



EFLING ANNUAL REPORT

2025



Efling Trade Union Annual Report 2025

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Chairman's Address

Sólveig Anna Jónsdóttir

Dear members of Efling,

In the past year, as in previous years, we face the reality that our fight never ends. We have achieved success—and we should be proud of what we have accomplished together. But at the same time, we must confront the numerous problems that remain unresolved, problems that the government and employers have refused to address, even though Efling has in recent years pointed out in both speech and writing where the real issues lie.

At Efling, we have dismissed the notion that justice is something we can wait for. We have realized that we cannot wait for others to bring us justice; we must claim it ourselves. We do this through solidarity, by listening to and understanding each other. We are always mindful of the important truth that only by speaking for themselves can workers secure the respect they deserve, whether in their workplaces, in collective bargaining with employers' associations, or in the broader public discourse.

While we have fought for and secured real wage increases it is a fact that inflation, and especially housing costs, have weighed heavily on the working class. The Central Bank keeps key interest rates at 7.5% and says it will not hesitate to raise them even further. High interest rates take the heaviest toll on those who have the least. Rent for an individual in the capital area is now exceptionally high, and a group of Efling members is in the outrageous position of having to pay up to 70% of their disposable income to secure a roof over their heads.

Housing prices and rent have increased more in Iceland than in any other European country over the past decade. At the same time, too few apartments have been built for lower-income groups. What is built largely disappears into the short-term rental market. About one-fifth of apartments in downtown Reykjavik are now used for



tourists, instead of serving those who need housing for long-term residence. The imbalance of supply and demand is therefore enormous, and it is this inequality that, among other things, drives high inflation.

In Iceland, defenses against this trend are unusually weak. Rent regulation in this country is among the least restrictive known within the OECD – even more lenient than in the

United States, where market forces are allowed to operate largely unchecked. This, along with a severe imbalance between supply and demand, is the root cause of burdensome housing costs. Those who rent are the most vulnerable in this regard.

Dear members of Efling,

We face more problems. At the same time as Efling members struggle with unmanageable housing problems,

the authorities intend to tighten the unemployment insurance system. It is now being proposed that the benefit period is shortened from 30 months to 12 months, and what is worse, the qualifying period for benefits will be extended from 3 months to 12 months. This is being done at the same time as unemployment is rising – but almost exclusively among migrant workers. This is a terrible message from a government that associates itself with Nordic welfare for those who need support the most. This is the same government that includes ministers and members of parliament who were previously in the leadership of the labor movement – the same government that promised in the run-up to the elections to work on behalf of the working people in Iceland.

Dear members of Efling,

Despite the so-called organized labor market in this country and lofty declarations about it being the best in the world, it is a fact that virtual lawlessness prevails when it comes to respecting the rights of workers and low-wage earners, especially immigrants. As noted in the Efling congress resolution from last February, the informal expectation that employers honor signed agreements has weakened significantly. Unscrupulous employers are quick to figure out how the system works: There are no consequences for collective agreement violations. It is a national embarrassment that such a lack of consequences is tolerated. Theft from a store is against the law, but the theft of people's wages – their livelihood – seems to be a trivial matter in the eyes of the authorities. Efling's demand in recent years has been that penalties for wage theft and collective agreement violations are enacted into law. Models for this can, for example, be found in Norway, where wage theft is now a criminal offense, as Lars Christian Fjeldstad, a lawyer for the Norwegian Confederation of Trade Unions (LO), discussed in an informative presentation at the Efling Congress. It does not cost the State Treasury a single króna to implement such laws in this country, and it is truly incomprehensible that this was not done long ago.

Dear members of Efling,

In recent years, Efling members

have shown that many are ready to join a strong and active fight for their rights. Workers can overcome barriers of language and origin among themselves. Workers can organize themselves, protect their interests, and become true leaders in their own trade unions. Building a society populated by confident working people from diverse backgrounds who hold their heads high and know their undeniable importance in the country's entire economy—in this, Efling members now stand at the forefront.

But despite this success, significant obstacles still exist in the workplaces, as discussed in the policy work of the Efling Congress and addressed in the resolution of the Congress. The lack of job security is a serious flaw in the Icelandic labor market legislation. One of the main reasons Efling members in the private sector hesitate to speak up about injustice, stand together with their coworkers, and be active in their trade union is the fear of dismissal. This creates a breeding ground for mismanagement in the workplace and poor treatment of employees. We at Efling know of numerous examples of this.

In most of our neighboring countries, protections can be found in laws or collective agreements that prevent people from being fired unless there are truly valid reasons. Other provisions ensure that in the event of dismissal due to organizational changes, those who have worked the longest are the last to be dismissed. Anyone who wants good management and a healthy workplace, employers included, should support these demands—which are the same ones Efling members made at their recent congress. Furthermore, the congress demanded a guarantee that workers maintain their income as closely as possible when they go on unemployment benefits, a demand that matters more now than often before.

Dear members of Efling,

It looks like the current long-term labor deals will not hold up through the coming autumn. Inflation is not falling, interest rates are still extremely high, and unemployment is rising among workers. At the same time, consumption among higher-income groups is high and growing—the consequences of class division and inequality are

plain to see. Adding to this, violent conflicts across the globe are making the world's economy very unstable right now.

Members of the economic and political ruling class must face what this means in the daily lives of workers and low-wage earners. Families living paycheck to paycheck can no longer pay rent without cutting back on necessities such as food and medicine. People can no longer live in the capital area because they simply cannot afford it. Workers experience immense strain due to financial problems – problems caused by the housing speculation of wealthy property owners, the interest rate decisions of the high-income earners at the Central Bank who have never experienced deprivation, and the political class that views the unacceptable living conditions of the workforce as nothing but a given, a problem that does not concern them. But this is not a normal or acceptable situation, and we will not accept that nothing is being done to alleviate the problems that plague Efling members and their families. Either employers and the government listen to our demands and respond with real actions – or the consequences will be severe as early as this fall.

Dear members of Efling,

Efling members do not ask for favors or charity. On the contrary - we demand what is rightfully ours. We create the value. We are indispensable. The entire economy of the capital area rests on our shoulders. When we work together and speak as one, we get results and real progress starts to happen. That journey is not completed overnight or in a single round of collective bargaining negotiations. This struggle and this development work takes time. I am proud to write an address in Efling's annual report for yet another year, knowing that our union is on the right track. The rise in active members is a reality. Improved services and the union's improved financial performance are a reality. A stronger voice for workers in Icelandic society is a reality. Whatever the future holds, I know that members the members of Efling can only become stronger in an ever-stronger labor union – a labor union that lives up to its name. ☞

An Introduction from the Managing Director

Perla Ösp Ásgeirsdóttir

The final improvements to Efling's office in 2025 were the biggest changes made since the union's board shifted strategy over three years ago.

The past year was marked by a complete renovation of Efling's premises on the third floor at Guðrúnartún 1, which had a significant impact on both members and staff. For almost the entire year, workstations were relocated to Efling's community center and office facilities on the fourth floor of the building, which was not at all designed with the reception of union members in mind. Construction continued into October but was scheduled to be completed in August. Despite those challenges, there were few, if any, disruptions to member services, except for a few days when it proved unavoidable to close the reception due to construction. This is because of the strong and united Efling staff, who stayed positive during the changes and always put the interests of union members first. We must also thank the union members who contacted us for their patience and understanding.

In October, Efling then opened its doors in new and renovated premises for union members. During its design, every effort was made to ensure optimal facilities and accessibility for union members, soundproofed and shielded interview rooms to maintain confidentiality and privacy, the best possible acoustics, lighting, and ventilation, and a design that would stand the test of time.

During the year, work was done on improvements and increased utilization of Efling's membership system, Tótal, in collaboration with other trade unions and the system's service provider, Austurnet. The im-



plementation of the system in 2024 has revolutionized services and processing for Efling members and has, among other things, resulted in much shorter processing times for members' applications for grants and benefits. Additionally, receiving contribution reports through the system has provided the union with

a much better view of the payer group and a better overview of the union's revenue base. Defaults have been low and the collection rate good.

Knowledge and experience regarding union members' wage-related matters have built up steadily since 2022. During the year, efforts

were made to strengthen processes for recording and processing such cases, as Efling serves members under six collective agreements and 32 special agreements. Such a collective bargaining environment makes responding to inquiries more complex than at most trade unions, and therefore it is important to be thorough. To support responding to inquiries, an artificial intelligence solution, KJARI, was implemented, which is specially designed for Efling's collective agreement environment. It is an important step forward in the use of modern technology to resolve what are often very complex and legal matters.

Efling's role is to provide services to its members in various ways and according to their needs. Many of the members work shifts and may need to access services or information outside of opening hours. The largest component in providing such service is the union's website, which is accessible at all hours. During the year, Efling's staff began collaborating with Klick on the redesign of Efling's website, as the older site had become outdated and difficult to update. The design of the new website was based on the needs of members and designed with simplifying access to information in mind. One of the most important factors was that the site should be accessible on all types of devices, as it is known that Efling members primarily use smartphones for internet access. An improved website was launched in March 2026.

A major effort was put into Efling's vacation properties during the year: new houses were added to the union's property portfolio and older houses were significantly renovated, both on the inside and outside. Many of the houses and their furnishings were showing significant signs of age, and it was necessary to undertake a complete renovation of some of the houses. The utilization of Efling's vacation properties is very good, especially in areas near or within urban centers. Continued efforts will be made to expand and improve the union's vacation options in the coming years.

Efling's union activities have grown significantly stronger in recent years, and the number of union representatives has increased considerably. The union now holds 4 union representatives' courses per month to strengthen the position and work of union representatives. Additionally, events hosted by Efling have been outstanding and well attended by members and their families.

Efling Trade Union ended the year 2025 with a surplus of 1,285 million ISK, which is on par with the previous year. The union's operational surplus is 722 million ISK, which is a nearly 70% increase from the previous year. It is good to see that the union's success doesn't just come from investment income, but from its own strong and sustainable operations.

The union's expenses increased by nearly 300 million ISK year-over-year. The increased costs can be attributed, among other things, to an increase in full-time positions, significant operations of the Vacation Fund, and increased costs related to housing matters during the year. The amount of benefits and grants remains unchanged year-over-year. The cost of union activities is increasing as their scope has expanded significantly, and there were also increased costs for hosting events since there was little to no access to meeting rooms at Guðrúnartún due to renovations.

A significant increase in costs lies with the Vacation Fund, where there is a cost increase of 37% year-over-year. This is primarily due to ongoing maintenance and the union's purchase of new vacation properties, as there has been a significant need for maintenance on the interior and exterior of the houses.


The union's operating costs remained almost unchanged year on year, reflecting the significant cost-effectiveness of the implementation of new working methods in recent years. Despite an increase in full-time positions, operating costs have been kept moderate.

Efling's portfolio of securities and deposits amounted to 13.6 billion

ISK at the end of 2025. The largest part of those funds is dedicated to the Sickness Benefits Fund and the Labor Dispute Fund. The year 2025 was turbulent, both domestically and internationally, and the portfolio's return reflects this, but the return amounted to about 563 million ISK, which is about a 34% decrease from the previous year.

The result of financial items was therefore below expectations. To that end, Efling will seek ways to diversify the asset portfolio and explore investment options that will strengthen investment income in the coming years.

The union's assets increased year-over-year, and the union's assets now total 18.2 billion ISK, which is an increase of 1.5 billion ISK year-over-year. Part of that increase is the union's investment in renovations to its premises at Guðrúnartún, which will increase the property's value in the future. The union remains debt-free, with the exception of short-term liabilities, and the equity ratio remains strong at 96.7%.

Efling members and colleagues, for the second year in a row, we have a strong foundation for the future despite various challenges during the year. We can be proud of our success in all areas, whether looking at services, facilities, member engagement, case resolution, or operations. I would like to thank everyone who led the way over the past year; the unity and positivity of the staff, guided by the interests of the union members, were remarkable. All roads are open to us. 

Efling's Membership

NATIONALITY

Efling members of 135 nationalities paid dues to Efling in 2025, and Efling members traced their origins to 159 countries. The proportion of Icelanders in Efling's membership was 47.3%, compared to 48.5% in 2024.

Nationality	Number	Proportion
Iceland	18,443	47.3%
Poland	6,619	17%
Lithuania	2,071	5.3%
Romania	1,454	3.7%
Ukraine	1,379	3.5%
Latvia	1,133	2.9%
Venezuela	696	1.8%
Spain	648	1.7%
Vietnam	594	1.5%
Philippines	513	1.3%
Other nationalities	5,480	14%

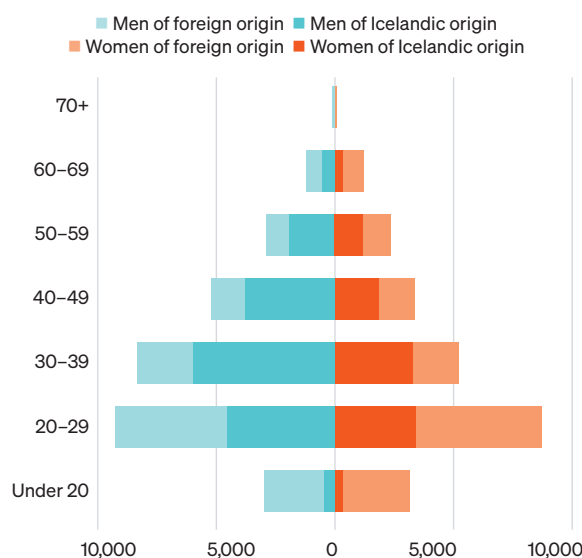
NUMBER AND GENDER DISTRIBUTION

In 2025, Efling had about 39,000 members, which is almost the same as the 40,000 members it had in 2024.

Gender distribution

	Number	Proportion
Men of foreign origin	13,027	33%
Men of Icelandic origin	9,210	24%
Women of foreign origin	7,553	19%
Women of Icelandic origin	9,207	24%
Non-binary of foreign origin	7	<1%
Non-binary of Icelandic origin	26	<1%
Total	39,030	

Age distribution and origin of members 2025



Office Operations

HUMAN RESOURCES

Efling Trade Union Office 2025

Number of full-time positions	39.9
Number of employees	43
Number of managers	6
Average age (years)	42.18

Number of employees

		Change (%)
2025	43	4.9%
2024	41	13.9%
2023	36	

Gender ratio of employees



Gender ratio of management



ACTIVITIES OF THE FINANCIAL DIVISION

Efling's Financial Division handles diverse and extensive tasks in the daily operations of the union. The Division handles, among other things, the payment of wages, grants, and sickness benefits, calculator creation, smaller fund accounting, invoices, accounting reconciliation, and financial statements for auditors, as well as the receipt of contribution reports.

RECEIPT OF MEMBERSHIP FEE RETURNS

With the implementation of the Tótal membership system, the receipt of membership fee returns and the collection of union fees were transferred to Efling from Gildi at the beginning of 2024. In 2025, this project was therefore firmly established and became a regular part of the Financial Division's operations. The union's membership fees amounted to nearly four billion ISK in 2025.

	2024	2025	Change
Membership fees	3,529 ISK m.	3,981 ISK m.	+452 ISK m. (12,8%)

COLLECTION

The collection of membership fees is Efling's primary source of income, and emphasis is placed on electronic and efficient collection. On average, 3,089 claims were sent to collection each month, and 97.8% of them were paid. Payment speed remained very good, as 81.8% of claims were paid on or before the due date and 95.8% within 30 days of the due date.



ARREARS

The trend in arrears was also positive during the year. The number of claims in default decreased from 7,853 to 6,681, which represents a decrease of about 15% year-over-year. During the year, a total of 237 million ISK was collected from claims that had gone into default, which is about a 40% increase from the previous year. Digital collection played a growing role and made it easier for payers to respond more quickly to claims.

Activities of Efling's Service Division

The Service Division at Efling's office is the union's front line and is responsible for answering general questions from Efling members who come to the office, call, or send an email. The Service Division also deals with the processing of applications for sickness allowance, grants from the sickness, vacation, and education funds, and the processing of orders from Efling's online store, which is accessible through My Pages.

The temporary relocation of the office to the fourth floor due to renovations inevitably affected services to members. The fourth floor is not designed for the Division's operations, which created certain challenges in daily service. The staff, however, demonstrated great adaptability and professionalism under these changed circumstances and, despite the changed conditions, managed to maintain a high level of service. Toward the end of the year, the office moved back to the third floor into a renovated space. The new design prioritized the needs of union members. The reception area has been significantly improved; it is brighter, more comfortable, and more accessible for those who visit Efling. Additionally, special reception areas have been set up for members, ensuring the privacy of members who visit the office regarding sensitive matters.

IMPLEMENTATION OF TOTAL

The operations of the Service Division have undergone major changes in recent years. At the beginning of 2024, a new membership system, Tótal, was implemented, and this change has had a positive impact on how well and

quickly Efling members receive service from the Services Division. The membership system keeps track of all main information about members, contribution history, grants received, vacation rentals, and more. With the new membership system, service to members was greatly enhanced, and all processing of requests and applications became both more efficient and faster.

Before the implementation of Tótal, grants were paid out twice a month due to how time-consuming both the processing of applications and the payment process were. It was common for the payment of grants to take about half a day. With the implementation of Tótal, the payment process is now measured in minutes. The Service Division and the board of Efling saw an opportunity to pay out grants weekly; this experiment began in the fall of 2024 and yielded good results. Grants from the Sickness Benefits Fund and Education Funds have been paid out weekly throughout the year 2025.

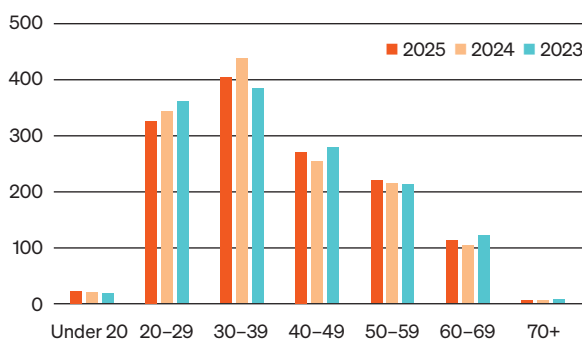
SICKNESS BENEFITS FUND

There was high demand for grants and sickness benefits in 2025, as has been the case in recent years. Sickness benefit payments increased by more than 3% year-on-year, and the number of beneficiaries also increased by over 4%. The percentage of members who received paid sickness benefits in 2025 was 5.1%, which is the same as in 2024.

■ Sickness benefits

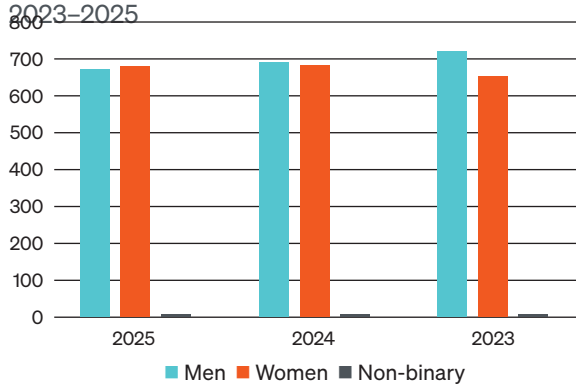
	2023	2024	2025
Number of members	1,388	1,371	1,442
Amount (ISK millions)	1,593	1,506	1,546

■ Age distribution of sickness benefits 2023–2025



During the year, 9,493 grants were paid out to over 5,900 union members from the Sickness Benefits Fund. The total amount of grants was approximately 200 million ISK, which is the same amount as in 2024. Most beneficiaries were 30-39 years old, and more women than men applied for grants from the Sickness Benefits Fund.

Gender distribution of sickness benefits



The average processing time for applications has remained stable year-over-year. Sickness benefits continue to be paid out twice a month, on the last business day of the month and around the 10th of each month. About 86% of approved applications for sickness benefits are now paid out within a week of receiving the application.

	2024		2025	
	ISK m.	Number	ISK m.	Number
Sickness benefits	1,506	1,371	1,546	1,442
Health promotion	64	4,024	67	4,289
Mental health services	43	1,784	41	1,812
Eyeglasses/lenses	35	1,501	36	1,558
Death benefits	19	84	22	86
Physiotherapy, massage therapy, chiropractic	16	1,226	14	1,159
Other	23	706	23	589
Total	1,706	10,696	1,749	10,935

EDUCATIONAL FUNDS

The number of educational grants paid out to Efling members in 2025 increased by 10%, and the number of grant recipients increased by 20% from the previous year.

Education grants	2023	2024	2025
Number of members	4,649	4,496	5,437
Number of grants	5,865	5,877	6,551
Amount of grants (ISK m.)	424	376	407

The average processing time has remained stable year-over-year and is about 2 days, but in 2023, the average processing time was about 5 days. Education grants are now paid out weekly, and this has resulted in major changes for Efling members; about 85% of approved applications are paid out within a week of the application being received.

During the year, the educational funds of Efling and public entities were merged into one educational fund, the Educational Fund of Efling and Public Sector Employers. This has significantly simplified operations and allocation rules, as four educational funds were previously operated for public entities.

	2024		2025	
	ISK m.	Number	ISK m.	Number
University education	99	1,522	104	1,592
Icelandic as a second language	69	1,409	82	1,558
Other driving licenses	55	517	66	668
Work-related education	53	636	49	674
General driving licenses	34	577	42	725
Secondary education	30	605	32	674
Other	45	611	31	660
Total	385	5,877	407	6,551

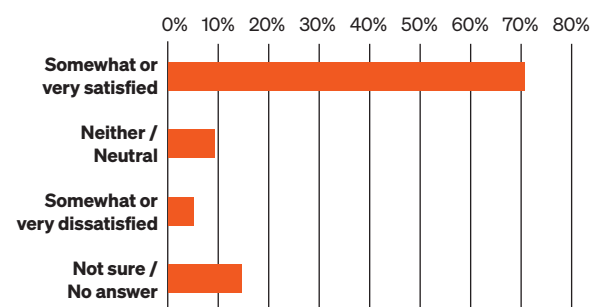
SERVICE SURVEY

The staff at the Efling office want to continuously improve its services to union members, and to reach the membership, a service survey was sent out during the year. The survey was short, with 4 multiple-choice questions and one open-ended question where people were asked to submit any suggestions they might have. The survey was sent out through the Tótal membership system on Efling's My Pages. The survey was sent to the members who had paid continuously for at least six months.

The response was statistically significant and the results were generally positive, but they still provided the Service Division with indications of where service to union members could be improved.

Just over 70% of respondents were somewhat or very satisfied with the service they received from Efling, and just under 70% were somewhat or very satisfied with the staff's attitude. It is positive to see that there is general satisfaction among Efling members and that the changes made to the office's services in recent years are yielding results. There are also clear suggestions on how to continue to develop and improve the services that members seek from the Service Division.

Happiness with Efling's services



The responses received to the open-ended question were useful. Half of the responses concerned the website and My Pages, a quarter of the responses contained

various suggestions regarding services, 30% related to vacation properties, social activities, or other matters, and 10% consisted of praise for the staff.

The responses have been processed and will be used to improve services even further.

The aim is to send out a comparable service survey annually, and the results will be used to make even further improvements to operations, for the benefit of the members.

Activities of Efling's Labor Rights Division

The Labor Rights Division performs the core activities upon which Efling Trade Union is built, which is to protect the interests and defend the rights of members. Rights and obligations in the labor market are based on laws, regulations, and collective agreements, and it is the role of the Division to ensure that these are followed in employment contracts. The Labor Rights Division provides members with advice in their communications with employers and assists them in pursuing any claims they may have against employers. The Division also handles various other tasks and provides support services to other divisions of Efling's office.

NUMBER OF CASES

The Labor Rights Division assisted Efling members in 691 cases in 2025, and the number of cases decreased by 30 year-over-year. They were, however, significantly more numerous than in 2023, when 457 new cases were registered.

A total of 826 Efling member cases were closed during the year, compared to 739 cases in 2024. No cases from previous years were pending at the end of 2025.

Furthermore, the Labor Rights Division provided advice in 678 cases. This is on par with 2024, when advice was provided in 670 cases. Advice to members consists of education and providing information, without documents being submitted and without further processing by the Division.

NATURE OF CASES

The cases that the Labor Rights Division assists Efling members with are classified according to their nature. Most cases that the Division dealt with in 2025 were wage claims by Efling members against their employers. The second most common cases concerned company bankruptcies. The most common cases can be seen in the accompanying table, as well as a comparison with the previous year.

	2024		2025	
	Cases	%	Cases	%
Wage claims	251	33%	194	28%
Bankruptcy	83	11%	166	24%
Terminations	68	9%	88	13%
Collective agreement-/rights violations	71	10%	44	6%
Membership fee returns	81	11%	41	6%
Other cases	167	26%	158	23%
Total	721		691	

The instances where only advice was provided were also classified by nature during the year. Most common were so-called other counseling, which were of a varied nature.

	2024		2025	
	Cases	%	Cases	%
Other cases	129	19%	257	38%
Terminations	74	11%	135	20%
Collective agreement-/rights violations	128	19%	101	15%
Sickness	42	6%	75	11%
Wage claims	128	19%	56	8%
Other counseling	169	26%	54	8%
Total	670		678	

SECTORS

By far most of the cases that the Labor Rights Division assisted with in 2025 were due to requests from Efling members working in the hotel or restaurant sector, or about 40 percent of all cases. It is comparable to the year 2024. Cases involving members working in the construction industry increased somewhat year-over-year, while cases involving those working in the food industry decreased.

	2024		2025	
	Cases	%	Cases	%
Hotel and restaurants	278	38%	273	40%
Construction industry	122	17%	93	13%
Wholesalers and stores	22	3%	35	5%
Cleaning and cleaning	27	4%	32	5%
Food industry	59	8%	32	5%
Other sectors	213	30%	226	32%
Total	721		691	

Most of those who sought advice from the Labor Rights Division during the year worked in the hotel and restaurant sector, accounting for almost 30 percent. There were insignificant changes between years in the sectors where Efling members who sought advice worked.

	2024		2025	
	Cases	%	Cases	%
Hotel and Restaurants	198	30%	188	28%
Construction industry	60	9%	74	11%
General Administration and legislation	24	4%	41	6%
Cleaning and housekeeping	24	4%	31	5%
Wholesalers and stores	28	4%	31	5%
Other sectors	336	49%	313	45%
Total	670		678	

GENDER DISTRIBUTION

	2024		2025	
		%		%
Women	292	40%	309	45%
Men	429	60%	379	54,5%
Non-binary	-	-	1	0,5%
Total	721		691	

ORIGIN

In 2025, the Labor Rights Division assisted Efling members of at least 71 different citizenships. The previous year, 2024, the Division assisted Efling members of about 84 different nationalities. It should be noted that in some cases, citizenship was not registered, and there may be different reasons behind this.

	2024		2025	
		%		%
Poland	347	25	159	23%
Iceland	220	17%	136	20%
Ukraine	76	5%	38	5%
Venezuela	53	5%	31	4%
Lithuania	84	6%	31	4%

NEW CALCULATORS

In collaboration with Efling's Financial Division, the Labor Rights Division made improvements to the calculators on Efling's website, which were implemented in 2025. These are, on the one hand, a wage calculator that helps members calculate their wages, including vacation pay and deductions, and, on the other hand, calculators for the December bonus and vacation bonus. Members have been encouraged by the Labor Rights Division to use the calculators when reviewing pay cheques and thus ensure that wages and other payments mandated by collective agreements are correctly calculated by the employer. Furthermore, the Labor Rights Division has also utilized the calculators to calculate members' wage claims.

CLAIMS AGAINST BANKRUPTCY ESTATES

At the end of the year, all administration of claims against bankrupt estates was transferred to the Labor Rights Division. Prior to that, Atlas Collection had handled communications with bankruptcy trustees and the Wage Guarantee Fund, while the staff of the Labor Rights Division handled the preparation of claims and communications with union members. With this change, the Labor Rights Division now handles all aspects related to bankruptcy estates. This ensures a better overview of the subject area, improves services, and promotes a more efficient flow of information to union members.

CASES IN LEGAL COLLECTION

Atlas Collection handled 228 cases for the Labor Rights Division in 2025. Of these, 161 cases were completed. Most cases handled by Atlas Collection were wage claims and bankruptcy cases. There were 149 wage claim cases that went into collection. 26 cases had been settled and payment received. At the end of the year, 58 cases were

still in collection with Atlas Collection and 65 cases were dismissed, which are cases that start as wage claims and end as bankruptcy claims. The total amount of wage claims in 2025 was about 113 million ISK.

UNION REPRESENTATIVES' COURSES

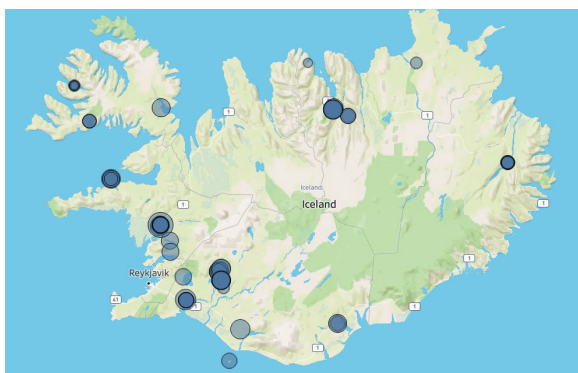
The Labor Rights Division took on the task of providing education courses for union representatives during the year. Topics covered included main rights in the principal labor market rights, sick leave rights, bankruptcy, dismissals, vacation, work arrangements, and how to secure one's rights. The goal was to provide union representatives with practical and clear insight into the rights and obligations that apply in the labor market, as well as to provide them with tools to deal with challenges that may arise in their work. Union representatives' courses are discussed in more detail in the section on Educational and Membership Affairs in the annual report.

WORKPLACE INSPECTIONS

Efling and Fagfélögin's workplace inspection team made numerous visits to workplaces during the year. The purpose of such visits is to ensure that employers follow collective agreements, laws, and regulations. The workplace inspection team speaks with workers at each workplace, asks them about facilities and conditions, and educates them about their rights in the labor market and the activities of trade unions. In the summer of 2025, the main focus was on the tourism industry and the operations that fall under it, particularly bus drivers who are covered by Efling's agreements. Furthermore, Efling and Fagfélögin's workplace inspection team placed special emphasis on inspections in cleaning, and emphasis was also placed on hotels and restaurants, fish processing, and horticulture.

KJARI

At the end of the year, an artificial intelligence solution, called KJARI was implemented, which is an expert in Efling's collective agreements and the laws and regulations of the Icelandic labor market. KJARI speaks good Icelandic, is very polite, and has a good vocabulary. KJARI will be used to improve the quality of service to members with more comprehensive information than has previously been provided. With the introduction of KJARI, the depth of knowledge of experts in the Division will improve, there will be increased consistency in responses, and clarity in presentation will increase, as KJARI cites sources, whether they are collective agreements, laws, regulations, or court rulings. Great expectations are tied to the use of KJARI, and it will be exciting to develop it further and possibly expand its capabilities in more complex case processing, including calculating claims, evaluating the evidentiary status of individual cases, and working on the preparation of statements of claim. KJARI is a development project that involved challenges related to the use of artificial intelligence within a diverse collective bargaining environment, but the results exceeded expectations.



Activities of the Vacational Division

The year 2025 was a year of construction in the Vacational Division. It can be said that during the year, the final touches were put on the extensive development that has been ongoing within the Division in recent years.

The distribution of vacation properties across the country is quite extensive, as can be seen on the map. There is particularly high demand for houses around Reykholt, Svignaskarð, and Ölfusborgir, and there is also considerable demand in Akureyri. Demand seems to be largely determined by the distance from the capital area, with the most popular areas being within a 1–2-hour drive from Reykjavik.

Location	Number of properties
West Iceland	32
North Iceland	13
East Iceland	3
South Iceland	31
Total	79

CONSTRUCTION AND OPERATIONS

During the year, Efling's Vacational Fund received a total of six new vacation properties. Their handover marks a significant milestone in the operations of the Vacational Division, as an extensive development phase is now complete and an ongoing maintenance and improvement phase begins.

In Svignaskarð, the Vacational Fund took delivery of the latter two of the four houses that had been under construction. The development of the area is thereby



complete for the time being, and the vacation settlement in Svignaskarð is fully formed, which is a cause for celebration. Efling's Vacational Fund owns 21 houses there out of a total of 46.

In Stykkishólmur, construction on a semi-detached house at Aðalgata 16 was completed, and it has now been put into use and made available for rent. The house fits well with the town's characteristic architectural style and has been well received among members, as well as town residents.

The Vacational Fund also purchased two beautiful apartments in a row of townhouses in Siglufjörður, which were handed over during the year. Work has been underway to finish and prepare the houses, and they will be available for rent in the first half of 2026.

During the year, a decision was also made to sell two vacation properties in Kirkjubæjarklaustur. The measure is part of the restructuring of the Vacational Fund's property portfolio and is in line with the policy of increased emphasis on the maintenance and renovation of the fund's properties.

Alongside receiving new properties, systematic work has been carried out on general property maintenance and the replacement of furnishings.

Major construction projects were underway at the vacation estate in Ölfusborgir during the year, and they will continue into the year 2026. Water pipes and electrical cables in the houses will be replaced, along with the installation of fiber optic cables. Alongside that project, the Vacational Division has taken the opportunity to replace the main furnishings in the houses.

At the end of 2025, the Vacational Fund owned 73 properties, spread throughout the country. The fund also rented six houses, either year-round or during the summer.

OBJECTIVES AND STRATEGY

The policy of Efling's Vacational Fund remains clear and unchanged. The objective of the fund is to ensure diverse and high-quality vacation options for members throughout the country, while emphasizing careful and long-term management of the property portfolio. Furthermore, the aim is to improve vacation options even further and increase the variety of offerings to meet the needs and expectations of union members.

Part of that policy is to place a strong emphasis on regular maintenance, the exterior and interior layout of the houses, high-quality fixtures, and the overall experience of Efling's members. Alongside this, systematic efforts are being made to maintain a well-balanced asset portfolio through prudent purchases and sales when appropriate, so that the fund's operations remain sound and sustainable for the future.

VISION OF THE FUTURE

The largest projects of 2026 involve completing construction in Ölfusborgir and at Hvammur in Skorradalur, undertaking renovations and alterations in the vacation properties in Akureyri, and continuing targeted maintenance

and the replacement of furnishings in Svignaskarð. The construction of a playground in Reykholt is also planned, along with other necessary improvement projects.

Activities of the Education and Social Affairs Division

The Education and Social Affairs Division at the Efling office handles the organization of social activities and educational events. Recruiting union representatives at workplaces, organizing courses for them, and administration related to the Delegate Council are the Division's most extensive tasks, but in recent years, these tasks have all grown in scope and required additional staffing.

In 2025, there were 5 general employees in the Division, in addition to the Division Manager. Additionally, a new position for a vocational education representative, which belongs to the Division, was advertised at the end of 2025, and the position was filled at the beginning of 2026.

EDUCATION AND COURSES

Educational activities and courses provided by Efling were conducted in a similar manner in 2025 as in previous years.

VOCATIONAL TRAINING COURSES

A large part of Efling's educational program is comprised of vocational courses that are relevant to members in various industries. Most of these courses are fully funded through Efling's vocational training funds, meaning they are free of charge to members. Some of the courses are part of broader programs that lead to recognition in the form of a new job title and wage bracket.

A total of 199 Efling members signed up for the various vocational training courses in 2025.

RIGHTS RELATED COURSES

Efling's educational program includes courses on various rights-related issues. These include a course on rights which discusses general rights and obligations in the labor market, it is taught in Icelandic with English interpretation and in Polish. The retirement course and special courses on pension rights are usually the most highly attended on the union's educational program. A course on the tax system in Iceland was also offered in English and Polish.

A total of 368 Efling members registered for courses on rights in 2025.

THE UNION REPRESENTATIVE SYSTEM

A priority in Efling's union activities is to increase the number of union representatives in workplaces, especially in the private sector, where it is more common to have no union representative present than in the public sector.

In 2025, 104 new union representatives were appointed, and 86 appointments expired. The total number of union representatives increased from 140 to 159, or by about 13%.

A few of those appointed were renewing their appointments, but the overwhelming majority were accepting the appointment of union representatives for the first time. There were also numerous examples of workplaces where a union representative had never been present or had not been present for a long time.

In accordance with Efling's regulation on the duties of union representatives, the union has adopted the practice of deregistering union representatives who do not respond to communications from the union and do not attend courses. Care is also taken to ensure that a union representative is removed from the register immediately if they leave their job at the workplace. This means that the union's figures for the number of union representatives on record accurately reflect the truly active union representatives.



WORKPLACE VISITS

In 2025, the Education and Social Affairs Division continued to organize visits by field representatives to the workplaces of Efling members, with the goal of recruiting new union representatives. The procedures and organization for these visits are constantly evolving.

A total of 28 field visits were conducted, but on each such trip, several separate workplaces were usually visited. Approximately 17 active members have made one or more such visits during the year.

It is the union's experience that workplace visits are by far the most effective way to build connections with members at their workplaces and encourage them to choose a union representative. In some cases, the approach has been to call members before going on-site, and this method works well where members work at dispersed worksites, such as in cleaning and security.

UNION REPRESENTATIVES' COURSES

In recent years, Efling has broken new ground within the Icelandic labor movement in the organization of education and training for union representatives. The first step in that work was when the union took over the entire organization of the courses from Félagsmálaskóli alþýðu in 2022. Since then, a new and more ambitious delivery of courses has become established, and this was finalized with new provisions in the collective agreement that guarantee all Efling union repre-



representatives the right to attend courses for up to 10 working days per year, provided the courses are distributed throughout the year, as they now always are.

The union organizes regular day-long courses monthly from September to May, a total of nine courses, and all union representatives attend all the courses throughout their appointed term. Since the fall of 2024, the practice of dividing the courses between the private and public sectors has been applied, almost without exception. This is done both due to the increased number of people attending the courses and to be able to discuss issues that specifically affect each respective sector in more detail.

In the summer of 2025, a new initiative was implemented to offer a special, shorter beginner course exclusively for newly appointed union representatives. This way, it is possible to ensure that new union representatives receive the necessary training and information specifically relevant to them. This arrangement has worked very well, and beginner courses have been scheduled almost monthly, and attendance at them has generally been good, or about 10 people.

The curriculum and topics of the courses are constantly evolving, and serve both as basic training and continuing education, where both newer and more experienced union representatives come together in the courses. Group work is often done, and care is taken to regularly break up the schedule with lighter activities, such as yoga, site visits, or team building. The chairperson of Efling is usually present at the courses and shares news from the union's political work, for example, within the Confederation of Labor.

In May 2025, the program was broken up and the lectures were moved to Hotel Örk, where participants traveled together by bus. After traditional lectures, a trip was taken up to Langjökull to ride snowmobiles. The unanimous opinion of the participants was that this was a great way to bring the group together and conclude the winter program.

Among the topics in courses in 2025 were

- Best practices and good working methods for responding to coworker complaints.

- A series of lectures and exercises on "confident expression."

- Vacation rights, sickness and accident rights, working hour rules, and other rights under collective agreements.

- The process of bankruptcy, bankruptcy proceedings, and claiming unpaid wages from the Wage Guarantee Fund.

- Presentation of Adam Fishwick's research on Efling's effort toward renewed labor union work and the transformation of the union into a fighting organization.

- Presentation on EKKO cases.

- The legal process and the main parties involved in collective bargaining in Iceland.

In accordance with the board's decision and discussions within the union in 2024, the practice has been established that at the end of each course, an attendance confirmation is sent to all employers who granted confirmed authorization for the union representatives to attend the course with pay. This is intended to build trust with employers and ensure accountability so that union representatives and members truly utilize the valuable right to attend courses during working hours.

WORKPLACE MEETINGS

Throughout most of 2025, courses for union representatives focused on teaching them how to lead workplace meetings, which is both a difficult and complicated job. The union's policy is that all active union representatives fully utilize the provisions of collective agreements to hold workplace meetings twice a year.

Great success was achieved in organizing workplace meetings in 2025. Numerous union representatives have taken the initiative and organized workplace meetings, and it is often the first time a workplace meeting is held at that workplace. Some have held meetings more than once and overcome various obstacles, such as how to organize meetings when working shifts or at more than one workplace.



DELEGATE COUNCIL

The work of Efling's Delegate Council proceeded in a traditional manner in 2025, and the council operates in accordance with Efling's bylaws and its own regulations. A major project of the Delegate Council during the winter of 2025-2026 was policy work aimed at preparing resolutions for the Efling Congress in February 2026.

Meetings were held monthly during the period from September to May. Under normal circumstances, meetings are held at the Efling Community Center at Guðrúnartún 1, but due to construction, they were moved out of the building in the fall of 2025.

Events

Numerous social events were held for Efling members in 2025, and the staff of the Education and Social Affairs Division shouldered the main responsibility for their organization and execution. Such entertainment events have increased considerably in recent years, and they have become more elaborate, to the great satisfaction of the membership.

MAY DAY FAMILY FESTIVAL

Efling's celebrations on May 1, 2025, were held in a changed and even more ambitious format than before. After a successful family festival at Kolaportið the previous year, it was decided to go a step further and move the program to the

Whale Museum at Grandi. The location proved exceptionally well suited to host an event of this magnitude and gave it a magical atmosphere.

The festival was characterized by a great atmosphere, joy, and good attendance. Outside the museum, food trucks were waiting, where pizzas flew out, hamburgers were grilled by the hundreds, and delicious donuts tempted guests of all ages. Inside the hall, ice cream, cotton candy, and popcorn were offered, which was the perfect finishing touch for the youngest generation.

The entertainment acts were a huge hit, Wally the Clown from Sirkus Íslands brought great joy, DJ Sunna Ben kept the fun going with a great selection of songs, face painting was popular among the children as usual, and the festival ended in grand style when the Workers' Brass Band arrived and played a few well-chosen hits.

SENIOR CITIZENS' COFFEE

Efling's Senior Citizens' Coffee is an annual event that is highly popular among members and is typically held in the same format. In 2025, it took place on May 25 and was, as so often before, held at Gullhamrar in Grafarholt.

FOOD AND CULTURE

The multinational food festival Food and Culture has in a short time established itself as one of the union's most popular social events, even though Food and Culture took place for the first time in 2023. The year 2025 was therefore the third time the event was held. Due to renovation work at Guðrúnartún 1, the event could not be held at the Community Center, and it was instead held at lðnó by Tjörninn, which accommodates even more guests. Despite that, fewer people were able to attend than wanted to, as the festival has become so popular. Efling members served food from more than 20 countries, and the building was filled with aromas, atmosphere, and joy.

On offer was everything from a Filipino-style whole roasted pig to an Iranian dessert "grandma's style," and an Icelandic sandwich cake. At the festival, a diverse program was also offered where Efling members and their families performed. People played instruments, sang, and danced. It can truly be said that Food and Culture was a true celebration of diversity, friendship, and solidarity.

MOVIE SCREENINGS

In November 2024, the union hosted its first movie screening for members, which was a success, and it was decided that such screenings would continue. These screenings took place during elementary school winter breaks, and attendance was excellent. In February, Paddington in Peru was shown at Laugarásbió, and during the October winter break, the Oscar-winning film Kísi (Eng. Flow) shown at Bíó Paradís. At both shows, popcorn and soda were provided, and over 80 Efling members and children attended each show.

CHRISTMAS BUFFET FOR ACTIVE MEMBERS

The Christmas buffet for active members is a grand celebratory feast for those members who sustain Efling's social activities by serving as union representatives, sit-



ting on the Delegate Council, and holding other positions of trust stipulated in the union's bylaws. It has become a tradition that active members are free to invite one other Efling member to join them at the buffet, for example, a coworker or a family member.

This time, the Christmas buffet was held on December 11 at the Hilton Hotel Nordica. The program included a raffle with great prizes to be won and a musical performance where Unnsteinn Manúel from Retro Stefson took the stage to the great delight of the attendees.

CHRISTMAS BALL

Efling's Christmas ball is a fixture in the lives of Efling members with children. This time, it took place on December 13 at Gullhamrar in Grafarvogur and followed the same format as in previous years, which has always brought joy and put Efling members and their families in the Christmas spirit.

Over 360 people of all ages came and enjoyed a good time together. The Icelandic Yule Lads came for a visit as usual, the house band provided the music, and refreshments and sweets were offered. Of course, there was dancing around the Christmas tree.

Information and promotion

During the year, Efling's information and promotional affairs revolved around multifaceted communications with the media, providing information externally regarding the union's affairs, and disseminating information internally. Additionally, the Information Officer supported other Divisions and Efling's union leadership in various ways. One employee handles the union's information and promotion matters.

MEDIA COVERAGE

In total, more than 600 news stories about Efling's affairs were reported in the media in 2025. Most of them were at the beginning of the year and primarily discussed the union's actions regarding wage theft and rights violations in restaurants, and also actions regarding rights violations in the cleaning sector.

Media coverage of Efling was lower in 2025 than it had been the previous year. This is partly because there was extensive coverage of the signing of the Stability Agreements in the first half of 2024, whereas there were no

major labor disputes in 2025. According to a news score published by CreditInfo, about half of the reported news stories had a significant impact on the union.

About 80 percent of all news stories reported on Efling's affairs were published on online media, with other news stories distributed almost evenly between print media and broadcast media.

EFLING'S WEBSITE

In 2025, about 170 news stories were published on Efling's website, with all the news stories accessible in both Icelandic and English. This involved multifaceted information dissemination, news about the union's actions, operations, and services for members, articles and analyses, among other things. Additionally, numerous announcements were published on the website to convey information to union members. All news stories were shared on the union's Facebook page.

NEW WEBSITE

Work on the development of Efling's new website was carried out throughout 2025, with varying emphasis depending on the period. A new website was launched in March 2026, and it is clear that it will significantly improve the dissemination of information to Efling's members.

SURVEY RESULTS

Efling's office once again participated in the workplace survey, Company of the Year.

The outcome was excellent for Efling Trade Union as a workplace. Of the nine factors covered by the survey, Efling's average score was higher in five of them than at other workplaces that participated. In two more, Efling's score was on par with other workplaces.

Efling's overall score was comparable to that of workplaces in the same size category, as well as all workplaces that participated in the survey, regardless of their size.

Furthermore, Efling's average score in the category Equality was noticeably higher than the average score of both comparable workplaces and all participating workplaces.

Awareness of the Efling brand was surveyed by Gallup in 2025, for the third consecutive year. Knowledge of the Efling brand declined slightly year-over-year, but 70 percent of respondents said they knew the brand well. Similarly, those who were positively disposed toward Efling increased slightly, while those with a negative perception of the union decreased by 3 percentage points from the previous year.

Efling's office also received recognition from HR Monitor for being a human resource-minded workplace in 2025, for the second year in a row.

Union Work

WORK OF THE BOARD

The Board of Efling held 21 board meetings in 2025. A special working day for the board was also held. Meetings are typically held on Thursdays twice a month, except during the summer vacation period.

At board meetings, all of Efling's socio-political activities are discussed, as well as matters concerning the union's operations. The topics covered concern almost all of the union's activities. The board also discusses and formulates policy regarding relations with other parties of the Icelandic labor movement, all negotiating parties and the government, other public entities, and foreign sister unions.

The board regularly receives visits at its meetings from the Managing Director of Efling and other managers to discuss the status of operations, improvements, and various development projects within the Efling office. The board also monitors and supports the Education and Social Affairs Division work to increase the number of Efling union representatives, and this project has progressed well and yielded significant results.

In the first half of the year, the board of Efling placed significant emphasis on, among other things, fighting against targeted attempts by the Association of Companies in the Restaurant Market (SVEIT) to weaken the terms of employment for workers in the restaurant sector. It was a continuation of actions that began in the second half of 2024. In March, Efling, along with ASÍ and SGS, filed a complaint with the Competition Authority regarding illegal collusion between SVEIT and companies in the restaurant market, which made collective agreements with the sham trade union Virðing. In April, the Competition Authority opened a formal investigation into the case.

Similarly, the chairperson sent an appeal on behalf of the board to 25 public institutions to cease doing business with restaurant companies in SVEIT that were violating current collective agreements in the same manner.

Furthermore, the issues of cleaning workers were prominent in the board's work, as information about the unethical conduct of cleaning companies towards their employees became public at the beginning of the year.

The Board of Efling approved entering into a collaboration with the Housing and Construction Authority in the summer of 2025 regarding a study on the housing conditions of people with foreign citizenship. Up until then, it had been difficult to obtain information about the status of that group. The results of the study were published in September and show that the position of immigrant Efling members is significantly worse than that of comparison groups. Efling's demand is that immediate action be taken to improve the position of immigrants, as well as all Efling members, in the housing market.

The board consists of a diverse group of people who work in both the private and public labor markets and possess great experience that is very useful in the many collective bargaining negotiations that the union engages in, as well as in other matters and communications.

GRANTS AWARDED

The Grant Committee operates as a sub-committee under the Board of Efling. The committee's purpose is to receive and process all grant requests received by Efling Trade Union that fall directly under the social fund.

Five representatives from among the board members



sit on the committee. In 2025, the committee consisted of Þórir Jóhannesson (chairperson), Guðmunda Valdís Helgadóttir, Hjörtur Birgir Jóhannuson, Karla Esperanza Barralaga Ocón, and Sólveig Anna Jónsdóttir. The first meeting of the committee in 2025 was on April 3, and there were three meetings in total.

A total of 22 grant applications were received by Efling during the committee's term. It was decided to support 13 parties, for a total of ISK 4,520,000. In addition, Efling sponsored 34 parties through the purchase of sponsorship lines or logos, in total 671,320 ISK.

Applicant	Amount
Afstaða	700,000 ISK
Á allra vörum	300,000 ISK
Félag heyrnarlaustra	105,000 ISK
Forskot á framtíð	500,000 ISK
Geðhjálp	200,000 ISK
Hjálparstarf kirkjunnar	750,000 ISK
Íþróttafélagið Ösp	165,000 ISK
Klúbburinn Geysir	400,000 ISK
Knattspyrnufélagið Ægir	150,000 ISK
Mæðrastyrksnefnd Reykjavíkur	750,000 ISK
Rauði kross Íslands	300,000 ISK
Samhjálp	100,000 ISK
SÁÁ	100,000 ISK
Total	4,520,000 ISK

The board of Efling also awarded other grants during the year. For example, the board approved a grant to the Alano House, which houses almost all 12-step programs in the capital area. Likewise, the board approved funding for the publication of the third and final volume of the history of Dagsbrún, which Þorleifur Friðriksson is writing.

DELEGATE COUNCIL

The work of Efling's Delegate Council proceeded in a traditional manner in 2025, and the council operates in

accordance with Efling's bylaws and its own regulations. A major project of the Delegate Council during the winter of 2025-2026 was policy work aimed at preparing resolutions for the Efling Congress in February 2026.

Meetings were held monthly during the period from September to May. Under normal circumstances, meetings are held at the Efling Community Center at Guðrúnartún 1, but due to renovations, they were relocated off-site starting in February 2025.

International Cooperation

In recent times, Efling has increased its participation in international labor union activities. That participation has already yielded various connections and results.

SUN

Efling became a member of SUN (Service- og tjánstibranshens Union i Norden) in July 2024 after holding observer status for about half a year. Efling is a member of the federation's Cleaning and Security Guard Divisions. Efling's representatives have attended regular meetings of the SUN Central Board, as well as board meetings in the Divisions, in addition to participating in the SUN Congress, which was held in Stavanger at the end of August 2025.

Communication and networking within SUN have been very beneficial to the union's work, for example, in collaboration and information sharing with the 3F trade union in Denmark regarding work pace and measurements in cleaning, as the cleaning chapter in Efling's collective agreement with SA is originally based on a Danish model.

It was decided during the year that Efling will assume the chairmanship of the SUN cleaning group in 2026, which involves chairing meetings and working on a large joint training course for union representatives in the sector, planned to be held in Finland in September 2026.

In 2025, Efling worked on behalf of SUN a detailed comparison of collective agreements for security guards in the Nordic countries and will work on a similar project for the cleaning sector in 2026.

Efling invited Lars Christian Fjeldstad, a lawyer at the Norwegian Confederation of Trade Unions (LO), to participate in the Efling Congress on February 26-27, 2026. The topic was recent Norwegian legislation against wage theft. The visit is an example of the success of networking and collaboration with the labor movement in the Nordic countries, which emerged following membership in SUN.

Viðar Þorsteinsson is Efling's liaison with SUN, but other union employees and board members have also participated in the work and attended meetings as needed.

UNI GLOBAL

Efling applied for and was granted membership in UNI Global as of January 1, 2026. Efling is a member of the UNI Property Services Division (UNI Property Services), which covers cleaning and security services similar to SUN, and the nursing home division (UNI Care).

In the lead-up to the membership application, Efling invited Mark Bergfeld, a UNI Global employee and the main contact for the Property Management and Care Divisions, to Iceland from September 3 to 5, 2025. Mark gave a presentation on the activities of UNI to Efling's board and delivered a talk at a meeting of the Delegate Council on international challenges in the cleaning sector.

One of the main tasks of UNI is participation in the so-called "social dialogue" at the European Union level, which is a forum for three sided consultation between the European Union, trade unions, and employers' associations. UNI is also in direct communication with employers' associations regarding common issues, for example concerning the training of security guards. Additionally, UNI is involved in communications with large multinational companies and the work of workplace councils (EWC).

Efling invited Anna Bacía, chairperson of the trade union for nursing home workers in Poland, to participate in the Efling Congress on February 26-27, 2026. Contact was established with her through UNI, of which her trade union is a member.

OTHER INTERNATIONAL COOPERATION

In November and December 2025, Efling participated in the PowerUP online course, which is organized under the banner of the Organizing for Power (O4P) project and hosted by the Rosa Luxemburg Foundation in Germany. A mixed group of active members and Efling employees participated in four classes, which also required project work before and after. Participants in the course came from dozens of different countries. Over the past six years, Efling has regularly participated in similar courses with O4P, and this work has had a major impact on the union's policy and methods in the development of social activities.

Following networking through O4P, Efling has organized a visit to Iceland by labor organizer KB Brower in April 2026. Brower is a sought-after trainer and speaker on organized labor struggle in the spirit of Jane McAlevey's ideas, and Brower received training from her.



Wage and Economic Development

At the beginning of 2025, wages increased according to the collective agreements from 2024. The wage rate of Efling members increased by 5.6%, and in April, a wage rate supplement of 0.58% was added, so that the pay scale increased by a total of 6.2% during the year. This applies to those who are on base wage rates, while others received a 3.25% increase. On average, wage costs for employers of Efling members increased by just over 4% due to the collective agreements.

However, the wage index increased much more, or nearly 8% on an annual basis. There was therefore significant wage drift during the year, mostly due to much greater increases in the public sector, but also due to increases beyond collective agreements in the private sector.

It is therefore clear that the goals of the collective agreements regarding moderate wage increases to promote a reduction in inflation and interest rates were not achieved, because employers allowed too much wage drift and public employers negotiated far outside the framework that workers in the Broad Coalition set forth in the four-year agreement. This contributes to the unfavorable development of inflation and interest rates in 2025 and into 2026. Companies and the government did not keep promises of significant restraint in price increases either. This must give Efling members a lot to think about.

Economic growth was sluggish during the year due to high real interest rates and temporary setbacks in individual large companies. Nevertheless, the Central Bank saw a great need to stand firmly on the brakes with high real interest rates, which is now starting to significantly increase unemployment. It reflects the ineffective and inadequate impact of the Central Bank's monetary policy that, although economic activity has slowed significantly and tension in the labor market has eased, not enough progress is being made in reducing inflation. It is necessary to apply measures other than the Central Bank's high-interest-rate policy.

The outlook for the year 2026 has since deteriorated rapidly due to increased armed conflict in the Middle East, with rising oil prices and other negative impacts on prices and economic growth. As of this writing, the likelihood has increased that the premises of the collective agreements will fail this fall.

Boards of Efling

Board of Efling

Sólveig Anna Jónsdóttir, *chairman*

Pórir Jóhannesson, *vice chairman*

Michael Bragi Whalley, *treasurer*

Guðmunda Valdís Helgadóttir, *secretary*

Alexa Tracia Patrizi

Guðbjörg María Jósepsdóttir

Hjörtur Birgir Jóhannuson

Ian Phillip McDonald

Innocentia Fiati

Karla Esperanza Barralaga Ocon

Olga Leonsdóttir

Rögnvaldur Ómar Reynisson

Sæþór Benjamín Randalsson

Sigurjón Ármann Björnsson

Boards of Funds and Committees

Educational Fund

Michael Bragi Whalley, *chairman*

Hjörtur Birgir Jóhannuson,
vice chairman

Barbara Maria Sawka

Innocentia Fiati Friðgeirsson

Karla Barralaga Ocon

Substitute board members

Greta Íris Karlsdóttir

Katrín Phumipraman

Sickness Benefits Fund

Sólveig Anna Jónsdóttir, *chairman*

Pórir Jóhannesson, *vice chairman*

Olga Leonsdóttir

Kolbrún Valvesdóttir

Ragnar Ólason

Substitute board members

Bozena Bronislawa Raczkowska

Mary Jane Gonzales Munoz

Vacational Fund

Sólveig Anna Jónsdóttir, *chairman*

Guðbjörg María Jósepsdóttir,
vice chairman

Guðmunda Valdís Helgadóttir

Ian Phillip McDonald

Michael Bragi Whalley

Substitute board members

Hlíf Berglind Óskarsdóttir

Örvar Þór Guðmundsson

Labor Dispute Fund

Sæþór Benjamín Randalsson, *chairman*

Rögnvaldur Ómar Reynisson,
vice chairman

Ásthildur J L Kolbeins

Guðmundur Ingi Þóroddsson

Heiðberg Leó Hreinsson

Substitute board members

Lucyna Dybka

Valtýr Björn Thors

Educational Fund of Efling and Public Sector Employers

Sólveig Anna Jónsdóttir

Ásta Bjarnadóttir

Halldóra Friðjónsdóttir

Íris Jóhannsdóttir

Ragnar Ólason

Sigríður Sigurðardóttir

Sigríður Þ. Stefánsdóttir

Nomination Committee

Alexa Patrizi

Benni Singh

Hjördís Bech Ásgeirsdóttir

Hlynur G. Ómarsson

Hörður Aðalsteinsson

Substitute board members

Adrian Stoenescu

Heiðberg Leó Hreinsson

Jón Ísak Hróarsson

Mary Jane Gonzales Munoz

Örvar Þór Guðmundsson

Election Committee

Karen Ósk Nielsen, *solicitor of ASÍ,
nominated by ASÍ*

Anna Björk Ágústsdóttir

Erla Hestnes

Grétar Sigurðsson

Reynaldo C. Renegado

Substitute board members

Halldór Oddsson, *nominated by ASÍ*

Heiðberg Leó Hreinsson

Hreinn Jónsson

Signe R. Skarsbö

Vigdís Einarsdóttir Hagerup

Independent auditor's report

To the Board of Directors and Members of Efling Trade Union

Opinion

We have audited the Consolidated Financial Statements of Efling Trade Union for the year ended December 31, 2025 which comprise the endorsement by the Board of Directors, the Income Statement, the Statement of Financial Position, the Statement of Cash Flows for the year then ended and notes to the Financial Statements, including a summary of significant accounting policies.

In our opinion, the accompanying Financial Statements give a true and fair view of the Financial Position of Efling Trade Union as at December 31, 2025, and its Financial Performance and its cash flows for the year then ended in accordance with the Icelandic Annual Accounts Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of Efling Trade Union in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and we have fulfilled our ethical responsibilities in accordance with the code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The board and the chairman are responsible for the other information. Other information include the Annual Report. Our opinion on the financial statements does not extend to the other information, and we do not provide any assurance or conclusion on its content.

In relation to our audit, we are responsible for reading the aforementioned additional information and assessing whether it is materially inconsistent with the financial statements or our knowledge obtained during the audit, or appears to otherwise contain significant misstatements. If we conclude, based on our work performed, that there are material misstatements in the additional information, we are required to report that. There is nothing specific that we need to report in this regard.

Responsibilities of the Board of Directors and the Chairman for the Consolidated Financial

The Board of Directors and chairman are responsible for the preparation and fair presentation of the Financial Statements in accordance with the Icelandic Annual Accounts Act, and for such internal control as the Board of Directors and the chairman determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Board of Directors and chairman are responsible for assessing Efling Trade Union ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors and the chairman either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The board of directors and the chairman shall oversee the preparation and presentation of the financial statements.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

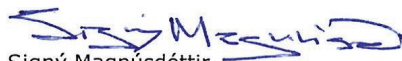
As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Efling Trade Union's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- In order to form an opinion on the consolidated financial statements, we perform sufficient audit procedures on the financial information of the entities within the group. We are responsible for the planning, supervision, and conduct of the audit of the group. We take full responsibility for our opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Kópavogur, 12. March 2026

Deloitte ehf.



Signý Magnúsdóttir

State authorised public accountant

We, the undersigned elected examiners, have reviewed these consolidated financial statements and, with reference to the independent auditor's report, we recommend that they be approved.

Reykjavík, 12. March 2026



Bożena Bronisława Raczowska



Valtýr Björn Thors

Report by the Board of Directors and the Chairman

The consolidated financial statements of Efling Trade Union for the year 2025 are prepared in accordance with Icelandic Financial Statement Act, except for the requirement to present a restricted equity within equity as it does not apply to associations.

The main role of Efling Trade Union is to work on the negotiation of collective agreements, interpret them for the members, establish funds to secure benefits for the members, and protect their rights in collective agreements, labor disputes, accident and illness rights, vacation matters, and educational matters. Efling Trade Union provides its members with comprehensive services in these areas.

The activities during the year and future prospects

The union fees amounted to 3.981,0 m.kr. in the year 2025 (2024: 3.528,8 m. kr.), increasing by 452,2 m.kr. between years or about 12,81%. The Union profit for the year 2025 amounted to 1.285,4 millj. kr. (2024: 1.281,0 m.kr.). The equity of the Union amounted to 17.617,3 m.kr. at year-end (year-end 2024: 16.272,0 m.kr.). The equity ratio at year-end was 96,70% (year-end 2024: 97,29%).

In the beginning of the year, the January 1st 2025, the funds of Efling were reduced with a merger. Firstly Fræðslusjóður merged into Félagssjóð and secondly Styrktarsjóður merged into Sjúkrasjóð.

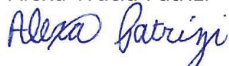
Proposal for the annual general meeting

The board of director proposes that the profit of the year be transferred to the next year, but refers to other parts of the financial statements regarding changes in the equity of the Union.

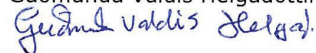
The board and chairman of Efling Trade Union hereby confirm the approval of the Unions consolidated financial statements with its signatures.

Reykjavík, 12. March 2026


Alexa Tracia Patrizi



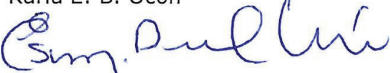
Guðmunda Valdís Helgadóttir (ritari)



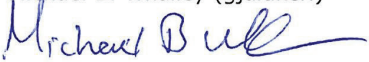
Ian P. McDonald



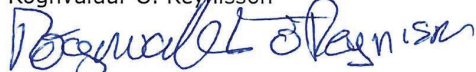
Karla E. B. Ocon



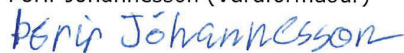
Michael B. Whalley (gjaldkeri)



Rögnvaldur Ó. Reyðnisson

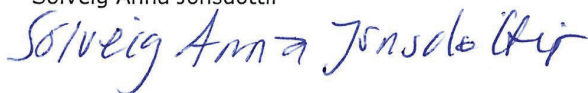


Þórir Jóhannesson (Varaformaður)



Formaður

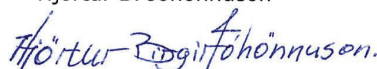
Sólveig Anna Jónsdóttir



Guðbjörg M. Jósepsdóttir



Hjörtur B. Jóhannuson



Innocentia F. Fiati



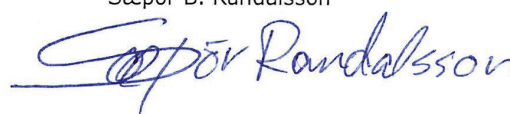
Sigurjón Ármann Björnsson




Olga Leonsdóttir



Sæþór B. Randalsson



Framkvæmdastjóri



Perla Ösp Ásgeirsdóttir

Income statement for the year 2025

	Notes	2025	2024
Revenues			
Member fees		3.980.987.631	3.528.831.962
Rental income from vacation homes		94.046.704	85.311.829
Other income	4	156.759.774	38.534.353
Total revenues		<u>4.231.794.109</u>	<u>3.652.678.144</u>
Operating expenses			
Benefits and grants	5	(1.726.156.461)	(1.734.804.258)
Salary and employee related cost	6	(726.863.799)	(637.595.214)
Expenses arising from members activities	7	(312.617.298)	(263.174.815)
Vacation homes expenses	8	(336.427.063)	(266.564.524)
General and administrative expense	9	(117.962.464)	(124.210.398)
Collection of membership fees	10	(60.594.138)	(54.066.450)
Housing Cost	11	(129.164.331)	(97.905.260)
Operating cost of strike fund	12	(5.319.743)	(10.896.488)
Depreciation	14	(94.474.880)	(42.193.473)
Total operating expenses		<u>(3.509.580.177)</u>	<u>(3.231.410.880)</u>
Operating result of the year		<u>722.213.932</u>	<u>421.267.264</u>
Financial income	13	270.379.612	537.194.950
Financial expenses	13	(14.931.938)	(4.698.056)
Fair value changes of financial assets	13	468.944.407	554.989.606
Capital income tax		(161.196.379)	(227.707.149)
		<u>563.195.702</u>	<u>859.779.351</u>
Profit of the year		<u><u>1.285.409.634</u></u>	<u><u>1.281.046.615</u></u>

Balance sheet at 31.12.2025

Assets	Notes	31.12.2025	31.12.2024
Non-current assets			
Vacation homes	16	3.202.118.460	2.956.309.278
Real estate, land and real estate rights	14	419.682.529	412.193.136
Other fixed assets	14	429.935.474	103.527.650
Security funds	15	11.763.137.667	7.020.649.004
Bonds	15	828.565.785	5.906.813
		<u>16.643.439.915</u>	<u>10.498.585.881</u>
Current assets			
Restricted bank deposits	17	22.633.527	4.388.488.363
Cash and cash equivalents		1.015.237.571	1.698.503.860
Account receivables	18	495.369.430	94.642.969
Inventory		307.600	4.466.100
Other receivables		41.964.851	41.051.259
		<u>1.575.512.979</u>	<u>6.227.152.551</u>
Total assets		<u><u>18.218.952.894</u></u>	<u><u>16.725.738.432</u></u>
Equity and liabilities			
Equity			
Revaluation reserve	19	1.084.719.854	1.024.855.285
Retained earnings		16.532.576.206	15.247.166.572
Total equity		<u>17.617.296.060</u>	<u>16.272.021.857</u>
Non-current liabilities			
Accrued capital income tax	20	287.371.166	184.727.121
		<u>287.371.166</u>	<u>184.727.121</u>
Current liabilities			
Trade Payables		35.479.387	38.091.091
Other current liabilities	22	278.806.281	230.898.363
		<u>314.285.668</u>	<u>268.989.454</u>
Total liabilities		<u>601.656.834</u>	<u>453.716.575</u>
Total equity and liabilities		<u><u>18.218.952.894</u></u>	<u><u>16.725.738.432</u></u>

Statement of Cash flows 2025

	2025	2024
Operating activities		
Operating profit	1.285.409.634	1.281.046.615
Depreciations	94.474.880	42.193.473
Profit from sale of fixed assets	(64.685.092)	0
Increase in accrued capital income tax	102.389.644	109.760.944
Fair value changes of financial assets	(472.452.860)	(554.810.956)
Cash generated from operations	<u>945.136.206</u>	<u>878.190.076</u>
Change in operating assets, (increase) decrease	(640.587.149)	(75.690.507)
Increase in operating liabilities	288.656.211	327.414.080
Net cash from operating activities	<u><u>593.205.268</u></u>	<u><u>1.129.913.649</u></u>
Investing activities		
Net sale and purchase of property, plant and equipments	(549.631.618)	(397.518.347)
Net sale and purchase of securities funds	(818.382.386)	1.216.390.329
Installments of debt instruments	7.232.141	23.099.438
Net purchase and sale of securities funds	(4.281.544.530)	(1.342.084.955)
Change in restricted deposits	4.365.854.836	2.950.371
	<u>(1.276.471.557)</u>	<u>(497.163.164)</u>
Increase in cash and cash equivalents	(683.266.289)	632.750.485
Cash and cash equivalents at beginning of the year	<u>1.698.503.860</u>	<u>1.065.753.375</u>
Cash and cash equivalents at the end of the year	<u><u>1.015.237.571</u></u>	<u><u>1.698.503.860</u></u>

Notes

1. General information

Efling Trade Union is a union with a scope that covers the legal jurisdictions of Reykjavík, Kópavogur, Seltjarnarnes, Mosfellsbær and Kjósarsýsla to Botnsá, Grímsnes and Grafningshreppur, Hveragerði and the municipality of Ölfus. The field of work for members who work in the catering and hospitality industry and in industry also covers Hafnarfjörður, Garðabær and Bessastaðahreppur. The field of work for members who work in nursing homes and home care also covers Garðabær.

The union is a member of the Icelandic Seamen's Federation and has direct affiliation with the Icelandic Confederation of Labour.

Efling Trade Union is domiciled in Iceland and its address is at Guðrúnartún 1, 105 Reykjavík.

2. Basis for accounting

The Consolidated Financial Statements are prepared in accordance with the Icelandic Financial Statements Act and related regulations, with the exception of the requirement related to restricted equity where the entity is an association. The Consolidated Financial Statements are based on cost accounting principles, with the exception of marketable securities are carried at fair value and summerhouses that are revalued annually. The Consolidated Financial Statements are prepared using the same accounting policies as the previous year. The Consolidated Financial Statements are presented in Icelandic Krona, which is the functional currency of the Union.

3. Estimates and decisions

When preparing the consolidated financial statements, management are required by law to make decisions, evaluate, and draw conclusions that affect the assets and liabilities on the reporting date, information in the notes, and revenues and expenses. The evaluation and conclusions are based on experience and various other factors that are considered relevant and form the basis for the decisions made regarding the recorded value of assets and liabilities that are not otherwise available

Changes to accounting estimates are recognized in the period they incur.

4. Other income

	2025	2024
Rental income	26.648.273	23.459.306
Commission from Virk	5.175.453	11.946.870
Commission from vocational funds	56.525.956	2.443.536
Profit from sales of fixed assets	68.410.092	684.641
	<u>156.759.774</u>	<u>38.534.353</u>

5. Benefits and grants

	2025	2024
Sickness benefits	1.523.517.257	1.534.693.898
Grant for Eyeglass support	35.677.570	35.241.275
Health and wellness activities	66.770.707	64.475.473
Hearing aid support	1.928.119	2.413.700
Medical/rehabilitation	13.772.370	15.976.997
Laser eye surgery	5.399.730	4.381.359
Technological fertilization	8.486.245	5.773.947
Cancer screening	6.815.770	8.134.012
Psychological, social, and interview treatments	40.790.321	43.150.200
Death benefits	20.387.183	19.479.479
Health clinics support, N.F.L.Í. Etc.	178.000	450.000
Grants from benefit fund	2.433.189	633.918
	<u>1.726.156.461</u>	<u>1.734.804.258</u>

6. Salary and employee related cost

	2025	2024
Salaries	562.722.379	503.022.255
Pension fund	77.435.344	61.389.079
Other salary related expenses	42.916.529	42.862.317
Other employee expenses	43.789.547	30.321.563
	<u>726.863.799</u>	<u>637.595.214</u>
Average number of positions	43	39

7. Expenses arising from members activities

	2025	2024
Membership fee to ASÍ	149.645.051	134.901.773
Purchased services	71.572.360	61.604.895
Membership educational events	40.844.465	15.685.436
Publication	8.637.215	9.144.667
Other expenses related to membership affairs	41.918.207	41.838.044
	<u>312.617.298</u>	<u>263.174.815</u>

8. Vacation homes expenses

	2025	2024
Maintenance	115.110.228	71.030.873
Electricity and heating	17.984.728	12.177.565
Real estate taxes	17.530.711	16.091.226
Insurance cost	3.512.224	3.363.502
Cleaning cost	28.791.188	19.162.229
Renting	13.303.183	14.659.461
Operating contributions	84.495.697	78.559.587
VAT reimbursement	0	(8.295.161)
Other administrative expense	38.003.414	46.556.779
Airline subsidies and cards	17.695.690	13.258.463
	<u>336.427.063</u>	<u>266.564.524</u>

9. General and administrative expense

	2025	2024
IT costs	79.087.373	57.187.696
Audit and accounting	13.164.028	13.953.179
Other professional services	7.175.889	30.525.036
Other administrative expenses	18.535.174	22.544.487
	<u>117.962.464</u>	<u>124.210.398</u>

10. Collection of membership fees

	2025	2024
Collection of membership fees	1.056.258	10.625.891
Write-down of Accounts receivable	41.320.550	38.857.089
Written Off Accounts Receivable	18.217.330	4.583.470
	<u>60.594.138</u>	<u>54.066.450</u>

Notes

11. Housing expenses

	2025	2024
Housing cost	31.574.400	33.036.165
Real estate taxes	20.326.500	19.493.600
Renovations and maintenance	39.892.834	23.406.071
Other housing expenses	37.370.597	21.969.424
	<u>129.164.331</u>	<u>97.905.260</u>

12. Operating cost of strike fund

	2025	2024
Cost due to collective agreements	5.319.743	10.896.488

13. Finance income and expense

	2025	2024
Finance income can be broken down as follows:		
Interest income on bank deposits	260.123.325	487.293.189
Interest income on membership fees and union fees	8.007.415	10.849.507
Interest income on other receivables	11.004	2.043.397
Refund related to securities commission	0	34.222.804
Dividend received	2.238.000	2.756.700
	<u>270.379.744</u>	<u>537.165.597</u>
Finance expenses can be broken down as follows:		
Commission related to securities commission	(10.014.554)	0
Other finance expenses	(4.917.384)	(4.698.056)
	<u>(14.931.938)</u>	<u>(4.698.056)</u>
Fair value changes are as follows:		
Interest and fair value changes of securities funds	461.186.961	528.507.007
Interest and fair value changes of securities	7.757.446	26.482.599
Exchange difference	(132)	29.353
	<u>468.944.275</u>	<u>555.018.959</u>
	<u>724.392.081</u>	<u>1.087.486.500</u>

14. Other fixed assets and depreciation

	Real estate & land	Furnishing, Software and Cars	Total
Cost			
Balance 1.1.2024	787.567.086	251.978.241	1.039.545.327
Purchased in the year	22.560.362	49.999.712	72.560.074
Disposal in the year	0	(5.975.000)	(5.975.000)
Balance 1.1.2025	810.127.448	296.002.953	1.106.130.401
Purchased in the year	15.110.461	420.427.544	435.538.005
Disposal in the year	0	(14.605.631)	(14.605.631)
Balance 31.12.2025	825.237.909	701.824.866	1.527.062.775
Depreciation			
Balance 1.1.2024	390.464.349	158.946.793	549.411.142
Depreciation	7.469.963	34.723.510	42.193.473
Disposal in the year		(1.195.000)	(1.195.000)
Balance 1.1.2025	397.934.312	192.475.303	590.409.615
Depreciation	7.621.068	86.853.812	94.474.880
Disposal in the year	0	(7.439.723)	(7.439.723)
Balance 31.12.2025	405.555.380	271.889.392	677.444.772
Book value			
Balance 1.1.2024	397.102.737	93.031.448	490.134.185
Balance 1.1.2025	412.193.136	103.527.650	515.720.786
Balance 31.12.2025	419.682.529	429.935.474	849.618.003
Depreciation rate	0-1%	12-33%	
Assessment and insurance value are as follows at year end:		Assessment value	Insurance value
Guðrúnartún 1		1.152.650.000	2.001.850.000
Iðnó, Vonarstraeti 3		88.630.405	277.081.565
Breiðamörk 19		73.750.000	93.850.000

Efling Trade Union owns 28,33% of the property located at Vonarstraeti 3. Municipality of Reykjavik City owns 55% of the property, and Icelandic Seamen's Federation owns 16,67%. the Municipality of Reykjavik City is responsible for the operation and maintenance of the property at Vonarstraeti 3.

Additionally, Efling Trade Union owns an art collection which is evaluated at 10.377.000 ISK at the end of the year.

15. Securities and debt instruments

	31.12.2025	31.12.2024
Shares in funds	11.724.137.667	6.981.649.004
Bonds	828.565.785	5.906.813
Shares	39.000.000	39.000.000
	12.591.703.452	7.026.555.817

Notes

16. Vacation homes and shares in vacation areas

	Shares in vacation areas	Vacation homes in development	Vacation homes s in use	Samtals
Balance 1.1.2024	54.008.646	0	2.342.642.146	2.396.650.792
Purchased in the year	0	329.738.273	0	329.738.273
Revaluation of the year	3.995.770	0	225.924.443	229.920.213
Balance 1.1.2025	58.004.416	329.738.273	2.568.566.589	2.956.309.278
Purchased in the year	0	195.293.613	0	195.293.613
Revaluation of the year	3.552.337	0	88.213.233	91.765.570
Reclassification	0	(525.031.886)	525.031.886	0
Sold during the year	0	0	(41.250.000)	(41.250.000)
Balance 31.12.2025	61.556.753	0	3.140.561.708	3.202.118.460

Vacation homes in use

	Assessment value 2025	Assessment value 2024	Change in value
Stora-Fljot Reykholti, 12 houses	620.120.000	571.450.000	48.670.000
Svignaskarð 17 houses	522.960.000	529.580.000	(6.620.000)
Akureyri 4 apartments, 4 townhouses	429.450.000	392.150.000	37.300.000
Olfusborgir 10 houses	228.912.907	212.507.637	16.405.270
Brekkuskogur 3 houses	160.950.000	134.950.000	26.000.000
Hvammur 1 house and land for summerhouses	129.630.000	113.350.000	16.280.000
Svignaskarð land, buildings and a house in Skarði	118.750.700	110.378.952	8.371.748
Stykkishólmur 3 houses	241.950.000	113.600.000	(53.434.291)
Eyrarflöt, 2 houses	107.250.000	0	(50.719.494)
Svignaskarðsland 2 houses	93.250.000	84.700.000	8.550.000
Uthlið 3 houses	63.610.000	59.800.000	3.810.000
Svignaskarð, 4 houses	185.278.101	0	0
Einarsstaðir 3 houses	72.000.000	63.050.000	8.950.000
Hellisholar	61.500.000	52.650.000	8.850.000
Kirkjubaejarklaustur 2 houses (sold)	0	41.250.000	0
Illugastaðir 2 houses	48.200.000	37.350.000	10.850.000
Holmavík	27.150.000	27.700.000	(550.000)
Flokalundur 2 houses	29.600.000	24.100.000	5.500.000
	3.140.561.708	2.568.566.589	88.213.233

Vacation homes are revalued annually based on changes in assessment between years. The revaluation is recorded as a separate revaluation reserve within equity.

Shares in vacation areas

	Ownership share	Value 2025	Value 2024	Change in value
Vacation area: Ölfusborgir	27,8%	47.090.356	37.959.242	9.131.114
Vacation area: Svignaskarð	47,0%	91.150	7.325.648	(7.234.498)
Vacation area: Illugastadir	6,5%	8.646.131	8.188.347	457.785
Vacation area: Flokalundur	15,4%	5.729.116	4.531.180	1.197.937
		61.556.753	58.004.416	3.552.337

Shares in vacation areas are estimated based on the ownership share in equity of the those vacation areas based on their approved financial statements.

Efling is a member in three angling associations. Through the Gljúfurár Angling Association, Efling holds a 20.1% share, and through the Norðurá Angling Association, it holds a 1% share, both due to land ownership rights. Efling also holds a 0.9% share in the Tungufljótsdeild division of the Árnesingar Angling Association, due to river access in Stóra fljóti, Bláskógabyggð. Dividends are paid out to the landowners based on this arrangement. Efling has no obligations or liabilities related to its membership in these associations, other than allowing access to the rivers for angling. Rights include participation in general and annual meetings with proposal and voting rights. These rivers are leased out according to bidding and are rented out for several years at a time.

Vacation homes under construction	Book value 31.12.2023	Purchase of the year	Reclassified to in use during the year	Book value 31.12.2024
Svignaskarð 35	44.666.665	570.000	(45.236.665)	0
Svignaskarð 39	43.578.568	570.000	(44.148.568)	0
Svignaskarð 40	35.368.580	13.070.001	(48.438.581)	0
Svignaskarð 45	45.324.487	2.129.800	(47.454.287)	0
Eyrarflöt	45.767.500	112.201.994	(157.969.494)	0
Aðalgata 16 Stykkishólmur	115.032.473	66.751.818	(181.784.291)	0
	<u>329.738.273</u>	<u>195.293.613</u>	<u>(525.031.886)</u>	<u>0</u>

Vacation homes under construction are measured at cost, up until the point they are completed and put to use. From that point on the company measures them using the revaluation method.

17. Restricted bank deposits

	31.12.2025	31.12.2024
Restricted bank deposits - Landsbanki	22.633.527	4.388.488.363
	<u>22.633.527</u>	<u>4.388.488.363</u>

Restricted bank deposits is cash on bank accounts that have a restriction of at least 30 days.

18. Accounts receivables

	31.12.2025	31.12.2024
Accounts receivables	576.470.883	134.423.872
Write down of Account receivables	(81.101.453)	(39.780.903)
	<u>495.369.430</u>	<u>94.642.969</u>

The increase is due to a change in process as the timeframe for companies to send in their form has been extended to include all of January.

19. Equity

Equity is broken down as follows:	Revaluation reserve	Retained earnings	Total equity
Equity 1.1.2024	794.935.072	13.966.119.957	14.761.055.029
Revaluation	229.920.213	0	229.920.213
Profit for the year	0	1.281.046.615	1.281.046.615
Equity 1.1.2025	1.024.855.285	15.247.166.572	16.272.021.857
Revaluation	91.765.569	0	91.765.569
Profit for the year	0	1.285.409.634	1.285.409.634
Equity 31.12.2025	<u>1.084.719.854</u>	<u>16.532.576.206</u>	<u>17.617.296.060</u>

20. Accrued capital income tax

	31.12.2025	31.12.2024
Balance at beginning of the year	184.727.121	74.966.177
Paid capital income tax	(17.907.415)	(117.946.205)
Change in accrual	120.551.460	227.707.149
Balance at year end	<u>287.371.166</u>	<u>184.727.121</u>

Notes

21. Accounting policy

Revenue recognition

Union fees are recognised as revenue in the periods the remittance forms are received

Rental income from vacation homes is recognized as revenue when the vacation homes are utilised.

Expenses

Expenses incurred to generate income during the period are recognised as operating expenses. Expenses incurred in the current financial year but pertaining to future financial years are recognised as prepaid expenses in the balance sheet. Expenses pertaining to the current financial year but payable in subsequent periods are recognised as accrued expenses in the balance sheet.

Finance income and finance expenses

Interest income is recognised for the relevant period in accordance with the corresponding principal amount and

Finance income are recognised in the income statement in the period in which they are incurred.

Property, plant and equipments

Assets are recorded as property, plant and equipment when it is likely that the economic benefits associated with the asset will flow to the company and the cost of the asset can be reliably measured. Property, plant and equipment are initially recognised at cost. The cost consists of the purchase price and all direct costs incurred to bring the asset into income-generating condition.

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives, taking into

Profit or loss from the sale of assets is the difference between the selling price and the book value of the assets on the date of sale, and is recognized in the income statement upon sale.

Securities and debt instruments

Bonds and securities listed on an active market are recognised at fair value, and any changes in fair value are recognised in the income statement in the period in which they occur. Unlisted equities are recognized at cost.

Uncollected Union fees

Uncollected Union fees are recognised at face value.

Trade receivables

Trade receivables are recognised at face value, taking into account any allowance for impairment. The impairment allowance is not a final write-off but represents a contra-account to address potential future losses that may occur.

Cash and cash equivalents

Cash and cash equivalents consist of fund and unrestricted bank balances.

Provision

Provision are recognised in the financial statements if it is likely that there will be future financial outflows due to a specific event or transaction, and the amount can be reliably estimated.

Trade payables

Trade payables are recognised at face value, taking into account any incurred expenses

Breakdowns

Other receivables

	31.12.2025	31.12.2024
Paid grants for the education fund	0	14.096.212
Other receivables	41.964.851	26.955.047
	<u>41.964.851</u>	<u>41.051.259</u>

Cash and cash equivalents

The company's cash and cash equivalents consist of funds and unrestricted bank deposits.

	31.12.2025	31.12.2024
Current accounts - Landsbankinn hf.	1.015.237.571	1.698.503.860
	<u>1.015.237.571</u>	<u>1.698.503.860</u>

Trade Payables

	31.12.2025	31.12.2024
Accounts payables	35.479.387	38.091.091
	<u>35.479.387</u>	<u>38.091.091</u>

Other current liabilities

	31.12.2025	31.12.2024
Accrued salary and salary related expense	100.057.035	133.627.184
Payables to the education fund	130.171.775	62.964.619
Payables to the members fund	37.696.780	28.795.253
Other current liabilities	10.880.691	5.511.307
	<u>278.806.281</u>	<u>230.898.363</u>

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Rekstrarreikningur

	Samstæða	Jöfnunarfærslur	Samtals	Félagssjóður	Sjúkrasjóður	Orlofssjóður	Vinnudeilussjóður
Félagsgjöld	3.980.987.631	0	3.980.987.631	1.262.885.930	1.928.548.367	566.449.139	223.104.195
Leigutekjur orlofshúsa	94.046.704	0	94.046.704	0	0	94.046.704	0
Aðrar tekjur	156.759.774	0	156.759.774	61.701.409	26.648.273	68.410.092	0
Tekjur samtals	4.231.794.109	0	4.231.794.109	1.324.587.339	1.955.196.640	728.905.935	223.104.195
Kostnaður							
Bætur og styrkir	(1.726.156.461)	0	(1.726.156.461)	0	(1.726.156.461)	0	0
Laun og starfsmannakostnaður	(726.863.799)	0	(726.863.799)	(640.184.770)	0	(86.679.029)	0
Kostnaður vegna félagslegs starfs	(312.617.298)	0	(312.617.298)	(309.939.761)	(1.468.327)	(1.122.838)	(86.372)
Rekstur orlofshúsa	(336.427.063)	0	(336.427.063)	0	0	(336.427.063)	0
Rekstrarkostnaður	(117.962.464)	0	(118.155.200)	(80.288.017)	(21.427.922)	(15.086.059)	(1.353.202)
Innheimta félagsgjalda	(60.594.138)	0	(60.401.402)	(13.347.841)	(33.767.097)	(10.109.796)	(3.176.668)
Húsnæðiskostnaður	(129.164.331)	0	(129.164.331)	(60.045.909)	(57.881.381)	(9.035.190)	(2.201.851)
Rekstur vinnudeilussjóðs	(5.319.743)	0	(5.319.743)	0	0	0	(5.319.743)
Afskriftir fastafjármuna	(94.474.880)	0	(94.474.880)	(28.776.824)	(48.933.062)	(16.764.994)	0
Kostnaður samtals	(3.509.580.177)	0	(3.509.580.177)	(1.132.583.122)	(1.889.634.250)	(475.224.969)	(12.137.836)
Rekstrarniðurstaða	722.213.932	0	722.213.932	192.004.217	65.562.390	253.680.966	210.966.359
Fjármagnstekjur	270.379.744	0	270.379.744	53.254.806	100.603.319	44.993.766	71.527.853
Fjármagnsgjöld	(14.931.938)	0	(14.931.938)	(5.448.175)	(4.375.969)	(2.070.692)	(3.037.102)
Gangvirlisbreyting verðbréfa	468.944.275	0	468.944.275	111.661.419	194.569.987	843.505	161.869.364
Fjármagnstekjuskattur	(161.196.379)	0	(161.196.379)	(35.925.434)	(64.505.234)	(9.431.656)	(51.334.055)
	563.195.702	0	563.195.702	123.542.616	226.292.103	34.334.923	179.026.060
Tekjur umfram gjöld	1.285.409.634	0	1.285.409.634	315.546.833	291.854.493	288.015.889	389.992.419

Efnahagsreikningur

Eignir	Samstæða	Jöfnunarfærslur	Samtals	Félagssjóður	Sjúkrasjóður	Orlofsjóður	Vinnudeilissjóður
Fastafjármunir							
Orlofsbyggðir og orlofshús	3.202.118.460	0	3.202.118.460	0	0	3.202.118.460	0
Lóðir og fasteignir	419.682.529	0	419.682.529	97.099.698	319.369.872	3.212.959	0
Aðrir varanlegir rekstrarfjármunir	429.935.474	0	429.935.474	93.386.007	293.899.449	42.650.018	0
Verðbréfasjóðir	11.763.137.667	0	11.763.137.667	2.829.176.908	5.237.774.264	116.088.625	3.580.097.870
Skuldabréfaeign	828.565.785	0	828.565.785	97.420.149	141.409.244	293.357.672	296.378.720
	16.643.439.915	0	16.643.439.915	3.117.082.762	5.992.452.829	3.657.427.734	3.876.476.590
Veltufjármunir							
Bundnar innstæður	22.633.527	0	22.633.527	1.350.391	11.339.559	1.872	9.941.705
Handbært fé	1.015.237.571	0	1.015.237.571	463.758.764	138.599.103	204.354.952	208.524.752
Vlöskiptakröfur	495.369.430	0	495.369.430	(248.177.100)	535.875.652	147.871.089	59.799.789
Kröfur á milli sjóða	0	(392.226.873)	392.226.873	374.977.510	17.249.363	0	0
Birgðir	307.600	0	307.600	0	0	307.600	0
Aðrar skammtímakröfur	41.964.851	0	41.964.851	46.232.647	(2.541.314)	0	(1.726.482)
	1.575.512.979	(392.226.873)	1.967.739.852	638.142.212	700.522.363	352.535.513	276.539.764
	18.218.952.894	(392.226.873)	18.611.179.767	3.755.224.974	6.692.975.192	4.009.963.247	4.153.016.354
Eignir							
Eigið fé og skuldir							
Eigið fé							
Sérstakur endurmatsreikningur	1.084.719.854	0	1.084.719.854	0	0	1.084.719.854	0
Óráðstafað eigið fé	16.532.576.206	0	16.532.576.206	3429241162	6.283.193.546	2.783.060.094	4.037.081.404
Eigið fé	17.617.296.060	0	17.617.296.060	3.429.241.162	6.283.193.546	3.867.779.948	4.037.081.404
Langtímaskuldir og skuldbindingar							
Áfallinn fjármagnstekjuskattur	287.371.166	0	287.371.166	83.785.489	115.565.674	254.401	87.765.602
	287.371.166	0	287.371.166	83.785.489	115.565.674	254.401	87.765.602
Skammtímaskuldir							
Vlöskiptaskuldir	35.479.387	0	35.479.387	21.659.650	8.865.648	4.446.078	508.011
Skuldir á milli sjóða	0	(392.226.873)	392.226.873	0	238.474.932	126.090.604	27.661.337
Aðrar skammtímaskuldir	278.806.281	0	278.806.281	220.538.673	46.875.392	11.392.216	0
	314.285.668	(392.226.873)	706.512.541	242.198.323	294.215.972	141.928.898	28.169.348
Skuldir	601.656.834	(392.226.873)	993.883.707	325.983.812	409.781.646	142.183.299	115.934.950
Eigið fé og skuldir	18.218.952.894	(392.226.873)	18.611.179.767	3.755.224.974	6.692.975.192	4.009.963.247	4.153.016.354

Sjóðstreymi

	Samstæða	Jöfnunarfærslur	Samtals	Félagssjóður	Sjúkrasjóður	Orlofssjóður	Vinnudeilissjóður
Rekstrarhreyfingar							
Tekjur umfram gjöld	1.285.409.634	0	1.285.409.634	315.546.833	291.854.493	288.015.889	389.992.419
Afskriftir	94.474.880	0	94.474.880	28.776.824	48.933.062	16.764.994	0
Söluhagnaður	(64.685.092)	0	(64.685.092)	0	0	(64.685.092)	0
Hækkun, (lækkun) á skuldb. fjármagnstekjuskatts	102.389.644		102.389.644	24.459.020	42.337.285	0	35.593.339
Verðbætur og gangvörðisbr. af eignum og skuldum	(472.452.860)		(472.452.860)	(112.498.614)	(192.362.589)	(4.233.946)	(163.357.711)
Veitufé frá rekstri	945.136.206	0	945.136.206	256.284.063	190.762.251	235.861.845	262.228.047
Aðrar rekstrartengdar eignir (hækkun), lækkun	(640.587.149)	143.369.593	(783.956.742)	(341.210.999)	(324.389.885)	(87.277.973)	(31.077.885)
Rekstrartengdar skuldir, hækkun, (lækkun)	288.656.211	(143.369.593)	432.025.804	196.962.375	209.251.980	7.186.277	18.625.172
Handbært fé frá rekstri án vaxta og skatta	593.205.268	0	593.205.268	112.035.439	75.624.346	155.770.149	249.775.334
Handbært fé frá rekstri	593.205.268	0	593.205.268	112.035.439	75.624.346	155.770.149	249.775.334
Fjárfestingahreyfingar							
Keyptir/seldir varanl. rekstrarfjárm	(549.631.618)		(549.631.618)	(66.516.932)	(317.222.178)	(165.892.508)	0
Keypt/seld skuldabréf	(818.382.386)		(818.382.386)	(97.198.053)	(138.664.672)	(291.959.706)	(290.559.955)
Afborganir skuldabréfa	7.232.141		7.232.141	870.120	2.019.517	2.855.121	1.487.383
Keypt/seld fjárfestingaverðbréf	(4.281.544.530)		(4.281.544.530)	(468.608.363)	(2.222.065.479)	(116.107.766)	(1.474.762.922)
Bundnar bankainnstæður	4.365.854.836		4.365.854.836	335.997.261	2.395.324.885	244.823.922	1.389.708.768
	(1.276.471.557)	0	(1.276.471.557)	(295.455.967)	(280.607.927)	(326.280.937)	(374.126.726)
Lækkun handbærs fjár	(683.266.289)		(683.266.289)	(183.420.528)	(204.983.581)	(170.510.788)	(124.351.392)
Handbært fé í upphafi árs	1.698.503.860		1.698.503.860	647.179.292	343.582.684	374.865.740	332.876.144
Handbært fé í lok árs	1.015.237.571	0	1.015.237.571	463.758.764	138.599.103	204.354.952	208.524.752

