

# Stapi pension fund

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Financial statement 2024

# 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 2024. 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 2024 and its performance and movement of cash in hand during the year 2024 in accordance with legislation on annual accounts and the regulations of the Financial Supervising Authority no. 335/2015 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 419 billion ISK, or 97.3% of total assets on 31 December 2024 (2023: 371 billion 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"> <li>• Information was gathered regarding the investment process as well as the methodology and premises on which asset assessment was based.</li> <li>• The market value of a sample of booked securities was confirmed supported by data providers</li> <li>• The fund's methods and calculations regarding unlisted investments were assessed.</li> <li>• Our value assessment specialist conducted independent calculations of the value of a sample of bonds booked at market value or retained until maturity date.</li> <li>• Explanatory notes were checked in annual accounts relating to investments, including the grading of market value.</li> </ul>

Key aspect	Audit response
<p>Auditing of pension obligations. The fund's pension obligations amounted to ISK 686 billion ISK at the end of 2024 (2023: ISK 629 billion ISK). Reassessed obligations in excess of the assets of the fund's mandatory division amounted to ISK 30 billion ISK at end of year, or 4.4% of net assets (2023: ISK 16 billion ISK, or 2.5%). 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"> <li>• We assessed the independence and competence of the actuary.</li> <li>• Information was gathered on work procedures relating to the actuary's calculations.</li> <li>• 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.</li> <li>• Diagnostic actions were performed as regards the development of the pension obligations, their premises and conclusions.</li> <li>• 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.</li> <li>• We recalculated a sample of the actuarial reassessment of securities.</li> </ul>

## Independent Auditor's Report cont.

### **Aðrar upplýsingar í ársskýrslu**

The Board of Directors and the CEO are responsible for other information in the annual report, with the exception of the annual accounts and our endorsement thereof. Our assessment of the annual report does not include other information, none of which we validate by any method.

As regards our auditing of the annual accounts, we are under an obligation to read other information in the annual report when available and assess whether this is in significant conflict with the annual accounts or other data we have gathered during the auditing process, or seeming to contain major errors. If we, on the basis of our work, conclude that other information contains significant inaccuracies, we are obliged to disclose this. The annual report is not available at the time when we endorse the annual accounts, but will be delivered to us prior to its publication.

### **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 no. 3/2006 on annual accounts and the regulations of the Financial Supervising Authority regarding the 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.

## Independent Auditor's Report cont.

- 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.
- 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 2025

**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.

## **Assets and return on investments**

The performance of the Fund's asset portfolios in 2024 showed a considerable improvement compared to the previous year. The year was characterised by diminished inflation and lower domestic interest rates which in general had a positive impact on the Fund's domestic asset portfolio, despite heightened tension in cross-border transactions, causing increased uncertainty on international markets. Nevertheless, all asset classes in the fund's portfolio returned a positive contribution to increased yield. Icelandic and foreign bonds occupied a leading position with a nominal return of 16-17%. Furthermore, the return on domestic bonds was in step with the fund's investment policy, yielding a nominal return of 8-9%. On the other hand, the performance of foreign bonds and specific foreign investments, which in combination constitute approximately one tenth of the asset portfolio, was significantly below expectations.

The mandatory division's net assets available for pension disbursements were ISK 419,791 million, increasing by 13.4% from the previous year. The division's nominal return on investments was positive by 11.3% and real return amounted to 6.3%. The fund's average real return during the past 10 years remains above its real return target, or 3.7%.

The net assets of the voluntary division amounted to ISK 9,700 million and increased by 15.2% 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 1.8%, 7.5% and 9.2%.

The net assets of the specially designated voluntary division were ISK 1,064 million at the end of year and real return amounted to 5.8%.

## **Fund membership and contributions**

In the year 2024, 22,643 fund members working for 3,869 employers paid contributions to the fund's mandatory division. The year's total contributions were ISK 20,117 million. Contributions to the mandatory division amounted to ISK 18,785 million, increasing by 6% from the previous year and contributions to the voluntary division increased by 7.1% from the previous year totalling ISK 514 million. Contributions to the specially designated voluntary division amounted to ISK 818 million during the year. The number of active members who generally make regular monthly contributions to the fund was ISK 16,548 in the mandatory division, 930 in the voluntary division and 457 in the specially designated voluntary division.

## Report by the Board of Directors, cont.

### **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.

### **Pension disbursements**

The mandatory division's total pension disbursements during the year amounted to ISK 11,973 million, rising by 11.8% from the previous year. Individual retirement pension plans were ISK 8,913 million, disability benefits amounted to ISK 2,630 million, spouse pensions were ISK 366 million, child benefits were ISK 64 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 13,024.

### **Operating expenses**

The fund's operating expenses in 2024 amounted to ISK 610 million. Operating expenses as a proportion of assets came to 0.1%. Full-time equivalent units were 20.1 during the year and total payroll expenses were ISK 320 million.

### **Actuarial position**

An actuarial audit has been carried out with respect to the fund's mandatory division at end of year 2024. The year's actuarial performance was positive by ISK 14,378 million and the fund's actuarial position at end of year was positive by ISK 30,809 million, or 4.4% of the fund's liabilities.

Positive actuarial performance can mainly be traced to the yield of the Fund's assets during the year which was well above the Fund's return objectives of 3.5%. In addition, changes were introduced both as to standard assumptions regarding the incidence of disability, spouse and child-bearing probabilities and the adjustment of standard assumptions to the Fund's lowered obligations as regards crisis pensions. An actuarial audit indicates that the positive impact of those changes, on a demographic basis, amounts to ISK 1,877 million.

The fund's current situation is positive by 6.0%, whereas its future position is negative by 2.2%. Thus, the fund's actuarial position as a whole is positive by 4.4%.

### **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.

## Report by the Board of Directors, cont.

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

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 5%.



## Report by the Board of Directors, cont.

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 2024.

Akureyri, 20 March 2025

## Statement of changes in net assets for pension payments in 2024

	2024	2023
<b>Contributions</b>		
Fund members' contributions .....	5,362,771	5,056,496
Employers' contributions .....	14,753,807	13,682,124
Transfer of entitlements and repayments .....	(763,057)	(493,907)
	<u>19,353,522</u>	<u>18,244,713</u>
	20,095,998	19,020,607
 <b>Pensions</b>		
Total pensions .....	12,243,489	11,011,753
Contribution to vocational rehabilitation fund .....	121,763	105,187
Direct costs relating to disability pensions .....	7,284	4,753
Retirement pensions from Institute of Social Security .....	(342)	(387)
	<u>12,372,194</u>	<u>11,121,306</u>
 <b>Net investment income</b>		
Net income from holdings in companies and funds .....	30,849,840	11,951,683
Net income from bonds .....	13,091,198	10,346,376
Interest income from tied bank deposits .....	16,703	25,072
Interest income from cash in hand .....	250,916	184,422
Interest income from contributions and other claims .....	51,305	43,944
Cost of investments .....	(86,879)	(73,562)
	<u>44,173,084</u>	<u>22,477,936</u>
 <b>Operating expenses</b>		
Office and administration expenses .....	<u>610,272</u>	<u>550,583</u>
 <b>Change in net assets for pension payments</b>	51,286,616	29,826,655
Net assets from previous year .....	<u>379,237,685</u>	<u>349,411,030</u>
<b>Net assets for pension payments at end of year</b>	<u><u>430,524,301</u></u>	<u><u>379,237,685</u></u>

## Balance sheet 31 December 2024

	2024	2023
<b>Assets</b>		
<b>Investments</b>		
Holdings in companies and funds .....	251,750,555	221,804,160
Bonds .....	167,493,173	149,318,501
Tied bank deposits .....	206,044	229,594
	<u>419,449,772</u>	<u>371,352,254</u>
<b>Claims</b>		
Claims against employers .....	2,030,696	1,925,140
Other claims .....	2,191,028	793,931
	<u>4,221,724</u>	<u>2,719,071</u>
<b>Various assets</b>		
Property, plant and equipment	<u>271,589</u>	<u>280,802</u>
<b>Cash in hand</b> .....	<u>6,975,870</u>	<u>4,957,097</u>
<b>Total assets</b>	<u>430,918,956</u>	<u>379,309,225</u>
<b>Liabilities</b>		
Other liabilities .....	<u>394,655</u>	<u>71,539</u>
<b>Total liabilities</b>	<u>394,655</u>	<u>71,539</u>
<b>Net assets for pension payments</b>	<u>430,524,301</u>	<u>379,237,685</u>

## Cash flow 2024

	2024	2023
<b>Incoming payments</b>		
Contributions .....	19,985,451	18,788,757
Paid-in interest on cash in hand and claims .....	249,505	194,102
Other pay-ins .....	306	0
	<u>20,235,261</u>	<u>18,982,859</u>
<b>Payouts</b>		
Pensions .....	12,372,194	11,121,306
Operating expenses .....	601,059	541,857
Investment í tangible assets .....	0	24,365
Other payouts .....	1,156,175	837,659
	<u>14,129,428</u>	<u>12,525,187</u>
<b>Increase in disposable cash for investment .....</b>	<b>6,105,834</b>	<b>6,457,672</b>
<b>Investing activities</b>		
Proceeds from holdings in companies and funds .....	1,605,082	1,718,416
Purchased holdings in companies and funds .....	(33,669,740)	(31,587,267)
Proceeds from sold holdings in companies and funds .....	33,931,861	19,332,662
Principal and interest instalments on bonds .....	15,113,357	13,677,966
Purchased bonds .....	(26,718,845)	(17,135,920)
Proceeds from sale of bonds .....	5,558,255	4,025,191
Reimbursed tied deposits .....	40,252	60,771
	<u>(4,139,778)</u>	<u>(9,908,182)</u>
<b>Increase of cash and cash equivalents .....</b>	<b>1,966,056</b>	<b>(3,450,510)</b>
<b>Exchange difference of cash and cash equivalents .....</b>	<b>52,717</b>	<b>34,265</b>
<b>Cash in hand at beginning of year .....</b>	<b>4,957,097</b>	<b>8,373,342</b>
<b>Cash in hand at end of year .....</b>	<b><u>6,975,870</u></b>	<b><u>4,957,097</u></b>

## Financial ratios

	2024	2023	2022	2021	2020
<b>Mandatory division</b>					
Net assets in excess of liabilities .....	4.42%	2.53%	-5.07%	-4.75%	1.45%
Net assets in excess of accruing liabilities .....	6.03%	4.63%	-2.15%	-1.12%	1.08%
Net real return *).....	6.25%	-1.71%	-12.55%	12.77%	9.15%
Average of net real return during the past 5 years *).....	2.37%	3.08%	3.73%	7.64%	5.05%
Average of net real return during the past 10 years *).....	3.71%	3.60%	3.86%	5.68%	4.53%
Proportional allocation of investments:					
Listed ownership interests in companies and funds .....	44.2%	42.9%	40.8%	43.6%	42.1%
Listed bonds .....	33.4%	33.8%	35.6%	35.6%	39.6%
Listed ownership interests in companies and funds .....	15.9%	16.8%	18.0%	15.8%	12.5%
Unlisted bonds .....	6.6%	6.4%	5.5%	4.9%	5.7%
Tied bank deposits .....	0.0%	0.1%	0.1%	0.1%	0.2%
Proportional division of investments according to currencies					
Assets in Icelandic kronur ISK .....	59.0%	59.1%	62.0%	62.0%	64.8%
Assets in foreign currencies .....	41.0%	40.9%	38.0%	38.0%	35.2%
Number of active fund members .....	16,548	16,239	15,686	14,970	14,654
Number of fund members at end of year .....	99,014	97,415	95,639	93,487	92,054
Number of pensioners .....	13,024	12,528	12,003	11,588	10,966
Proportional division of pensions:					
Retirement pensions .....	74.4%	74.0%	73.2%	72.1%	71.3%
Disability pensions .....	22.0%	22.4%	22.8%	23.8%	24.3%
Spouse pensions .....	3.1%	3.1%	3.3%	3.6%	3.7%
Child benefits .....	0.5%	0.5%	0.6%	0.6%	0.7%
Full position equivalents .....	20.1	19.8	20.3	20.0	19.3
Total contributions (at constant prices) .....	19,508,289	19,358,063	18,560,742	17,715,422	16,932,522
Total pensions (at constant prices) .....	12,102,106	11,332,284	10,403,636	9,901,254	9,369,334
Total net investment income (at constant prices) *) .....	42,873,912	22,798,726	-16,106,004	67,386,680	43,356,871
Office and administrative costs (at constant prices) .....	562,691	533,276	572,988	575,324	558,254
Increase (decrease) of net assets (at constant prices) .....	49,717,404	30,291,229	-8,521,886	74,625,524	50,361,805
Pension burden .....	62.0%	58.5%	56.1%	55.9%	55.3%
Office and administrative costs (total) as a % of contributions .....	2.9%	2.8%	3.1%	3.2%	3.3%
Net investment income as a % of mean asset position *) .....	10.6%	5.9%	-3.9%	16.7%	12.2%
Office and administrative costs as a % of mean asset position .....	0.14%	0.14%	0.14%	0.14%	0.16%

\*) 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

	2024	2023	2022	2021	2020
<b>Voluntary division: Conservative portfolio</b>					
Net real return .....	7.53%	-0.17%	-16.03%	9.40%	8.08%
Mean net real return of past 5 years.....	1.28%	1.98%	1.97%	6.87%	5.24%
Mean net real return of past 10 years.....	3.22%	2.95%	3.40%	5.65%	5.16%
Proportional allocation of investments					
Listed ownership interests in companies and funds .....	57.6%	53.3%	49.8%	46.4%	47.7%
Listed bonds .....	42.4%	46.7%	50.2%	53.6%	52.3%
Proportional division of investments according to currencies					
Assets in Icelandic kronur ISK .....	63.1%	65.7%	69.4%	77.9%	78.9%
Assets in foreign currencies .....	37.0%	34.3%	30.7%	22.1%	21.1%
Number of active fund members .....					
Number of active fund members .....	216	213	215	219	163
Number of fund members at end of year .....	4,277	4,284	4,301	4,279	4,324
Number of pensioners .....	99	142	123	161	138
Proportional division of pensions:					
Retirement pensions .....	99%	100%	100%	100%	100%
Disability pensions .....	1.3%	0.3%	0.0%	0.1%	0.0%
Total contributions (at constant prices) .....					
Total contributions (at constant prices) .....	96,022	96,855	142,069	557,244	128,220
Total pensions (at constant prices) .....	121,342	132,282	138,280	137,030	112,717
Total net investment income (at constant prices) *) .....	313,394	194,972	-207,910	379,242	260,372
Office and administrative costs (at constant prices) .....	12,540	12,015	13,238	13,294	10,950
Increase (decrease) of net assets (at constant prices) .....	275,534	147,531	-217,359	786,161	264,925
Pension burden .....					
Pension burden .....	126.4%	136.6%	97.3%	24.6%	87.9%
Office and administrative costs (total) as a % of contributions .....	13.1%	12.4%	9.3%	2.4%	8.5%
Net investment income as a % of mean asset position *) .....	12.1%	7.7%	-7.5%	14.1%	11.6%
Office and administrative costs as a % of mean asset position .....	0.49%	0.48%	0.48%	0.50%	0.49%

## Financial ratios

	2024	2023	2022	2021	2020
<b>Voluntary division: Dynamic portfolio</b>					
Net real return .....	9.22%	0.35%	-17.48%	13.30%	10.52%
Mean net real return of past 5 years.....	2.52%	3.57%	3.35%	8.52%	5.80%
Mean net real return of past 10 years.....	3.91%	3.69%	4.07%	6.72%	5.37%
Proportional allocation of investments					
Listed ownership interests in companies and funds .....	70.5%	66.8%	62.9%	61.5%	62.5%
Listed bonds .....	29.5%	33.2%	37.1%	38.5%	37.5%
Proportional division of investments according to currencies					
Assets in Icelandic kronur ISK .....	53.3%	54.0%	61.1%	65.1%	68.8%
Assets in foreign currencies .....	46.7%	46.0%	38.9%	34.9%	31.2%
Number of active fund members .....					
Number of active fund members .....	631	618	601	555	371
Number of fund members at end of year .....	11,469	11,360	11,232	11,090	11,053
Number of pensioners .....	140	159	151	258	227
Proportional division of pensions:					
Retirement pensions .....	99.0%	97.9%	97.7%	98.2%	98.8%
Disability pensions .....	1.0%	2.1%	2.4%	1.8%	1.2%
Total contributions (at constant prices) .....					
Total contributions (at constant prices) .....	281,723	197,881	182,326	53,099	70,664
Total pensions (at constant prices) .....	103,227	147,484	121,761	203,165	216,463
Total net investment income (at constant prices) *) .....	866,073	488,178	-592,266	1,176,396	843,937
Office and administrative costs (at constant prices) .....	30,701	28,077	30,152	32,633	29,034
Increase (decrease) of net assets (at constant prices) .....	1,013,868	510,498	-561,852	993,697	669,105
Pension burden .....					
Pension burden .....	36.6%	74.5%	66.8%	382.6%	306.3%
Office and administrative costs (total) as a % of contributions .....	10.9%	14.2%	16.5%	61.5%	41.1%
Net investment income as a % of mean asset position *) .....	13.7%	8.2%	-9.1%	17.5%	13.8%
Office and administrative costs as a % of mean asset position .....	0.48%	0.47%	0.47%	0.49%	0.47%

## Financial ratios

	2024	2023	2022	2021	2020
<b>Voluntary division: Deposit portfolio</b>					
Net real return .....	1.81%	-1.97%	-6.67%	-4.81%	-3.41%
Mean net real return of past 5 years.....	-3.05%	-3.36%	-3.04%	-1.22%	0.26%
Mean net real return of past 10 years.....	-0.80%	-0.70%	-0.23%	0.71%	1.50%
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 .....	83	64	48	47	249
Number of fund members at end of year .....	187	175	127	118	357
Number of pensioners .....	11	9	7	11	21
Proportional division of pensions:					
Retirement pensions .....	100%	100%	100%	100%	100%
Total contributions (at constant prices) .....	-9,988	52,387	10,478	-263,897	108,690
Total pensions (at constant prices) .....	18,003	10,128	15,854	12,231	28,840
Total net investment income (at constant prices) *) .....	21,317	18,259	7,234	884	3,482
Office and administrative costs (at constant prices) .....	459	441	436	701	3,112
Increase (decrease) of net assets (at constant prices) .....	-7,134	60,076	1,421	-275,946	80,220
Pension burden .....	-180.2%	19.3%	151.3%	-4.6%	26.5%
Office and administrative costs (total) as a % of contributions .....	-4.6%	0.8%	4.2%	-0.3%	2.9%
Net investment income as a % of mean asset position *) .....	6.4%	5.6%	2.3%	0.2%	0.6%
Office and administrative costs as a % of mean asset position .....	0.14%	0.15%	0.14%	0.14%	0.51%



## Financial ratios

	2024	2023	2022	2021	2020
<b>Specific voluntary division: Conservative portfolio</b>					
Net real return .....	5.78%	-0.91%	-15.54%	7.46%	8.61%
Mean net real return of past 5 years.....	0.65%	0.49%	-0.2%	3.1%	0.0%
Proportional allocation of investments					
Listed ownership interests in companies and funds .....	71.0%	71.1%	63.6%	60.3%	40.2%
Listed bonds .....	29.0%	28.9%	36.4%	39.7%	59.8%
Proportional division of investments according to currencies					
Assets in Icelandic kronur ISK .....	66.3%	66.5%	74.5%	82%	95%
Assets in foreign currencies .....	33.7%	33.5%	25.5%	18.3%	5.0%
Number of active fund members .....					
Number of active fund members .....	457	422	394	396	370
Number of fund members at end of year .....	763	684	699	544	494
Number of pensioners .....	45	44	42	12	7
Proportional division of pensions:					
Retirement pensions .....	100%	100%	100%	100%	100%
Total contributions (at constant prices) .....					
Total contributions (at constant prices) .....	219,952	222,809	154,501	138,933	129,652
Total pensions (at constant prices) .....	27,515	29,676	23,934	8,654	2,111
Total net investment income (at constant prices) *) .....	98,387	50,124	-41,979	61,775	40,352
Office and administrative costs (at constant prices) .....	3,881	3,039	2,757	2,318	1,485
Increase (decrease) of net assets (at constant prices) .....	286,943	240,217	85,831	189,736	166,408
Pension burden .....					
Pension burden .....	12.5%	13.3%	15.5%	6.2%	1.6%
Office and administrative costs (total) as a % of contributions .....	1.8%	1.4%	1.8%	1.7%	1.1%
Net investment income as a % of mean asset position *) .....	24.2%	7.0%	-7.0%	12.4%	12.1%
Office and administrative costs as a % of mean asset position .....	0.42%	0.42%	0.46%	0.46%	0.44%