating expenses as a proportion of assets came to 0.1%. Full-time equivalent units were 19.8 during the year and total payroll expenses were ISK 293 million.

Assets and return on investments

The mandatory division's net assets available for pension disbursements were ISK 370,043 million, increasing by 8.5% from the previous year. The division's nominal return on investments was positive by 6.2% and real return amounted to -1.7%. The net assets of the voluntary division amounted to ISK 8,418 million and increased by 8.9% compared to the previous year. The voluntary division now offers three investment options: the deposit portfolio, the conservative portfolio and the dynamic portfolio; the net real return of those portfolios, respectively, during the year, totalled 0.1%, -0.6% and -1.7%. The net assets of the specially designated voluntary division were ISK 777 million at the end of year.

Actuarial position

An actuarial audit has been carried out with respect to the fund's mandatory division at end of year 2023. The year's actuarial performance was positive by ISK 47,355 million and the fund's actuarial position at end of year was positive by ISK 15,930 million, or 2.5% of the fund's liabilities.

The positive actuarial performance can for the most part be traced to alterations in the Articles of Association passed at the fund's annual meeting in 2023. The modifications in the Articles of Association led to the introduction of a new forecast of a lower mortality rate which is now used in the assessment of the fund's obligations in an actuarial review adopted in Stapi's programme of entitlements. As a result of those changes in the Articles of Association, the calculated obligations of the fund decreased by ISK 43,478 million. In addition, the revised assessment of the fund's bonds increased from the previous year by ISK 6,213 million because of a higher market interest at the end of 2023 compared to the previous year. This, however, is contravened by the fact that the fund's yield was lower than the calculated increase of confirmed obligations which detracts from the fund's actuarial performance.

The fund's current situation is positive by 4.6%, whereas its future position is negative by 0.2%. Thus, the fund's actuarial position as a whole is positive by 2.5%.

Report by the Board of Directors, cont.

Management practices

Stapi pension fund regards quality management practices as a precondition for the fund's successful operation and its ability to attain its objectives. Through quality management the fund wishes to lay the foundation for reliable and professional working methods and fair and positive relations with fund members and employers who make contributions to the fund. In this way, a trusting relationship maybe developed between the fund's staff and management and fund members, employers, business associates and others who have connections with the fund. It is inherent in quality management practice to provide exemplary services, to ensure that the fund has comprehensive information technology at its disposal and support transparency in its operations by always providing timely and dependable information.

The fund's administration and Board of Directors have based management practices on generally accepted views and guidelines regarding the quality management of companies. The Board of Directors has also established work rules in accordance with Article 51 of the Regulation on the Annual Accounts of Pension Funds, no. 335/2015. We refer to an addendum to the annual accounts regarding the fund's declaration of management practices.

Non-financial information

Stapi pension fund is an entity relating to public interest, cf. Act no. 3/2006 on Annual Accounts and consequently a survey enclosed with the fund's Report of the Board of Directors includes information needed for assessing the fund's development, activities, position and influence relevant to circumstances of the environment, social issues and staff matters in compliance with Article no. 66 of that same Act. The fund's policy is also elucidated with regard to human rights and measures taken to prevent corruption and bribery.

Stapi's Board of Directors and employees are the custodians of fund members' pension savings and as such they are obliged to protect their interest which should always guide them in their work. This, among other things, comprises the demand that the fund emphasise the honouring of the highest corporate standards among companies the fund invests in, or entrusts with asset management on its behalf.

The fund's impact and responsibility relating to social matters is manifested by two principal factors in its operation. Those are, on the one hand, the fund's pension liabilities and, on the other, its investment operations.

The fund fulfils its role of disbursing pensions to its members in accordance with its Articles of Association, ethical rules and other documented regulations. The fund has established a policy of personal protection and has a personal protection representative on its staff.

As regards the fund's investment operations, its investment strategy is confirmed on an annual basis, as well as its investment targets and restrictions. The fund operates in accordance with its shareholder policy and a strategy of responsible investments, thus defining the standards and assurances the fund expects from companies in its portfolio and from its asset manager.

Stapi pension fund was a founding member of IcelandSIF, an independent platform for responsible and sustainable investments. The purpose of Iceland SIF is to enhance knowledge and debate as regards the methodology of sustainable and responsible investments

Report by the Board of Directors, cont.

The fund is not a member of the UN Principles for Responsible Investments, although it makes use of comparable regulations to evaluate foreign asset managers in the area of social matters. The fund screens new investments, with a view to UN PRI membership, as well as analysing and evaluating the success of its portfolio with regard to UN PRI. Almost all foreign asset managers in charge of the fund's assets are signatories to UN PRI.

As part of its investment strategy, the fund expects companies in which it holds shares to comply with environmental rules and regulations, thus understanding, controlling and, in so far as possible, reducing the environmental impact of relevant activities. In 2021, the fund became a member of the Climate Investment Coalition (CIC) which involves co-operation in the field of investments in green assets. Pursuant to its membership of the coalition the fund has set itself the target of green assets becoming 7% of its portfolio in 2030. Thus, Stapi analyses and evaluates the proportion of green assets in its portfolio at regular intervals. At the end of the year, the ratio of green assets was 4%.

In this regard, we refer to the addendum enclosed with the annual accounts.

Stapi pension fund's Board of Directors and CEO hereby confirm with their signatures the fund's annual accounts for the year 2023.

Akureyri, 20 March 2024

Statement of changes in net assets for pension payments in 2023

	2023	2022
Contributions		
Fund members' contributions	5,056,496	4,459,136
Employers' contributions	13,682,124	12,013,224
Transfer of entitlements and repayments	(493,907)	(230,471)
	<u>18,244,713</u>	<u>16,241,888</u>
Special additional contributions	775,894	593,167
	<u>19,020,607</u>	<u>16,835,055</u>
Pensions		
Total pensions	11,011,753	9,353,321
Contribution to vocational rehabilitation fund	105,187	101,259
Direct costs relating to disability pensions	4,753	5,075
	<u>11,121,306</u>	<u>9,458,916</u>
Net investment income		
Net income from holdings in companies and funds	11,951,683	(12,598,198)
Net income from bonds	10,346,376	(2,801,192)
Net income from derivatives	0	24,400
Interest income from tied bank deposits	25,072	32,469
Interest income from cash in hand	184,422	384,919
Interest income from contributions and other claims	43,944	22,640
Other investment income	0	21,789
Cost of investments	(73,562)	(57,939)
	<u>22,477,936</u>	<u>(14,971,111)</u>
Operating expenses		
Office and administration expenses	550,583	547,530
	<u>550,583</u>	<u>547,530</u>
Change in net assets for pension payments	29,826,655	(8,142,502)
Net assets from previous year	<u>349,411,030</u>	<u>357,553,530</u>
Net assets for pension payments at end of year	<u><u>379,237,685</u></u>	<u><u>349,411,030</u></u>

Balance sheet 31 December 2023

	2023	2022
Assets		
Investments		
Holdings in companies and funds	221,804,160	199,328,632
Bonds	149,318,501	139,527,017
Tied bank deposits	229,594	265,292
	<u>371,352,254</u>	<u>339,120,941</u>
Claims against employers	1,925,140	1,693,123
Other claims	793,931	61,985
	<u>2,719,071</u>	<u>1,755,108</u>
Various assets		
Property, plant and equipment	280,802	265,163
Cash in hand	<u>4,957,097</u>	<u>8,373,342</u>
Total assets	<u><u>379,309,225</u></u>	<u><u>349,514,553</u></u>
Trade payables		
Other liabilities	71,539	103,524
Total liabilities	<u>71,539</u>	<u>103,524</u>
Net assets for pension payments	<u><u>379,237,685</u></u>	<u><u>349,411,030</u></u>
Off-balance sheet liabilities		

Cash flow 2023

	2023	2022
Incoming payments		
Contributions	18,788,757	16,462,599
Paid-in interest on cash in hand and claims	194,102	123,063
Other pay-ins	0	89
	<u>18,982,859</u>	<u>16,585,752</u>
Payouts		
Pensions	11,121,306	9,458,916
Investment í tangible assets	24,365	0
Other payouts	837,659	70,928
	<u>12,525,187</u>	<u>10,068,648</u>
Increase in disposable cash for investment	6,457,672	6,517,103
Investing activities		
Proceeds from holdings in companies and funds	1,718,416	1,953,714
Purchased holdings in companies and funds	(31,587,267)	(24,229,020)
Proceeds from sold holdings in companies and funds	19,332,662	18,681,486
Principal and interest instalments on bonds	13,677,966	16,893,803
Purchased bonds	(17,135,920)	(25,815,990)
Reimbursed tied deposits	60,771	78,145
	<u>(9,908,181)</u>	<u>(4,029,777)</u>
Increase of cash and cash equivalents	(3,450,509)	2,487,326
Exchange difference of cash and cash equivalents	34,265	284,497
Cash in hand at beginning of year	8,373,342	5,601,519
Cash in hand at end of year	<u><u>4,957,097</u></u>	<u><u>8,373,342</u></u>

Financial ratios

	2023	2022	2021	2020	2019
Mandatory division					
Net assets in excess of liabilities	2.53%	-5.07%	-4.75%	1.45%	-0.39%
Net assets in excess of accruing liabilities	4.63%	-2.15%	-1.12%	1.08%	-0.07%
Net real return *).....	-1.71%	-12.55%	12.77%	9.15%	9.98%
Average of net real return during the past 5 years *).....	3.08%	3.73%	7.64%	5.05%	5.06%
Average of net real return during the past 10 years *).....	3.60%	3.86%	5.68%	4.53%	4.14%
Proportional allocation of investments:					
Listed ownership interests in companies and funds	42.9%	40.8%	43.6%	42.1%	37.9%
Listed bonds	33.8%	35.6%	35.6%	39.6%	45.1%
Listed ownership interests in companies and funds	16.8%	18.0%	15.8%	12.5%	11.1%
Unlisted bonds	6.4%	5.5%	4.9%	5.7%	6.3%
Tied bank deposits	0.1%	0.1%	0.1%	0.2%	0.3%
Proportional division of investments according to currencies					
Assets in Icelandic kronur ISK	59.1%	62.0%	62.0%	64.8%	67.5%
Assets in foreign currencies	40.9%	38.0%	38.0%	35.2%	32.5%
Number of active fund members	16,239	15,686	14,970	14,654	15,200
Number of fund members at end of year	97,415	95,639	93,487	92,054	91,086
Number of pensioners	12,528	12,003	11,588	10,966	10,261
Proportional division of pensions:					
Retirement pensions	74.0%	73.2%	72.1%	71.3%	70.8%
Disability pensions	22.4%	22.8%	23.8%	24.3%	24.4%
Spouse pensions	3.1%	3.3%	3.6%	3.7%	4.0%
Child benefits	0.5%	0.6%	0.6%	0.7%	0.7%
Full position equivalents	19.8	20.3	20.0	19.3	18.5
Total contributions (at constant prices)	18,476,626	17,715,609	16,908,780	16,161,528	16,358,695
Total pensions (at constant prices)	10,816,287	9,929,924	9,450,417	8,942,717	8,316,444
Total net investment income (at constant prices *)	21,760,624	-15,372,644	64,318,341	41,382,689	36,540,729
Office and administrative costs (at constant prices)	508,994	546,898	549,128	532,835	509,745
Increase (decrease) of net assets (at constant prices)	28,911,969	-8,133,856	71,227,576	48,068,665	44,073,236
Pension burden	58.5%	56.1%	55.9%	55.3%	50.8%
Office and administrative costs (total) as a % of contributions	2.8%	3.1%	3.2%	3.3%	3.1%
Net investment income as a % of mean asset position *)	5.9%	-3.9%	16.7%	12.2%	12.1%
Office and administrative costs as a % of mean asset position	0.14%	0.14%	0.14%	0.16%	0.17%

*) Financial ratios, investment income and asset position have been recalculated in accordance with new auditing practice. Net real return is calculated from net investment income less operating costs and other expenses. When calculating net investment income as a percentage of mean asset position, other expenses have been subtracted from investment income. Constant prices are based on changes in the consumer price index.

Financial ratios

	2023	2022	2021	2020	2019
Voluntary division: Conservative portfolio					
Net real return	-0.17%	-16.03%	9.40%	8.08%	11.27%
Mean net real return of past 5 years.....	1.98%	1.97%	6.87%	5.24%	5.20%
Mean net real return of past 10 years.....	2.95%	3.40%	5.65%	5.16%	5.71%
Proportional allocation of investments					
Listed ownership interests in companies and funds	53.3%	49.8%	46.4%	47.7%	38.1%
Listed bonds	46.7%	50.2%	53.6%	52.3%	61.9%
Proportional division of investments according to currencies					
Assets in Icelandic kronur ISK	65.7%	69.4%	77.9%	78.9%	83.1%
Assets in foreign currencies	34.3%	30.7%	22.1%	21.1%	16.9%
Number of active fund members					
Number of fund members at end of year	213	215	219	163	206
Number of pensioners	4,284	4,301	4,279	4,324	4,312
Proportional division of pensions:					
Retirement pensions	100%	100%	100%	100%	100%
Disability pensions	0.3%	0.0%	0.1%	0.0%	0.0%
Spouse pensions	0.0%	0.0%	0.0%	0.0%	0.0%
Total contributions (at constant prices)					
Total pensions (at constant prices)	92,445	135,600	531,871	122,382	123,317
Total net investment income (at constant prices *)	126,258	131,984	130,791	107,585	79,150
Office and administrative costs (at constant prices)	186,094	-198,443	361,973	248,516	262,607
Increase (decrease) of net assets (at constant prices)	11,468	12,635	12,689	10,451	9,665
Pension burden					
Office and administrative costs (total) as a % of contributions	140,814	-207,462	750,365	252,862	297,113
Net investment income as a % of mean asset position *)	136.6%	97.3%	24.6%	87.9%	64.2%
Office and administrative costs as a % of mean asset position	12.4%	9.3%	2.4%	8.5%	7.8%
Office and administrative costs as a % of mean asset position	7.7%	-7.5%	14.1%	11.6%	13.6%
Office and administrative costs as a % of mean asset position	0.48%	0.48%	0.50%	0.49%	0.50%

Financial ratios

	2023	2022	2021	2020	2019
Voluntary division: Dynamic portfolio					
Net real return	0.35%	-17.48%	13.30%	10.52%	14.93%
Mean net real return of past 5 years.....	3.57%	3.35%	8.52%	5.80%	5.33%
Mean net real return of past 10 years.....	3.69%	4.07%	6.72%	5.37%	5.32%
Proportional allocation of investments					
Listed ownership interests in companies and funds	66.8%	62.9%	61.5%	62.5%	43.0%
Listed bonds	33.2%	37.1%	38.5%	37.5%	57.0%
Proportional division of investments according to currencies					
Assets in Icelandic kronur ISK	54.0%	61.1%	65.1%	68.8%	75.0%
Assets in foreign currencies	46.1%	38.9%	34.9%	31.2%	25.0%
Number of active fund members					
Number of fund members at end of year	618	601	555	371	373
Number of pensioners	11,360	11,232	11,090	11,053	10,958
Proportional division of pensions:					
Retirement pensions	159	151	258	227	169
Disability pensions	97.9%	97.7%	98.2%	98.8%	98.0%
Spouse pensions	2.1%	2.4%	1.8%	1.2%	2.0%
	0.0%	0.0%	0.0%	0.0%	0.0%
Total contributions (at constant prices)	188,871	174,024	50,681	67,447	164,741
Total pensions (at constant prices)	140,769	116,217	193,914	206,607	129,060
Total net investment income (at constant prices) *)	465,949	-565,298	1,122,831	805,510	882,025
Office and administrative costs (at constant prices)	26,798	28,779	31,147	27,712	26,384
Increase (decrease) of net assets (at constant prices)	487,253	-536,269	948,451	638,638	891,338
Pension burden	74.5%	66.8%	382.6%	306.3%	78.3%
Office and administrative costs (total) as a % of contributions	14.2%	16.5%	61.5%	41.1%	16.0%
Net investment income as a % of mean asset position *)	8.2%	-9.1%	17.5%	13.8%	16.8%
Office and administrative costs as a % of mean asset position	0.47%	0.47%	0.49%	0.47%	0.50%

Financial ratios

	2023	2022	2021	2020	2019
Voluntary division: Deposit portfolio					
Net real return	-1.97%	-6.67%	-4.81%	-3.41%	0.20%
Mean net real return of past 5 years.....	-3.36%	-3.04%	-1.22%	0.26%	1.50%
Mean net real return of past 10 years.....	-0.70%	-0.23%	0.71%	1.50%	2.46%
Proportional allocation of investments					
Listed ownership interests in companies and funds	0.0%	0.0%	0.0%	0.0%	0.0%
Listed bonds	0.0%	0.0%	0.0%	0.0%	0.0%
Tied bank deposits	0.0%	0.0%	0.0%	0.0%	0.0%
Proportional division of investments according to currencies					
Assets in Icelandic kronur ISK	100%	100%	100%	100%	100%
Number of active fund members					
Number of active fund members	64	48	47	249	247
Number of fund members at end of year	175	127	118	357	383
Number of pensioners	9	7	11	21	11
Proportional division of pensions:					
Retirement pensions	100%	100%	100%	100%	100%
Total contributions (at constant prices)					
Total contributions (at constant prices)	50,001	10,001	-251,881	103,741	-824
Total pensions (at constant prices)					
Total pensions (at constant prices)	9,667	15,132	11,674	27,527	15,137
Total net investment income (at constant prices) *)					
Total net investment income (at constant prices) *)	17,428	6,904	844	3,324	14,985
Office and administrative costs (at constant prices)					
Office and administrative costs (at constant prices)	421	416	670	2,970	2,664
Increase (decrease) of net assets (at constant prices)					
Increase (decrease) of net assets (at constant prices)	57,341	1,356	-263,381	76,568	-3,641
Pension burden					
Pension burden	19.3%	151.3%	-4.6%	26.5%	-1836.8%
Office and administrative costs (total) as a % of contributions					
Office and administrative costs (total) as a % of contributions	0.8%	4.2%	-0.3%	2.9%	-323.3%
Net investment income as a % of mean asset position *)					
Net investment income as a % of mean asset position *)	5.6%	2.3%	0.2%	0.6%	2.7%
Office and administrative costs as a % of mean asset position					
Office and administrative costs as a % of mean asset position	0.15%	0.14%	0.14%	0.51%	0.48%

Financial ratios

	2023	2022	2021	2020	2019
Specific voluntary division: Conservative portfolio					
Net real return	-0.91%	-15.54%	7.46%	8.61%	4.90%
Mean net real return of past 5 years.....	0.49%	-0.23%	3.1%	0.0%	0.0%
Proportional allocation of investments					
Listed ownership interests in companies and funds	71.1%	63.6%	60.3%	40.2%	33.9%
Listed bonds	28.9%	36.4%	39.7%	59.8%	66.1%
Proportional division of investments according to currencies					
Assets in Icelandic kronur ISK	66.5%	74.5%	81.7%	95%	82%
Assets in foreign currencies	33.5%	25.5%	18.3%	5.0%	18.3%
Number of active fund members					
Number of active fund members	422	394	396	370	378
Number of fund members at end of year	684	699	544	494	469
Number of pensioners	44	42	12	7	4
Proportional division of pensions:					
Retirement pensions	100%	100%	100%	100%	100%
Spouse pensions	0.0%	0.0%	0.0%	0.0%	0.0%
Total contributions (at constant prices)					
Total contributions (at constant prices)	212,663	147,466	132,607	123,749	122,473
Total pensions (at constant prices)					
Total pensions (at constant prices)	28,325	22,845	8,260	2,015	1,541
Total net investment income (at constant prices) *)					
Total net investment income (at constant prices) *)	47,841	-40,067	58,963	38,515	13,954
Office and administrative costs (at constant prices)					
Office and administrative costs (at constant prices)	2,901	2,631	2,213	1,418	788
Increase (decrease) of net assets (at constant prices)					
Increase (decrease) of net assets (at constant prices)	229,279	81,923	181,097	158,830	134,098
Pension burden					
Pension burden	13.3%	15.5%	6.2%	1.6%	1.3%
Office and administrative costs (total) as a % of contributions					
Office and administrative costs (total) as a % of contributions	1.4%	1.8%	1.7%	1.1%	0.6%
Net investment income as a % of mean asset position *)					
Net investment income as a % of mean asset position *)	7.0%	-7.0%	12.4%	12.1%	7.8%
Office and administrative costs as a % of mean asset position					
Office and administrative costs as a % of mean asset position	0.44%	0.46%	0.46%	0.44%	0.44%