

BASF UK Group Pension Scheme



Supplementary guide for the BPP Defined Contribution (DC) Section (the “Scheme”)

Supplementary guide for employees who were active members of the BPP Hybrid Section of the BASF UK Group Pension Scheme on 31 December 2015 and joined the DC Section of the BASF UK Group Pension on 1 January 2016.

This supplementary guide should be read in conjunction with the DC sections’ ‘Your member guide - your benefits in detail’. It applies to you if you:

- were an active member of the BPP Hybrid Section of the BASF UK Group Pension Scheme on 31 December 2015, and
- have continuously been an active member of the DC section since 1 January 2016.

If these conditions apply to you, some of your benefits for service from 1 January 2016 differ from those set out in “Your member guide - your benefits in detail” effective from 1 January 2016.

These differences are as follows:

Your member guide - your benefits in detail

Amendment to page 8 - What benefits are payable if I die in service?

The benefits payable on death in service on page 8 are replaced by the following:

If you die while working for your *employer* as an active member of the *Scheme*, a cash lump sum of four times your *pensionable salary* will be payable. However until 31 December 2025 a further calculation will be carried out based on four times your gross salary for the 12 months preceding your death, if this is a higher benefit, this higher amount will be paid instead.

The value of your *DC Account* built up to 31 December 2015, and any *Additional Fund* built up from 1 January 2016 will also be payable as a cash lump sum, subject to the total cash lump sum not exceeding the *Lifetime Allowance*.

In addition the following pensions may be payable:

A pension to a qualifying *Spouse* or *Dependant* equivalent to 60% of your pension calculated by using your *Qualifying Pensionable Salary* at 31 December 2015 (revalued each year by the Retail Price Index up to a maximum of 5% p.a.) and your potential pensionable service up to your *Normal Pension Age*.

Children’s pensions may also be payable.

If you opt out of the *Scheme* or take flexible retirement (see page 6 of the member guide for more information), your benefits will be different from those given above.

Your member guide - your benefits in detail

Amendment to page 8 - What benefits are payable if I die in service?

Some additional terms you should know:

Additional Fund

Means the value of your DC Account which the Trustee decides is attributable to AVCs, bonus sacrifice and other non-standard contributions as agreed with the Company.

Spouse

You widow, widower or surviving civil partner.

Dependant

If no *Spouse* pension is payable a pension may be payable to any person who at the time of your death you are living with in a similar relationship to that of a *Spouse* and who was financially dependent or interdependent on you. The *Trustee* has the discretion whether a person is to be regarded as a *Dependant* for the purposes of receiving a pension.

Qualifying Pensionable Salary at 31 December 2015

Is your *Pensionable Salary* at 1 January 2007 increased each subsequent 1 April up to 31 December 2015. Each increase is the lower of:

- the previous calendar year's rise in the Retail Price Index (up to a maximum of 5%) or
- your actual *Pensionable Salary* increase.

A number of words and phrases used in this supplementary guide have a special meaning and appear in *italics*. These words are defined above or on pages 19 and 22 of your member guides.

Please also refer to your letter of 10 January 2014, "Amendments to the BPP Section of the BASF UK Group Pension Scheme", for details of how your benefits in the BPP Hybrid Section will be calculated from 1 January 2016.

Details of how Scheme benefits are calculated and paid are set out in the Trust Deed and Rules, which take precedence over this supplementary guide.