

# BASF UK Group Pension Scheme

## Bonus Sacrifice



## What is Bonus Sacrifice?

The Company operates a scheme that gives employees the option to sacrifice some, or all, of their annual bonus to provide additional pension contributions.

Before **20 March**, you can sacrifice some, or all, of your annual bonus, payable in April. If you are interested in the scheme, you should carefully read the important information below.

## What do I need to do next?

To sacrifice some (or all) of your bonus into your DC Account:

- Log into [Ingenuity](#)
- Complete the '**Bonus Sacrifice**' page (under the '**Employment**' tab)
- Tick the declaration box
- Click **confirm** to submit your choice



You can amend your Bonus Sacrifice amount as many times as you like. Your final choice will be taken at midnight on the deadline day and confirmed by email. If you have problems accessing Ingenuity or have any other Bonus Sacrifice queries, please contact your local HR Team or the HR Service Centre.

## Important Information

Neither the Company or the Trustee can give you financial advice. If you need financial advice, you should speak to an independent financial adviser (who may charge a fee). You can find a local adviser by visiting [www.unbiased.co.uk](http://www.unbiased.co.uk).

If the total contributions made by you and the Company to the Scheme, plus any contributions to any other pension arrangement, are more than the Annual Allowance (currently £60,000\*), you may be subject to an additional tax charge.

*\* may be lower if your income is more than £260,000 per annum, or if you have accessed your pension savings*

If you are a former member of the Group Defined Benefit (DB) Section or BPP Hybrid Section of the Scheme, increases in your accrued DB pension may also be included in the Annual Allowance. You can read more [here](#).

**The Company reserves the right to amend or discontinue the bonus sacrifice scheme at any time.**



## How does Bonus Sacrifice work?

The Scheme is designed to help make pension contributions more efficient. You have the option to sacrifice some, or all, of your bonus. As your bonus is reduced, you pay less tax and National Insurance Contributions (NICs).

For any bonus you sacrifice, the Company will credit your DC Account with an additional employer contribution. This is calculated as 50% of the NIC savings made by the Company (currently 7.5%). For example, if you sacrifice **£1,000** of your bonus, the Company will add **£75** into your DC Account.

## How will my Bonus be invested?

You can choose where to invest from the funds available. It can be invested differently to other contributions but all bonus sacrifice contributions from past and future years must be invested together.

If you have previously paid Bonus Sacrifice contributions, it will be invested in the same way. If you have never made any Bonus Sacrifice before, it will be invested in the same way as your regular contributions.

If you want to change how your bonus sacrifice contributions are invested, you can make changes online by logging into the [Pension Portal](#) and selecting 'Investment Changes' from the 'Do' menu.

For further information on investing your DC Account see the [Investment Guide](#), available on the [Pension Website](#).



## What are the rules?

Under HMRC rules, you must give up any contractual rights to your annual bonus before you receive it. This means:

- Once you elect to sacrifice some (or all) of your bonus, you cannot change your mind (after the deadline)
- You must elect to sacrifice your annual bonus before the deadline

All contributions paid to your DC Account will be used to provide benefits in line with the Scheme Rules. For further information about the Scheme, take a look at the [Member Guide](#) on the [Pension Website](#).