

Stapi pension fund

Financial statement 2022

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 2022. 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 2022 and its performance and movement of cash in hand during the year 2022 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.

Critical audit matters	Auditing response
<p>The existence and assessment of investments</p> <p>The book value of investments amounted to ISK 339,121 million or 97% of total assets on 31 December 2022 (2021: ISK 350,412 million). We refer to annotations 2 and 10-12 regarding investments.</p> <p>Among investments are shares, mutual-fund certificates, bonds, restricted cash and derivatives. The investments are generally in the safe keeping of a bank or a financial firm. Since investments are a significant proportion of the fund's assets it is a key aspect of our auditing to confirm that the investments exist and are in the fund's ownership.</p> <p>The investments are variously held at present value, historical cost or in accordance with a valuation method where variables are based on market information, either directly or indirectly, and on administrators' assessment. Due to the materiality and significance of investments and the fact that some are held on the basis of an valuation method, which <i>inter alia</i> is based on administrators' assessment their existence and assessment are key elements in the audit.</p> <p>Assessment of the pension obligation of the fund's mandatory division</p> <p>The fund's pension obligation amounted to ISK 619,260 million at end of year 2022 (2021: ISK 580,038 million). Revalued assets in excess of the mandatory division's obligations amounted to ISK 31,424 million at end of year, or -5.07% of equity (2021: 27,524 million, or 4.75%). The mandatory division's pension obligation is calculated by an independent actuary.</p> <p>Owing to the significance of the actuarial position for the fund's mandatory division the calculation of pension obligation is a key element in the audit.</p> <p>Cf. survey of actuarial position and explanatory note 14.</p>	<p>Our auditing practices aimed at confirming the fund's ownership of investments at end of year and assess the methods used by administrators when determining their value.</p> <p><i>Inter alia</i>, this work included:</p> <ul style="list-style-type: none"> • Confirming the existence and ownership of investments at end of year, using external confirmations • Confirming the rate of exchange of a sample of registered securities with the assistance of data suppliers and information from fund managers. • Assessing the methods and calculations of fund managers with regard to non-listed investments. • Explanatory notes in the annual accounts were inspected. <p>Our auditing practices aimed at assessing the premises used by an actuary when valuing a pension obligation. <i>Inter alia</i>, this work included:</p> <ul style="list-style-type: none"> • Assessing the independence and competence of the actuary. • Examining calculation methods. • We inspected the overview of the actuarial position and explanatory note 14 in the annual accounts and confirmed that presentation is in accordance with regulations.

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

Independent Auditor's Report cont.

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.
- 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.

Independent Auditor's Report cont.

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 22 March 2023

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.

Main items of information relating to the operations and developments of the fund

Return on the fund's assets in 2022 was the weakest since 2008. This result can be traced to the negative return on Icelandic and foreign stocks and shares as well as a price drop in ÍL-fund bonds in the wake of the finance minister's presentation of his considerations regarding the dissolution of the fund. While return on those largest of the fund's asset classes remained negative, inflation measured at significantly high levels, spurring a succession of rising interest rates, both in Iceland and abroad. This slack performance follows hard on the heels of a positive return on investments during the past three years. Consequently, the fund's average real return rate of 3.8% during the past 10 years still remains above the fund's objective as regards return on investments.

The fund's Board of Directors anticipates that the operations of the fund will follow a similar pattern in the next few years. It is clear, however, that the fund's tables of entitlements will need to be adjusted after the Minister of Finance confirmed postulates regarding a lower mortality rate in step with birth years, leading to a significant increase in the fund's liabilities. The fund's Board of Directors expects to present to the Annual Meeting in 2023 proposals of alterations to the fund's Articles of Association for the purpose of adapting the fund's system of entitlements to changed circumstances.

Fund membership and contributions

In the year 2022, 22,185 fund members working for 3,718 employers paid contributions to the fund's mandatory division. The year's total contributions were ISK 16,472 million. Contributions to the mandatory division amounted to ISK 15,825 million, increasing by 14.6% from the previous year and contributions to the voluntary division increased by 11.7% from the previous year totalling ISK 422 million. Contributions to the specially designated voluntary division amounted to ISK 226 million during the year. The number of active members who generally make regular monthly contributions to the fund was ISK 15,686 in the mandatory division, 864 in the voluntary division and 394 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.

In accordance with this reasoning, the fund's liabilities at the end of 2022 are calculated on the basis of fund members' falling mortality rate as predicted by the computational model of the Association of Icelandic Actuaries, confirmed by the Ministry of Finance in December 2020. A lower mortality rate would, in unchanged circumstances, exercise a seriously negative impact on the fund's actuarial position as indicated by the annual accounts. Thus, the fund's Board of Directors has implemented countermeasures in order to regain a balanced actuarial position. Those measures will be presented at the fund's annual general meeting.

Pension disbursements

The mandatory division's total pension disbursements during the year amounted to ISK 9,088 million, rising by 14.9% from the previous year. Individual retirement pension plans were ISK 6.657 million, disability benefits amounted to ISK 2,076 million, spouse pensions were ISK 302 million, child benefits were ISK 54 million. Disbursements from the voluntary division amounted to ISK 244 million and ISK 21 million from the specially designated voluntary division. The total number of pensioners in the mandatory division at the end of year was 12,003.

Operating expenses

The fund's operating expenses in 2022 amounted to ISK 548 million. Operating expenses as a proportion of assets came to 0.1%. Full-time equivalent units were 20.3 during the year and total payroll expenses were ISK 275 million.

Assets and return on investments

The mandatory division's net assets available for pension disbursements were ISK 341,130 million, decreasing by 2.2% from the previous year. The division's nominal return on investments was negative by 4.2% and real return amounted to -12.6%. The net assets of the voluntary division amounted to ISK 7,732 million and decreased by 8.2% 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 -6.7%, -16.0% and -17.5%. The net assets of the specially designated voluntary division were ISK 548 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 2022. The year's actuarial performance was negative by ISK 3,900 million. and the fund's actuarial position at end of year was negative by ISK 31,424 million, or 5.1% of the fund's liabilities.

The fund's negative actuarial performance may be explained in terms of the poor return on the fund's assets during the year. Conversely, due to a rising yield requirement on the market, bond reassessment decreases by ISK 15,140 million from the previous year which counterbalances the impact of poor return on investment. The fund's current financial position is negative by 2.2% and its future position is negative by 8.7%. Thus, the fund's overall actuarial position is negative by 5.1% which may be traced to the adoption of a new prediction model utilised in the standard prerequisites of the actuarial surveys of Icelandic pension funds, first implemented in the fund's survey for the year 2021. The new prediction model takes the development of past decades into consideration which indicates increased life expectancy to continue in the foreseeable future. Previous actuarial surveys have been based on standard prerequisites which only consider empirical data from the past and do not include figures from recent decades which indicate a continued rise in life expectancy. The fund's Board of Directors is currently considering proposed changes to the Articles of Association which would assimilate the fund's system of entitlements to altered

Report by the Board of Directors, cont.

demographic circumstances with the aim of reaching an equilibrium between the fund's assets and its future liabilities.

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

Other matters

In October last year the Minister of Finance announced the conclusions of a report on the position of the Housing Financing Fund (ÍL-sjóður) and the next anticipated actions on the agenda. The Housing Financing Fund issued state- guaranteed bonds from the year 2004 at an indexed-linked interest rate of 3.75% and without permission of full payment prior to date of maturity (so-called housing bonds). From the time-point of issue of the housing bonds, interest rates in Iceland have decreased and consequently the market value of those bonds has increased. One of the options currently presented by the Minister of Finance is enacting retroactive legislation on the liquidation of the Housing Financing Fund and thus forcing the Housing Financing Fund into insolvency

The day after the minister's above-mentioned announcement, housing bonds were placed on credit watch by the Icelandic Stock Exchange due to uncertainty regarding the issuer and the price development of the bonds. Subsequently, transactions involving the bonds have resulted in a significant fall in their market value. The price of housing bonds with a final maturity date in 2044 decreased by 16%, housing bonds with a final maturity date in 2034 decreased by just over 8%, and housing bonds with a final maturity date in 2024 decreased by just over 1%.

The total value of housing bonds in Stapi's portfolio was approximately ISK 32 billion on the date when the Minister of Finance announced his considerations. Subsequent to the minister's above-mentioned announcement, the value of those bonds fell by ISK 4.4 billion (13.6%) The impact of the decreased value of the bonds on Stapi's return on investments was negative to the ratio of 1.3% of

Report by the Board of Directors, cont.

the fund's total assets. The negative impact on the voluntary division was 2.0% on the conservative portfolio, 1.8% on the dynamic portfolio and 0.7% on the specially designated voluntary portfolio.

Stapi is a member of a joint platform of pension funds as regards this matter. Stapi pension fund has, independently, as well as on the joint platform of pension funds, obtained legal opinions which confirm that the Finance Minister's proposed actions are in violation both of the provisions of the Icelandic constitution as regards property rights and the stipulations of the European Convention on Human Rights. In view of this, the pension funds' prerequisites for negotiations with the Minister of Finance are that the financial settlement of bonds in the Housing Financing Fund be based on full compliance with the specifications set forth in those bonds. Discussions with the Finance Minister's specially appointed intermediary with respect to this matter have been without success. In the event that the Icelandic Parliament enacts retroactive legislation to the tune of the Finance Minister's announcement, Stapi fund intends to seek compensation for the loss and damage conceivably caused by such legal proceedings.

Stapi pension fund's Board of Directors and CEO hereby confirm with their signatures the fund's annual accounts for the year 2022.

Akureyri, 22 March 2023

Statement of changes in net assets for pension payments in 2022

	Expl.	2022	2021
Contributions			
Fund members' contributions		4,459,136	3,880,232
Employers' contributions		12,013,224	10,442,739
Transfer of entitlements and repayments		(230,471)	(138,621)
		<u>16,241,888</u>	<u>14,184,350</u>
Special additional contributions	3	593,167	526,553
		<u>16,835,055</u>	<u>14,710,903</u>
Pensions			
Total pensions	4	9,353,321	8,204,765
Contribution to vocational rehabilitation fund		101,259	85,803
Direct costs relating to disability pensions	5	5,075	4,939
Retirement pensions from Institute of Social Security		(739)	(914)
		<u>9,458,916</u>	<u>8,294,592</u>
Net investment income			
Net income from holdings in companies and funds	6	(12,598,198)	47,475,521
Net income from bonds	7	(2,801,192)	8,224,236
Net income from derivatives		24,400	20,800
Net income from investments in residential housing		0	(442)
Interest income from tied bank deposits		32,469	27,700
Interest income from cash in hand		384,919	(9,308)
Interest income from contributions and other claims		22,640	18,648
Other investment income		21,789	87,958
Cost of investments	8	(57,939)	(71,434)
		<u>(14,971,111)</u>	<u>55,773,679</u>
Operating expenses			
Office and administration expenses	9	547,530	504,570
Change in net assets for pension payments			
Net assets from previous year		357,553,530	295,868,112
Net assets for pension payments at end of year		<u>349,411,030</u>	<u>357,553,530</u>

Balance sheet 31 December 2022

	Expl.	2022	2021
Assets			
Investments			
Holdings in companies and funds	10	199,328,632	208,297,340
Bonds	11	139,527,017	141,779,186
Tied bank deposits		265,292	310,968
Deratives		0	24,400
		<u>339,120,941</u>	<u>350,411,894</u>
Claims			
Claims against employers		1,693,123	1,320,679
Other claims		61,985	49,720
		<u>1,755,108</u>	<u>1,370,399</u>
Various assets			
Property, plant and equipment	13	265,163	273,888
Cash in hand		<u>8,373,342</u>	<u>5,601,519</u>
Total assets		<u>349,514,553</u>	<u>357,657,700</u>
Liabilities			
Trade payables			
Other liabilities		103,524	104,171
Total liabilities		<u>103,524</u>	<u>104,171</u>
Net assets for pension payments		<u>349,411,030</u>	<u>357,553,530</u>
Off-balance sheet liabilities	15		

Cash flow 2022

	2022	2021
Incoming payments		
Contributions	16,462,599	14,742,653
Paid-in interest on cash in hand and claims	123,063	27,261
Other pay-ins	89	224
	<u>16,585,752</u>	<u>14,770,138</u>
Payouts		
Pensions	9,458,916	8,294,592
Operating expenses	538,804	495,845
Other payouts	70,928	78,936
	<u>10,068,648</u>	<u>8,869,373</u>
Increase in disposable cash for investment	6,517,103	5,900,764
Investing activities		
Proceeds from holdings in companies and funds	1,953,714	777,031
Purchased holdings in companies and funds	(24,229,020)	(28,836,745)
Proceeds from sold holdings in companies and funds	18,681,486	25,968,824
Principal and interest instalments on bonds	16,893,803	13,745,837
Purchased bonds	(25,815,990)	(19,323,438)
Proceeds from sale of bonds	8,408,085	3,207,112
Reimbursed tied deposits	78,145	213,078
Cost of residential housing	0	(442)
	<u>(4,029,777)</u>	<u>(4,248,744)</u>
Increase of cash and cash equivalents	2,487,326	1,652,020
Exchange difference of cash and cash equivalents	284,497	(17,920)
Cash in hand at beginning of year	5,601,519	3,967,420
Cash in hand at end of year	<u>8,373,342</u>	<u>5,601,519</u>

Financial ratios

	2022	2021	2020	2019	2018
Mandatory division					
Net assets in excess of liabilities	-5.07%	-4.75%	1.45%	-0.39%	-1.79%
Net assets in excess of accruing liabilities	-2.15%	-1.12%	1.08%	-0.07%	-0.18%
Net real return *).....	-12.55%	12.77%	9.15%	9.98%	1.46%
Average of net real return during the past 5 years *).....	3.73%	7.64%	5.05%	5.06%	4.13%
Average of net real return during the past 10 years *).....	3.86%	5.68%	4.53%	4.14%	2.73%
Proportional allocation of investments:					
Listed ownership interests in companies and funds	40.8%	43.6%	42.1%	37.9%	35.4%
Listed bonds	35.6%	35.6%	39.6%	45.1%	49.3%
Listed ownership interests in companies and funds	18.0%	15.8%	12.5%	11.1%	10.5%
Unlisted bonds	5.5%	4.9%	5.7%	6.3%	4.4%
Tied bank deposits	0.1%	0.1%	0.2%	0.3%	0.4%
Proportional division of investments according to currencies					
Assets in Icelandic kronur ISK	62%	62%	65%	68%	71%
Assets in foreign currencies	38%	38%	35%	32%	29%
Number of active fund members	15,686	14,970	14,654	15,200	15,086
Number of fund members at end of year	95,639	93,487	92,054	91,086	89,433
Number of pensioners	12,003	11,588	10,966	10,261	9,620
Proportional division of pensions:					
Retirement pensions	73.2%	72.1%	71.3%	70.8%	70.6%
Disability pensions	22.8%	23.8%	24.3%	24.4%	24.4%
Spouse pensions	3.3%	3.6%	3.7%	4.0%	4.3%
Child benefits	0.6%	0.6%	0.7%	0.7%	0.7%
Full position equivalents	20.3	20.0	19.3	18.5	18.3
Total contributions (at constant prices)	16,402,584	15,655,554	14,963,686	15,146,240	14,411,354
Total pensions (at constant prices)	9,193,949	8,749,982	8,279,910	7,700,055	7,009,512
Total net investment income (at constant prices) *)	-14,233,271	59,551,267	38,315,534	33,832,445	12,249,043
Office and administrative costs (at constant prices)	506,363	508,428	493,343	471,964	522,438
Increase (decrease) of net assets (at constant prices)	-7,531,000	65,948,411	44,505,966	40,806,665	19,128,446
Pension burden	56.1%	55.9%	55.3%	50.8%	48.6%
Office and administrative costs (total) as a % of contributions	3.1%	3.2%	3.3%	3.1%	3.6%
Net investment income as a % of mean asset position *)	-3.9%	17.4%	13.4%	13.3%	5.2%
Office and administrative costs as a % of mean asset position	0.14%	0.15%	0.17%	0.18%	0.22%

*) 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

	2022	2021	2020	2019	2018
Voluntary division: Conservative portfolio					
Net real return	-16.03%	9.40%	8.08%	11.27%	-0.19%
Mean net real return of past 5 years.....	1.97%	6.87%	5.24%	5.20%	3.93%
Mean net real return of past 10 years.....	3.40%	5.65%	5.16%	5.71%	5.68%
Proportional allocation of investments					
Listed ownership interests in companies and funds	49.8%	46.4%	47.7%	38.1%	45.0%
Listed bonds	50.2%	53.6%	52.3%	61.9%	55.0%
Proportional division of investments according to currencies					
Assets in Icelandic kronur ISK	69.4%	77.9%	78.9%	83.1%	84.2%
Assets in foreign currencies	30.7%	22.1%	21.1%	16.9%	15.8%
Number of active fund members					
Number of active fund members	215	219	163	206	191
Number of fund members at end of year	4,301	4,279	4,324	4,312	4,339
Number of pensioners	123	161	138	161	200
Proportional division of pensions:					
Retirement pensions	100%	99.9%	100%	100%	99%
Disability pensions	0.0%	0.1%	0.0%	0.0%	0.0%
Spouse pensions	0.0%	0.0%	0.0%	0.0%	1.3%
Total contributions (at constant prices)					
Total contributions (at constant prices)	125,550	492,450	113,311	114,177	116,630
Total pensions (at constant prices)					
Total pensions (at constant prices)	122,201	121,097	99,611	73,283	117,073
Total net investment income (at constant prices) *)					
Total net investment income (at constant prices) *)	-183,735	335,145	230,097	243,143	57,702
Office and administrative costs (at constant prices)					
Office and administrative costs (at constant prices)	11,699	11,748	9,676	8,949	8,274
Increase (decrease) of net assets (at constant prices)					
Increase (decrease) of net assets (at constant prices)	-192,086	694,750	234,121	275,091	48,985
Pension burden					
Pension burden	97.3%	24.6%	87.9%	64.2%	100.4%
Office and administrative costs (total) as a % of contributions					
Office and administrative costs (total) as a % of contributions	9.3%	2.4%	8.5%	7.8%	7.1%
Net investment income as a % of mean asset position *)					
Net investment income as a % of mean asset position *)	-7.5%	14.1%	11.6%	13.6%	3.5%
Office and administrative costs as a % of mean asset position					
Office and administrative costs as a % of mean asset position	0.48%	0.50%	0.49%	0.50%	0.50%

Financial ratios

	2022	2021	2020	2019	2018
Voluntary division: Dynamic portfolio					
Net real return	-17.48%	13.30%	10.52%	14.93%	-0.72%
Mean net real return of past 5 years.....	3.35%	8.52%	5.80%	5.33%	3.81%
Mean net real return of past 10 years.....	4.07%	6.72%	5.37%	5.32%	5.00%
Proportional allocation of investments					
Listed ownership interests in companies and funds	62.9%	61.5%	62.5%	43.0%	59.2%
Listed bonds	37.1%	38.5%	37.5%	57.0%	40.8%
Proportional division of investments according to currencies					
Assets in Icelandic kronur ISK	61.1%	65.1%	68.8%	75.0%	76.7%
Assets in foreign currencies	38.9%	34.9%	31.2%	25.0%	23.3%
Number of active fund members					
Number of active fund members	601	555	371	373	352
Number of fund members at end of year	11,232	11,090	11,053	10,958	10,926
Number of pensioners	151	258	227	169	164
Proportional division of pensions:					
Retirement pensions	97.7%	98.2%	98.8%	98.0%	94.9%
Disability pensions	2.4%	1.8%	1.2%	2.0%	2.4%
Spouse pensions	0.0%	0.0%	0.0%	0.0%	2.7%
Total contributions (at constant prices)	161,126	46,925	62,448	152,531	68,672
Total pensions (at constant prices)	107,603	179,542	191,294	119,494	127,464
Total net investment income (at constant prices) *)	-523,400	1,039,610	745,808	816,652	133,379
Office and administrative costs (at constant prices)	26,646	28,838	25,658	24,428	22,311
Increase (decrease) of net assets (at constant prices)	-496,522	878,155	591,304	825,275	52,276
Pension burden	66.8%	382.6%	306.3%	78.3%	185.6%
Office and administrative costs (total) as a % of contributions	16.5%	61.5%	41.1%	16.0%	32.5%
Net investment income as a % of mean asset position *)	-9.1%	17.5%	13.8%	16.8%	2.9%
Office and administrative costs as a % of mean asset position	0.47%	0.49%	0.47%	0.50%	0.49%

Financial ratios

	2022	2021	2020	2019	2018
Voluntary division: Deposit portfolio					
Net real return	-6.67%	-4.81%	-3.41%	0.20%	-0.35%
Mean net real return of past 5 years.....	-3.04%	-1.22%	0.26%	1.50%	2.03%
Mean net real return of past 10 years.....	-0.23%	0.71%	1.50%	2.46%	3.34%
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	48	47	249	247	257
Number of fund members at end of year	127	118	357	383	327
Number of pensioners	7	11	21	11	11
Proportional division of pensions:					
Retirement pensions	100%	100%	100%	100%	100%
Total contributions (at constant prices)	9,259	-233,213	96,052	-763	95,987
Total pensions (at constant prices)	14,011	10,809	25,487	14,015	109,872
Total net investment income (at constant prices *)	6,393	782	3,077	13,874	15,151
Office and administrative costs (at constant prices)	385	620	2,750	2,467	2,592
Increase (decrease) of net assets (at constant prices)	1,256	-243,860	70,893	-3,371	-1,326
Pension burden	151.3%	-4.6%	26.5%	-1836.8%	114.5%
Office and administrative costs (total) as a % of contributions	4.2%	-0.3%	2.9%	-323.3%	2.7%
Net investment income as a % of mean asset position *)	2.3%	0.2%	0.6%	2.7%	2.8%
Office and administrative costs as a % of mean asset position	0.14%	0.14%	0.51%	0.48%	0.48%

Financial ratios

	2022	2021	2020	2019	2018
Specific voluntary division: Conservative portfolio					
Net real return	-15.54%	7.46%	8.61%	4.90%	-4.40%
Mean net real return of past 5 years.....	-0.23%	3.09%	0.0%	0.0%	0.0%
Proportional allocation of investments					
Listed ownership interests in companies and funds	63.6%	60.3%	40.2%	34%	45%
Listed bonds	36.4%	39.7%	59.8%	66.1%	54.8%
Proportional division of investments according to currencies					
Assets in Icelandic kronur ISK	74.5%	81.7%	95.1%	82%	96%
Assets in foreign currencies	25.5%	18.3%	5.0%	18.3%	4.1%
Number of active fund members					
Number of active fund members	394	396	370	378	346
Number of fund members at end of year	699	544	494	469	423
Number of pensioners	42	12	7	4	4
Proportional division of pensions:					
Retirement pensions	100%	100%	100%	100%	49.5%
Spouse pensions	0.0%	0.0%	0.0%	0.0%	50.5%
Total contributions (at constant prices)					
Total contributions (at constant prices)	136,536	122,778	114,577	113,396	86,036
Total pensions (at constant prices)					
Total pensions (at constant prices)	21,151	7,648	1,866	1,427	408
Total net investment income (at constant prices) *)					
Total net investment income (at constant prices) *)	-37,098	54,592	35,660	12,920	-570
Office and administrative costs (at constant prices)					
Office and administrative costs (at constant prices)	2,436	2,049	1,313	730	230
Increase (decrease) of net assets (at constant prices)					
Increase (decrease) of net assets (at constant prices)	75,851	167,674	147,058	124,159	84,829
Pension burden					
Pension burden	15.5%	6.2%	1.6%	1.3%	0.5%
Office and administrative costs (total) as a % of contributions					
Office and administrative costs (total) as a % of contributions	1.8%	1.7%	1.1%	0.6%	0.3%
Net investment income as a % of mean asset position *)					
Net investment income as a % of mean asset position *)	-7.0%	12.4%	12.1%	7.8%	-0.9%
Office and administrative costs as a % of mean asset position					
Office and administrative costs as a % of mean asset position	0.48%	0.46%	0.44%	0.44%	0.37%