

Pension provisions

The ATP Group's pension provisions calculated at year-end 2017 using the discount rates of ATP, the Danish Financial Supervisory Authority and EIOPA, respectively.

DKKm	ATP	Danish Financial Supervisory Authority	EIOPA
Guaranteed benefits	650,881	599,180	599,793
Bonus potential	117,695	169,396	168,783
Total pension provisions	<u>768,576</u>	<u>768,576</u>	<u>768,576</u>
Bonus rate	<u>18.1%</u>	<u>28.3%</u>	<u>28.1%</u>

In the ATP Group's annual report, guaranteed benefits are calculated using discount rates that are in accordance with the provision basis reported to the Danish Financial Supervisory Authority. Yields of Danish and German government bonds and interest rate swaps denominated in Danish kroner and euros are used.

For the calculation of guaranteed benefits using the discount rates of the Danish Financial Supervisory Authority and EIOPA, yield curves as at 31 December 2017 have been applied, including the volatility adjustment published on the website of the Danish Financial Supervisory Authority and EIOPA, respectively. The Danish Financial Supervisory Authority's yield curve is based on EIOPA's technical description, while multiple simplifications are used in the calculation of the volatility adjustment, resulting in a minor difference between the Danish Financial Supervisory Authority's yield curve and that of EIOPA.