

Guaranteed benefits

The ATP Group's guaranteed benefits calculated for H1 2023 using, respectively, ATP's discount rates and EIOPA's discount rates.

(DKK million)

Guaranteed benefits calculated with the illiquidity range	538,460
Guaranteed benefits calculated without the illiquidity range	576,256
Guaranteed benefits calculated with EIOPA's discount rates	549,308

The guaranteed benefits in the ATP Group's interim report for H1 are calculated with discount rates in accordance with the provision basis reported to the Danish Financial Supervisory Authority. Interest is used for Danish and German government bonds and interest swaps in DKK and EUR. ATP's discount curve is specified with considerations for ATP's opportunities to hedge interest rate risks on the pension liabilities appropriately. When calculating the book value of the guaranteed benefits, an illiquidity range is added to the curve. When calculating ATP's bonus capacity, the discount curve is used without an illiquidity range.

When calculating the guaranteed benefits with EIOPA's discount rates the yield curve as at 30 June 2023 is used, including the volatility adjustment published on EIOPA's homepage. The figure below shows ATP's discount curve with and without the illiquidity range compared to EIOPA's discount curve including volatility adjustment.

The differences in the discount rate curves cause the differences in the calculated values of the guaranteed benefits. Thus, the value of the guaranteed benefits calculated with EIOPA's discount rates are lower than those calculated with ATP's discount curve without the range, but higher than when ATP uses the illiquidity range.

