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**Annual Announcement of  
Financial Statements 2024**



# ATP in brief

## ATP LIVSLANG PENSION (LIFELONG PENSION)



The ATP pension is a **lifelong guaranteed pension** paid throughout retirement which helps to ensure financial security for all Danes

**0.32** per cent

Low annual **expense ratio** (total investment and administration activity expense)

**17.1** per cent

in continued **stable bonus capacity**



**DKK -0.1** bn

of return in the investment portfolio, corresponding to -0.6 per cent compared to the bonus potential. **Over the past 10 years, ATP has generated an average annual return of DKK 11.6bn, corresponding to 9.4 per cent of the bonus potential**

**Low administration activity expense**

**DKK 37** per member

**Value creation in guarantees**

**3.1** per cent

## PAYMENT OF WELFARE BENEFITS

**2/3**

**of the welfare spending in Denmark is paid out by ATP,** for example, state pensions and child and youth benefits

ATP has **digitised and streamlined** the payment of welfare benefits. This year we have paid out

**DKK 345** bn.



ATP is a **technology and digitalisation company** and in 2024 its IT investments totalled

**DKK 600** million.



# Financial Highlights for the ATP Group

DKK million	2024	2023	2022	2021	2020
<b>Investment</b>					
Return in the investment portfolio	(59)	5,718	(64,511)	49,370	29,797
Tax on pension savings returns and income tax	(110)	(1,078)	9,406	(7,282)	(4,374)
<b>Investment activity results</b>	<b>(169)</b>	<b>4,640</b>	<b>(55,104)</b>	<b>42,087</b>	<b>25,423</b>
<b>Hedging activities</b>					
<b>Interest hedging</b>					
Return on the interest rate hedging portfolio	15,148	42,066	(244,827)	(56,187)	66,484
Change due to interest rates and shorter duration	(14,596)	(33,348)	212,298	43,124	(63,330)
Tax on pension savings returns	(2,298)	(6,421)	37,459	8,597	(10,172)
<b>Result of interest rate hedging</b>	<b>(1,746)</b>	<b>2,298</b>	<b>4,930</b>	<b>(4,466)</b>	<b>(7,018)</b>
<b>Supplementary hedging portfolio</b>					
Return on supplementary hedging portfolio	(152)	736	-	-	-
Return on long-term supplementary provision	198	(625)	-	-	-
Tax on pension savings returns	(46)	(110)	-	-	-
<b>Result of supplementary hedging portfolio</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Life annuity with market exposure</b>					
Return on market return portfolio	89	249	(87)	-	-
Return on life annuity with market exposure	(72)	(206)	73	-	-
Tax on pension savings returns	(17)	(43)	13	-	-
<b>Result of life annuity with market exposure</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>-</b>
<b>Hedging activity results</b>	<b>(1,746)</b>	<b>2,298</b>	<b>4,930</b>	<b>(4,466)</b>	<b>(7,018)</b>
Insurance income	20,757	19,498	19,227	18,423	18,275
Pensions paid out	(19,517)	(18,408)	(17,957)	(17,260)	(17,180)
investment activity expenses and Hedging	(817)	(703)	(822)	(950)	(885)
Pension activity expenses	(208)	(214)	(215)	(213)	(210)
Change in risk adjustment	(47)	(53)	(49)	-	-
Other changes	(168)	(120)	(184)	-	-
<b>Result of insurance service</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Result for ATP Livslang Pension (Lifelong Pension)</b>	<b>(1,915)</b>	<b>6,938</b>	<b>(50,175)</b>	<b>37,621</b>	<b>18,404</b>
<b>Other income/expenses</b>	<b>(27)</b>	<b>(37)</b>	<b>156</b>	<b>240</b>	<b>99</b>
<b>Business processing, external parties</b>					
Income	2,496	2,484	2,568	2,498	2,297
Expenses	(2,496)	(2,485)	(2,569)	(2,497)	(2,297)
<b>Result from business processing, external parties</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(1)</b>
<b>Result before return on bonus potential</b>	<b>(1,943)</b>	<b>6,901</b>	<b>(50,019)</b>	<b>37,862</b>	<b>18,502</b>
Return on bonus potential	1,915	(6,938)	50,175	(37,621)	(18,404)
Minority interests' share of the result	27	37	(156)	(240)	(99)
<b>Net profit for the year</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Guaranteed pensions	568,558	564,966	538,634	787,809	813,589
Life annuity with market exposure	5,120	3,198	1,382	-	-
Risk adjustment	797	835	954	-	-
<b>Pension liabilities, total</b>	<b>574,474</b>	<b>568,999</b>	<b>540,970</b>	<b>787,809</b>	<b>813,589</b>
Long-term supplementary provisions	38,669	39,193	37,265	-	-
Bonus potential	104,829	104,030	99,572	159,537	146,221
<b>Total unallocated funds</b>	<b>143,498</b>	<b>143,223</b>	<b>136,837</b>	<b>159,537</b>	<b>146,221</b>
<b>Net assets</b>	<b>717,972</b>	<b>712,222</b>	<b>677,806</b>	<b>947,346</b>	<b>959,810</b>

## Key figures overview

The accounting standard IFRS17 on insurance contracts means that for the statement of comprehensive income, all returns and financial income and expenses are presented together and that there is no option to present the individual business areas. In the key figures overview, ATP has broken down the results by business area, illustrating the individual returns and the connection to the transfer to members' assets.

In the management commentary, the results for the year are commented on based on the overview of key figures and ratios.

The correlation between the statement of comprehensive income and the key figures overview is shown in ATP's annual report.

At ATP,  
all funds are  
owned by ATP's  
members.

The  
statement of  
comprehensive income  
for ATP shows a 0 result,  
as ATP has no profit  
from providing  
benefits.

## Ratios

	2024	2023	2022	2021	2020
<b>Return ratios</b>					
Return on investment before tax relative to the bonus potential in per cent <sup>1</sup>	(0.6)	5.5	(40.9)	35.0	23.3
Return on market return portfolio, before tax in per cent <sup>2</sup>	2.2	9.1	(15.7)	-	-
<b>Value creation key figures</b>					
Value creation from pensions in per cent	3.1	3.1	3.1	3.3	3.4
Value creation from unallocated funds in per cent	(2.6)	4.7	(38.7)	24.5	13.3
<b>Total value creation in per cent</b>	<b>1.8</b>	<b>3.4</b>	<b>(7.2)</b>	<b>8.5</b>	<b>5.5</b>
<b>Expense ratios in per cent</b>					
Administration activity expenses relative to assets	0.03	0.03	0.03	0.02	0.02
Investment expenses relative to assets	0.18	0.18	0.20	0.16	0.16
Performance fees, external managers relative to assets	0.11	0.09	0.12	0.36	0.12
<b>Total expenses relative to assets (APR)</b>	<b>0.32</b>	<b>0.30</b>	<b>0.35</b>	<b>0.54</b>	<b>0.30</b>
<b>Administration activity expenses, DKK per member</b>	<b>37</b>	<b>38</b>	<b>39</b>	<b>40</b>	<b>40</b>
<b>Other ratios</b>					
Bonus capacity	17.1	17.1	17.2	20.3	18.0
Members (in thousands)	5,675	5,600	5,521	5,424	5,347
Contribution income in DKK million	13,738	12,624	11,951	11,497	10,744
Update of life expectancy in DKK million	1,558	1,881	3,887	4,796	1,130
Bonus accrual in DKK million	-	5,811	-	30,391	-

<sup>1</sup>Return on Investments is calculated as a daily time weighted return on the bonus potential.

<sup>2</sup>Return on the market return portfolio is calculated as a daily time-weighted return.

# With ATP, your pension is guaranteed

ATP is in many ways synonymous with community. We are a community where we contribute to each individual's freedom to live a safe and dignified life.

This applies both far into the future, when the country's pensioners will continue to be able to count on the lifelong and guaranteed pension from ATP, and the very near future, where Danes can rest assured that their family benefits, state pension and all the other welfare benefits will arrive on time when we help pay out DKK 345bn in public benefits every year.

It offers you certainty, peace of mind and dignity to know with certainty what financial situation you can expect in retirement.

## A special pension

At the core of ATP is ATP Livslang Pension (Lifelong Pension). No other Danish pension product is guaranteed, lasts a lifetime and is managed with such low expenses as ATP Livslang Pension (Lifelong Pension).

We are proud of this. That is why we do our best to explain what the monthly ATP contribution means for the individual Dane. ATP Livslang Pension (Lifelong Pension) covers almost the entire Danish labour market, as all wage earners and those on transfer income pay into the scheme.

In 2024, the average ATP pension was DKK 17,300. For around 400,000 pensioners (approximately 35 per cent of pensioners in Denmark), the ATP pension is their only pension income besides the public pensions. Today, the state pension and the ATP pension account for three out of every four pension kroner paid out in Denmark, and thus it continues to serve as the basic pension which fulfils the original ambition: that no pensioners in Denmark should live in poverty.

## The business model can withstand interest rate changes

Due to its role as a provider of basic pensions, ATP has a strong focus on securing the guaranteed pensions we have promised Danes many years into the future. That is why we have investments in bonds in our interest rate hedging portfolio, which from a historical perspective has ensured a guaranteed return when the money is going to be used for pensions in the future. When interest rates rise, as they especially did in the fourth quarter of 2024, the value of our bonds decreases - but this has no consequences for the individual as the pension is guaranteed.

Our purpose is to ensure Danes have the best possible lifelong guaranteed pensions. This takes place within the limits of the risk we can take on behalf of our members. ATP is a long-term investor who is committed to generating good returns over 10, 20 and 30 years.

ATP's business model is designed to withstand the fluctuations in the financial markets that will always happen. The model ensures that we can pay out the pensions we have promised.

At the same time, we try to ensure a certain stability in ATP's bonus capacity, which shows how many extra funds we have in relation to the value of the payments we have guaranteed our members. Despite fluctuations between years in the value of our financial liabilities due to changes in interest rates, our bonus capacity has remained relatively stable over the years. Based on this, we have been able to increase pensions for retirees five times in the last 10 years.

Over the past 10 years, ATP has generated an investment return of DKK 116.1bn. ATP's investment strategy for the risk-taking portfolios focuses on a high degree of diversification, and with many equities and many bonds in the portfolio, it is sensitive to both interest rate changes and equity price fluctuations.



## Investments

The investment portfolio, which accounts for approximately 20 per cent of total assets, generated a return of DKK -0.1bn in 2024, which is not considered satisfactory. The year generated a return of DKK 7.5bn for international equities and a gain of DKK 2.2bn for ATP's Danish equities, while the negative contribution came from government and mortgage bonds with a return of DKK -9.2bn and private equity with a return of DKK -2.9bn. Overall, a number of sectors and companies within the green industries have struggled. Rising interest rates and inflation are among the reasons why the risk of investing in the green manufacturing industry has increased - as well as the uncertainty about demand in the short and medium term. This has resulted in losses in specific investments.

However, this has not changed the fact that ATP still has an ambition to push the world around towards a greener direction.

Regardless of the challenges faced by green companies, ATP still believes that society as a whole is becoming greener and that it is profitable in the long term to invest in companies that either transform themselves to be more sustainable or provide the solutions that make this possible for others.

## Digitalisation for the benefit of Danes

At ATP, working with IT, intelligent use of data and the development of new digital solutions is a key focus area. By investing in testing and deploying new

technologies and innovative solutions, we ensure that we can fulfil our critical societal mission effectively. This means that we can offer residents and businesses safe and user-friendly welfare and security solutions - also in the future.

ATP affects the everyday lives and finances of millions of people in Denmark. We are the ones who pay out welfare benefits such as state pensions, maternity/paternity benefits, holiday pay, rent subsidies, etc. At the same time, we must continue to work efficiently, maintain our digital infrastructure and keep our administrative administration activity expenses down. The safe, intelligent and responsible use of artificial intelligence, virtual robots and data sharing can help us achieve this.

## We must minimise our footprint

As a group, we continuously work to develop ourselves in a more sustainable direction. This includes financial, social and environmental aspects. ATP as a company wants to contribute to the green transition. Therefore, we have launched a number of initiatives to reduce the carbon footprint of our offices' energy and resource consumption, and we will continuously launch further initiatives to reduce our footprint.

ATP must continue to be an attractive and inclusive workplace with a strong employee community and high levels of job satisfaction. We need to attract new talent and retain our experienced employees. Our efforts to support a professional community, ensure diversity and create an inclusive work environment will therefore continue in the coming years.

**Martin Præstegaard**  
CEO, ATP

## Statement of comprehensive income

DKK million	Note	Group		ATP		
		2024	2023	2024	2023	
	4	Insurance income	20,757	19,498	20,506	19,299
	5.6	Insurance service costs	(20,757)	(19,498)	(20,506)	(19,299)
		<b>Result of insurance service</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	2	Financial returns	15,026	48,769	14,616	48,430
	3	Financial insurance income or expenses	(12,554)	(41,117)	(12,304)	(40,918)
		<b>Financial items, net</b>	<b>2,472</b>	<b>7,653</b>	<b>2,312</b>	<b>7,512</b>
	7	Tax on pension savings returns and income tax	(2,472)	(7,652)	(2,312)	(7,512)
		<b>Result of insurance and investment activities</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
		<b>Other income/expenses</b>				
		Other financial returns	(27)	(36)	-	-
		Expenses related to other financial returns	(1)	(1)	-	-
		<b>Total other income/expenses</b>	<b>(27)</b>	<b>(37)</b>	<b>-</b>	<b>-</b>
		<b>Administration</b>				
		Other income	2,496	2,484	2,510	2,492
	6	Other expenses	(2,496)	(2,485)	(2,511)	(2,492)
		<b>Administration activity result</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
		<b>The result for the period</b>	<b>(27)</b>	<b>(37)</b>	<b>0</b>	<b>0</b>
		Other comprehensive income	0	0	-	-
		<b>Comprehensive income for the period</b>	<b>(27)</b>	<b>(37)</b>	<b>0</b>	<b>0</b>
		Minority interests' share of total comprehensive income for the year	(27)	(37)	-	-
		ATP's share of total comprehensive income for the year	0	0	0	0
		<b>Allocated comprehensive income</b>	<b>(27)</b>	<b>(37)</b>	<b>0</b>	<b>0</b>

## Statement of financial position

DKK million	Note	Group		ATP		
		2024	2023	2024	2023	
		<b>ASSETS</b>				
		Cash and on-demand deposits	7,691	7,288	5,890	5,615
		Outstanding debts from reverse transactions	23,696	38,613	23,696	38,613
	11	Bonds	497,271	488,630	494,087	485,584
	9	Listed equities	73,743	53,125	70,814	50,743
	10	Unlisted equity investments	107,082	110,548	66,848	74,712
	14	Derived financial instruments	74,842	76,925	74,999	76,661
	11	Loans	2,251	3,552	116	99
		Loans to group subsidiaries	-	-	1,476	2,525
		Investments in group subsidiaries	-	-	69,505	66,576
	12	Investment properties	23,703	24,269	-	-
	13	Investment assets associated with life annuity with market exposure	4,309	3,321	4,267	3,307
		Owner-occupied properties	1,019	904	960	844
		Operating funds	7	8	5	4
		Intangible assets	690	839	657	825
		Outstanding debts on pension savings returns and income tax	816	624	782	594
		Deferred tax on pension savings returns and income tax	39,172	41,276	39,172	41,276
		Collateral regarding financial derivatives	6,592	6,267	6,592	6,267
		Outstanding debts, contributions	6,317	3,310	6,317	3,310
		Other outstanding debts	15,865	6,823	15,679	6,630
		Other prepayments and accrued income	1,068	1,029	1,058	1,021
		<b>Total assets</b>	<b>886,134</b>	<b>867,347</b>	<b>882,918</b>	<b>865,204</b>
		<b>EQUITY AND LIABILITIES</b>				
		Debt from reverse transactions	26,960	1,099	26,846	1,099
	14	Derived financial instruments	124,769	136,926	124,133	137,358
		Tax payable on pension savings returns and income tax payable	0	2	-	-
		Deferred corporation tax	18	14	-	-
		Other debits	15,932	16,533	13,967	14,525
		<b>Total liabilities</b>	<b>167,679</b>	<b>154,574</b>	<b>164,946</b>	<b>152,982</b>
		Guaranteed pensions	568,558	564,966	568,558	564,966
	13	Life annuity with market exposure	5,120	3,198	5,120	3,198
		Risk adjustment	797	835	797	835
		<b>Pension liabilities, total</b>	<b>574,474</b>	<b>568,999</b>	<b>574,474</b>	<b>568,999</b>
		Long-term supplementary provisions	38,669	39,193	38,669	39,193
		Bonus potential	104,829	104,030	104,829	104,030
		<b>Total unallocated funds</b>	<b>143,498</b>	<b>143,223</b>	<b>143,498</b>	<b>143,223</b>
	16	<b>Total pension provisions</b>	<b>717,972</b>	<b>712,222</b>	<b>717,972</b>	<b>712,222</b>
		Minority interests	483	551	-	-
		<b>Total equity and liabilities</b>	<b>886,134</b>	<b>867,347</b>	<b>882,918</b>	<b>865,204</b>