

## **1.1 million pensioners will receive a higher pension from the new year**

**From the turn of the year, 1.1 million pensioners in Denmark will receive more pension from ATP. "ATP is so financially robust that we can once more give the pensions a financial boost and thus make the daily life of the core of our members a little easier," says ATP's CEO Martin Præstegaard.**

After a noticeable increase in inflation, ATP increases the pension paid to DKK 1.1 million Danish pensioners. ATP Lifelong Pension is increased by 3 per cent for all pensioners in ATP's membership from 1 January 2024. The ATP pension thus grows to DKK 16,500 for an average retired member.

It has been two years since the ATP pension was last increased, then by 4 per cent and for all members. This time the increase only applies to pensioners with an ATP pension – a separate manoeuvre which was last carried out in 2015, when only the pensioners had their ATP pension raised.

### **Pensioners are those in most need**

ATP has rules for how ATP's board must assess whether there is enough money to raise the pensions, either for all 5.6 million members, or for the pensioners alone.

"ATP's finances are healthy. Therefore, we can increase the payment to those who are closest to ATP: the pensioners. That group comprises many of the Danes who have really felt the rising inflation of recent years put their funds under pressure. It is good that we can contribute to making the economy easier for pensioners in particular," says Martin Præstegaard, CEO of ATP.

It is the fifth time in 10 years that the pensioners have had their lifelong and ongoing ATP pension increased. For ATP, the ambition is that the payment follows the price development in society, so that the pensioners' purchasing power is equally strong regardless of inflation.

"We have all noted how prices have risen dramatically in recent years. With this boost, it will be a little easier to be a pensioner at a time when inflation has been evident. We are not closing the entire gap in the economy that the individual has experienced after inflation of almost 10 per cent in 2022. No pension scheme can do that. But we go as far as we can to ensure the pensioners have a little more to spend in their daily lives," says Martin Præstegaard.

### **Security and predictability**

Together with the state pension, ATP's pension constitutes the so-called "basic pension" in Denmark. The ATP pension is paid from the state pension age and for life, regardless of how old the Danes get. If you have been retired for 20 years, four years of ATP pension payments come from the money you have paid in continuously over your working life. The remaining almost 16 years of payments are due to the common pool in ATP and the return that ATP has created on this.

"ATP prioritises security. Our payment supplements the state pension and benefits everyone, but the money from ATP is particularly important to the more than 400,000 Danish pensioners who today live solely on it and the public pensions. For the 400,000 people, a higher ATP pension means much in the day-to-day economy," says Martin Præstegaard.

Facts:

- ATP Livslang Pension is a collective pension scheme that covers almost all Danes.
- 5.6 million Danes are members of ATP, of which 1.1 million are pensioners.
- Today, the average pensioner is paid DKK 16,000 a year in ATP Lifelong Pension.
- The maximum payout in ATP pension is DKK 27,300 in 2023. In that case, members have paid in from the age of 18 and throughout their lives.

#### 10-year development in ATP pension payments to pensioners and inflation

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
ATP bonus for pensioners as a percentage	1.5	1.5	0	1	0	0	0	4	0	3
Percentage inflation	0.1	0.3	0.3	0.8	0.7	0.8	0.4	3.4	9.6	1.4

\*2023 is calculated year to date

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