

Pension salary sacrifice

factsheet 10



This factsheet applies to the Group DC Section of the Scheme from 1 October 2015 and the BPP DC Section of the Scheme from 1 January 2016.

Pension salary sacrifice is a more efficient way of making contributions to the Defined Contribution (DC) sections of the BASF UK Group Pension Scheme (the Scheme). It will save you money and will also increase the amount contributed by the Company to your DC account.

This factsheet sets out how pension salary sacrifice works and answers any questions you may have.

Pension salary sacrifice is an arrangement operated by the Company separately from the Scheme.

Pension salary sacrifice at a glance...

Outside pension salary sacrifice, contributions to the Scheme would be deducted from your salary and paid into the Scheme. Under pension salary sacrifice, you do not make regular member pension contributions from your salary to the Scheme. Instead, your employer will make all contributions to the Scheme.

As your employer is making all pension contributions to the Scheme, you agree to reduce your salary by an amount equivalent to the regular member pension contributions that you would have made, had you not participated in pension salary sacrifice. This reduction is known as your pension salary sacrifice adjustment.

As your salary is reduced, you pay less National Insurance contributions (NIC). (The Pension Salary Sacrifice NIC savings guide (factsheet 11), available on the pension website, provides examples of current savings.) Your employer will also make NIC savings in the same way, and has agreed to share 50% of its NIC savings (where applicable) from pension salary sacrifice. Your employer will do this by making an additional savings pension contribution to your DC account.

The total pension contributions paid to your DC account will increase, compared to contributions paid if you had not participated in pension salary sacrifice.

All overtime, shift pay, death in service and other similar benefits will continue to be based on your higher pre-sacrifice salary, so these should not be negatively affected by participating in pension salary sacrifice.

Throughout this guide you will see words and phrases in italics. These special terms are explained in clear and simple language at the back of this booklet.

Your questions answered...

Pension salary sacrifice overview and how to take part [page 6](#)

1. What is pension salary sacrifice?
 2. How much could I save?
 3. Do I have to sign anything to take part?
 4. Can I review or change my participation in pension salary sacrifice?
-

Contributions [page 7](#)

5. Can I make additional regular or one-off contributions to the Scheme?
 6. Are there any restrictions on the level of pension salary sacrifice adjustment?
 7. Are there any restrictions on the level of contributions that can be made to the Scheme?
 8. Can I still take advantage of the annual bonus salary sacrifice scheme?
-

How does pension salary sacrifice affect me? [pages 8-12](#)

9. Are there any minimum earnings limits for taking part in pension salary sacrifice?
 10. What if my circumstances change?
 11. Will taking part affect my maternity, adoption, paternity or additional paternity pay?
 12. Will taking part affect my Company sick pay or Statutory Sick Pay (SSP)?
 13. I am currently, or planning on, working overseas. Can I participate in pension salary sacrifice and will I receive the same benefits?
 14. What will happen if I am on unpaid leave?
 15. Will taking part affect my State pension at retirement?
 16. Will taking part affect a reference for a mortgage, rental property or a loan?
 17. Will taking part have any impact on my payments to the Child Support Agency (CSA)?
 18. Will taking part have any impact on my tax credits?
 19. Will my student loan repayments be affected?
- 

20. Will taking part affect payments such as pay awards, death-in-service benefit, and/or overtime?
 21. What happens if I also take part in other benefits offered through salary sacrifice (e.g. childcare vouchers)?
 22. I currently contribute into the BASF All Employee Share Plan ('Share Plan'). How many shares can I obtain?
 23. I am currently working via an Apprenticeship - can I participate?
 24. Will taking part change the amount of income tax I pay?
 25. I am over the State Pension age and, therefore, do not pay National Insurance contributions (NIC). Can I take part?
 26. I am under 21 years old and therefore, the Company does not pay NIC. Can I take part?
-

Other general questions page 13

27. Will my savings increase if National Insurance contribution (NIC) rates are increased in the future?
 28. Will my payslip look any different?
 29. What if I do not want to take part?
 30. Who can I ask if I have any additional questions?
-

Some terms you should know pages 14-15

Important note: this factsheet should be read in conjunction with the 'Your member guide' booklets, as well as the NIC savings guide factsheet 11 which is updated annually.

Pension salary sacrifice overview and how to take part

1. What is pension salary sacrifice?

Pension salary sacrifice is a Company arrangement which is designed to make contributions to the DC section of the BASF UK Group Pension Scheme (the Scheme) more efficient for both you and your employer.

Under this arrangement, you will not make regular member pension contributions from your salary to the Scheme. Instead, your employer will make all contributions, ensuring that the total overall contributions made into the Scheme are at least equal to the total contributions that would have been made if you had not participated in pension salary sacrifice.

As your employer is making all pension contributions, you agree to reduce your salary by an amount equivalent to the regular member pension contributions that you would have made, had you not participated in pension salary sacrifice. This is your pension salary sacrifice adjustment.

As your salary is reduced, you pay lower National Insurance contributions (NIC). Your employer will also make NIC savings in the same way. Consequently, your employer will share 50% of its NIC savings (where applicable) generated from the pension salary sacrifice arrangement with members who participate in pension salary sacrifice by making an additional savings pension contribution into your DC account.

Under pension salary sacrifice, you will have the opportunity once a year, via Ingenuity on the Web, to review and change the level of your pension salary sacrifice adjustment immediately prior to 1 April (annual renewal date). This level must then be maintained for the next 12 months, unless you experience a lifestyle event (see Q10).

Your employer intends that pension salary sacrifice will continue to run indefinitely. However, it reserves the right to amend or discontinue pension salary sacrifice at any time.

2. How much could I save?

The amount of NIC you could save will depend on your salary and the level of pension salary sacrifice adjustment you select. See the Pension Salary Sacrifice NIC savings guide (factsheet 11) available on the pension website, which provides examples of current annual NIC savings available.

3. Do I have to sign anything to take part?

No, you will automatically be entered into pension salary sacrifice unless your adjusted salary were to fall below the limits in Q9. In that case you will be notified by your employer individually. You do not need to sign anything to participate.

4. Can I review or change my participation in pension salary sacrifice?

You will have the opportunity to review and make changes to the level of your pension salary sacrifice adjustment annually, immediately prior to 1 April (annual renewal date) via Ingenuity on the Web. This level must then be maintained for the next 12 months, unless you experience a lifestyle event (see Q10).

See also Q5 regarding how you can make additional regular or one-off contributions to the Scheme.

If you do not have access to Ingenuity on the Web, your employer will contact you regarding the alternative process to be followed in order to make changes to your pension salary sacrifice adjustment immediately prior to 1 April (annual renewal date).



Contributions

5. Can I make additional regular or one-off contributions to the Scheme?

You can include regular additional contributions in your pension salary sacrifice adjustment. You will have the opportunity to increase your pension salary sacrifice adjustment via Ingenuity on the Web immediately prior to 1 April (annual renewal date) each year by selecting a rate of additional pension salary sacrifice.

If you do not have access to Ingenuity on the Web, your employer will contact you regarding the alternative process to be followed in order to make changes to your pension salary sacrifice adjustment prior to 1 April (annual renewal date).

Important notes

- The level of pension salary sacrifice adjustment (including any element of additional pension salary sacrifice) must be maintained for 12 months, unless you experience a lifestyle event (see Q10). You cannot make one-off contributions through pension salary sacrifice.
- You should ensure that the total level of your pension salary sacrifice adjustment does not take your level of adjusted salary below the limits set out in Q9, otherwise your pension salary sacrifice adjustment will be rejected and will be included as regular deduction from salary.
- If you do not participate in pension salary sacrifice because your adjusted salary is below the limits in Q9, or you choose to opt out, you will revert to making regular member pension contributions from your salary. In this case you can make additional regular or one off contributions to your DC account. Contributions outside pension salary sacrifice do not need to be fixed for 12 months and you can stop, start or change by completing a Contribution Changes form available on the pension website.

6. Are there any restrictions on the level of pension salary sacrifice adjustment?

Yes, you can request a pension salary sacrifice adjustment of any value (subject to the rules of the Scheme), providing your adjusted salary (your salary after all salary sacrifice adjustments) remains above the National Minimum Wage or National Living Wage rate and NIC Primary Earnings Threshold. Please refer to Q9 for further details.

You should also consider the Annual Allowance and the Scheme's contributions restrictions (see Q7).

7. Are there any restrictions on the level of contributions that can be made to the Scheme?

Your pension salary sacrifice adjustment and any additional contributions you make to the Scheme are restricted to 70% of your monthly pensionable salary. If you are considering maximising the amount of earnings you can sacrifice, please contact HR (see Q30).

Also, if the total contributions made by you and your employer to the Scheme, plus any additional contributions you may make to any other pension arrangement, are more than the Annual Allowance, you may be subject to an additional tax charge. If you are a former member of the Defined Benefit (DB) section of the Scheme, increases in your DB section accrued pension may also be included in the Annual Allowance. You should take independent financial advice if the Annual Allowance could apply to you.

8. Can I still take advantage of the annual bonus salary sacrifice scheme?

The annual bonus salary sacrifice scheme will continue to be available as a separate arrangement on a discretionary basis. You will be able to take part in pension salary sacrifice throughout the year and also take advantage of bonus salary sacrifice annually.

Further information about the annual bonus salary sacrifice scheme is available on the pension website.

Please note not all employers take part in the annual bonus sacrifice.

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

How does pension salary sacrifice affect me?

9. Are there any minimum earnings limits for taking part in pension salary sacrifice?

You will not automatically participate in pension salary sacrifice if your adjusted salary were to fall below the National Minimum Wage or National Living Wage or the NIC Primary Earnings Threshold. Your employer will advise you if you fall below one of these and will automatically opt you out of pension salary sacrifice.

Your employer will review your status each year on the annual renewal date (1 April each year), and will opt you into pension salary sacrifice if, on review, your salary has risen above these limits.

If you fall below the NIC Primary Earnings Threshold only, you will be automatically opted out of pension salary sacrifice. However, immediately prior to 1 April (annual renewal date), you can request to be opted back in. If you do decide to opt in, your employer will still make an additional savings pension contribution (despite the fact that there will be no actual NIC saving). However, in these circumstances, you should consider carefully opting back into pension salary sacrifice as you may lose entitlement to certain State benefits (e.g. Job Seekers Allowance, basic State Pension etc) as a result.

10. What if my circumstances change?

As pension salary sacrifice is designed to increase your take-home pay and the level of contributions being made into the Scheme, you will continue to participate in the arrangement indefinitely. Your employer will continue to monitor your pay on a monthly basis. If, at any time, your pay falls below the limits in Q9, you will be automatically opted out of pension salary sacrifice and will revert to making regular member pension contributions from your salary.

However, your employer recognises that your circumstances may change. Therefore, your employer has introduced what are known as lifestyle events, when you may (at the discretion of your employer) request to either:

- opt out or opt into pension salary sacrifice, or
- make changes to the level of contributions being paid to the Scheme through pension salary sacrifice.

Lifestyle event – contribution changes, opt out or opt into pension salary sacrifice

Other than immediately prior to 1 April each year (annual renewal date), you can either:

- alter, at the discretion of your employer, the level of your pension salary sacrifice adjustment (and therefore the corresponding level of your employer's matching standard pension contributions)
- request to no longer take part in pension salary sacrifice or, alternatively
- opt into pension salary sacrifice

in any of the following circumstances:

- marriage or civil partnership
- birth or adoption of a child
- notification of pregnancy
- notification of maternity/adoption/additional paternity leave or commencement of or return from maternity/adoption/additional paternity leave
- divorce/legal separation/dissolution of civil partnership
- death/serious illness of a partner, dependant or primary childcarer
- redundancy or involuntary loss of job of partner
- commencement of, or return from, unpaid leave
- a significant change in hours (minimum of 10%)
- a significant change in pre-sacrifice salary (minimum of 10%)
- reaching State Pension age
- taking, or ceasing to have, a place with a registered childcarer
- commencement of or return from receipt of Ill Health Income Protection (IHIP)
- a relevant change in pension legislation such as a reduction or increase in the Annual Allowance
- other reasonable circumstances that may be approved by your employer on request.

How do I make a lifestyle event change?

If you experience a lifestyle event and wish to either opt out of or opt into pension salary sacrifice, or alternatively make contribution changes, you should complete one of the following forms available on the pension website:

- Form PSS1: Pension salary sacrifice lifestyle event – change level of pension salary sacrifice adjustment
- Form PSS2: Pension salary sacrifice lifestyle event – opt in/opt out of pension salary sacrifice.

Leaving service

In the event that you leave service, your employer will automatically opt you out of pension salary sacrifice and you will cease to be a member of the Scheme.

Leaving the Scheme

If you decide to opt out of the Scheme, your employer will automatically opt you out of pension salary sacrifice and you will cease to be a member of the Scheme. You should note that your employer will automatically opt you into the Scheme and pension salary sacrifice at the next annual renewal date.

Sick leave

Your employer will automatically opt you out of pension salary sacrifice when you are in receipt of Statutory Sick Pay (SSP) only in a pay period. You will be automatically opted back in at the next annual renewal date if you are then being paid your normal salary.

Working overseas

Your employer will automatically opt you out of pension salary sacrifice if you cease to be paid by the UK. You will be automatically opted back in once you have returned to being paid by the UK.

11. Will taking part affect my maternity/adoption/paternity/additional paternity pay?

Maternity/adoption

If you are in receipt of occupational maternity/adoption pay, your pension salary sacrifice adjustment will continue, and will be based on the occupational maternity/adoption pay you receive. This is subject to the conditions outlined in Q9 and providing this does not bring your adjusted salary below the limits in Q9.

During periods of statutory maternity/adoption pay only, your pension salary sacrifice adjustment will stop. However, your membership of the Scheme and participation in pension salary sacrifice will continue and your employer will maintain all contributions to your DC account.

During periods of unpaid maternity/adoption leave, you will remain a member of the Scheme but no contributions will be made by you or your employer to your DC account. However, on returning to work, your participation in pension salary sacrifice will recommence. You will also have the opportunity to pay contributions outside pension salary sacrifice in respect of any unpaid period of maternity/adoption leave, and, if you do so, your employer will pay its matching standard contribution.

Important note: As your salary which is subject to NIC is reduced because you participate in pension salary sacrifice, there may be a change in your statutory maternity/adoption pay due to the way in which such payments are calculated. You should therefore consider the impact of increasing contribution levels to the Scheme during your qualifying weeks for SMP and your participation in pension salary sacrifice. Please contact HR (see Q30) for further information.

Paternity

If you are in receipt of occupational paternity pay, then there will be no reduction in your take-home pay as a result of pension salary sacrifice. You will continue to participate in pension salary sacrifice and your pension salary sacrifice adjustment will be applied to your pay, subject to the limits outlined in Q9.

Additional paternity

If you are considering taking additional paternity leave, please contact HR (see Q30) for further information regarding pension salary sacrifice.

If you think you may take maternity, adoption, paternity or additional paternity leave in the near future and would like more information, please contact HR (see Q30).

12. Will taking part affect my Company sick pay or Statutory Sick Pay (SSP)?

Company sick pay

There will be no reduction in the pay you take home as a result of pension salary sacrifice, and your employer will maintain its total pension contributions throughout periods of such leave.

You will continue to take part in pension salary sacrifice for as long as you are in receipt of sufficient non-statutory pay. In this case, your pension salary sacrifice adjustment will be based on your actual pay. Your employer will also make an additional pension contribution in respect of any shortfall between your pension salary sacrifice adjustment and the regular member pension contributions that you would have made prior to your absence, had you not participated in pension salary sacrifice.

Statutory Sick Pay

During periods where you are in receipt of Statutory Sick Pay only or if your pension salary sacrifice adjustment would bring your adjusted salary below the limits in Q9, you will be automatically opted out of pension salary sacrifice.

13. I am currently, or planning on, working overseas. Can I participate in pension salary sacrifice and will I receive the same benefits?

If you are currently being paid by the UK and your earnings are subject to UK NIC then you will automatically be included in pension salary sacrifice and receive all the benefits as outlined in this factsheet.

If you are currently being paid outside of the UK and your earnings are not subject to UK NIC then you will not be included in pension salary sacrifice as there will be no NIC savings available. However, while you remain an active member of the Scheme, your employer will make an annual additional savings pension contribution into your DC account. This will be equivalent to your employer's 50% NIC saving (where applicable) on the basis that you had been subject to UK NIC and calculated by reference to your notional UK salary.

14. What will happen if I am on unpaid leave?

While you are on unpaid leave, your participation in pension salary sacrifice will be suspended and no contributions to the Scheme will be made because you will have no pensionable salary. When you return to paid employment and you have sufficient non-statutory salary to apply the pension salary sacrifice adjustment, your participation in pension salary sacrifice will recommence.

15. Will taking part affect my State pension at retirement?

Neither your basic State Pension nor your pension from the Scheme will be negatively affected by participating in pension salary sacrifice. In fact, due to the additional savings pension contributions that will be made into your DC account, your potential benefits from the Scheme will actually increase.

For those reaching State Pension Age on or after 6 April 2016, there is no impact on the State Second Pension (S2P) as the S2P is being withdrawn and replaced by a single tier pension. For those reaching State Pension Age before 6 April 2016 there may be a small impact on the S2P you receive, depending on the level of your earnings. However, the Company has been advised that

the savings you will receive from pension salary sacrifice should outweigh the reduction in the S2P (although this will depend on individual circumstances).

16. Will taking part affect a reference for a mortgage, rental property or a loan?

No, your employer will confirm the amount of your pre-sacrifice salary, which is your salary before any adjustment under pension salary sacrifice or for childcare vouchers.

17. Will taking part have any impact on my payments to the Child Support Agency (CSA) or through the Child Maintenance Service (CMS)?

Payments to the CSA and, for new cases from November 2013 through the CMS, are based on your pay and therefore your child maintenance payments may change as a result of taking part in Pension Salary Sacrifice. You should therefore notify the CSA or CMS when you take part in Pension Salary Sacrifice. More information can be obtained from the Government's website at: www.gov.uk/child-maintenance.

18. Will taking part have any impact on my tax credits?

Pension salary sacrifice should have no negative effect on your tax credits as these are based on your adjusted salary which is after your pension salary sacrifice adjustment.

19. Will my student loan repayments be affected?

Your student loan repayments may be reduced slightly as a result of participating in pension salary sacrifice. This is because your repayments are calculated based on your adjusted salary (which is your salary after any salary sacrifice).

20. Will taking part affect payments such as pay awards, death-in-service benefit, and/or overtime?

No, pension salary sacrifice has been introduced in a way which means there should be no negative impact on these benefits from taking part.

21. What happens if I also take part in other benefits offered through salary sacrifice (e.g. childcare vouchers)?

You will be able to take part in all salary sacrifice benefits, as long as your adjusted salary (which is your salary after any salary sacrifice) remains above the National Minimum Wage or National Living Wage and NIC Primary Earnings Threshold (see Q9). If your adjusted salary falls below the limits (because of the combination of childcare vouchers and pension salary sacrifice), then your childcare voucher arrangement will take first priority.

If you request to join childcare vouchers in the future and would be affected by the limits, you can change the salary sacrifice schemes in which you participate on the relevant annual renewal date or if you experience a lifestyle event (see Q10).

22. I currently contribute into the BASF All Employee Share Plan ('Share Plan'). How many shares can I obtain?

If you have access to participate in the Share plan, the value of shares that you are able to take under the Share Plan is limited to a maximum of £150 per month. Provided your adjusted salary remains above £1,500 per month, you will continue to qualify for this maximum.

If your adjusted salary is below £1,500 per month, the value of shares that you are able to take under the Share Plan would be restricted to 10% of your adjusted salary. (Speak to your local HR representative if you need to check whether you have access to the Share Plan.)

23. I am currently working via an Apprenticeship – can I participate?

Yes, provided you satisfy the minimum earnings limits explained in Q9 on page 8. However, from 6 April 2016, employers can claim exemption from employer NIC contributions for Apprentices under age 25. Hence if you are under age 25, your employer's NIC savings will be nil so your Additional savings pension contribution will be nil. However, you will still benefit from employee NIC savings.

24. Will taking part change the amount of income tax I pay?

No, you will pay the same amount of income tax.

25. I am over the State Pension age and, therefore, do not pay NIC. Can I take part?

If you are over the State Pension age you will not pay NIC and, as a result, you will not make NIC savings from pension salary sacrifice. However, your employer does still pay NIC and will make a saving, of which it will share 50% with you (where applicable) in the form of an additional savings pension contribution, calculated and paid monthly. Therefore, as pension salary sacrifice will be beneficial, you will be automatically opted into pension salary sacrifice.

26. I am under 21 years old and, therefore, the Company does not pay NIC. Can I take part?

Yes, provided you satisfy the minimum earnings limits explained in Q9 on page 8. However, because your employer doesn't pay NIC contributions for employees under age 21 your employer's NIC savings will be nil so your Additional savings pension contribution will be nil. You will still benefit from employee NIC savings though.

Other general questions

27. Will my savings increase if National Insurance contribution (NIC) rates are increased in the future?

Yes, the savings are based on the rate at which you and your employer pay NIC. Consequently, if NIC rates increase in the future, then so will your savings which will include your employer's 50% NIC saving (where applicable).

28. Will my payslip look any different?

Yes, your payslip will look slightly different. Your pre-sacrifice salary will continue to be shown on your payslip, along with the pension salary sacrifice adjustment.

29. What if I do not want to take part?

Pension salary sacrifice has been designed in such a way that most employees will benefit. Consequently, all members will automatically be included in pension salary sacrifice. The only exceptions to this are the specific circumstances outlined in Q9 and Q10.

If you do not want to participate in pension salary sacrifice, you can obtain an opt-out form from the HR service centre (see Q30) or the pension website.

If you choose to opt out of pension salary sacrifice, you will remain a member of the Scheme and will instead make regular member pension contributions from your salary.

30. Who can I ask if I have any additional questions?

If you have any questions or require further information regarding pension salary sacrifice, please use the following contacts:

- Employees based at Bradford & Grimsby - contact your local HR team.
- All other employees - contact the HR Service centre by email: hr.plc@basf.com

IMPORTANT NOTE

The information included in this factsheet on the pension salary sacrifice arrangement is in outline only and may not contain details material to you.

The information is based on the current understanding of BASF plc and its advisers of the applicable laws and requirements relating to pension salary sacrifice arrangements, and the interaction of such arrangements with State benefits, all of which are subject to change.

Benefits under the Scheme are covered by its rules which prevail in the event of conflict with this leaflet.

Some terms you should know...

Account

The amount built up from contributions paid by your employer, including those under pension salary sacrifice, together with any contributions outside pension salary sacrifice and any transfers in.

Adjusted salary

This is your salary after the pension salary sacrifice adjustment and any childcare vouchers.

Additional paternity

This is a period of leave available to individuals who have births due on or after 3 April 2011. The individual can take up to 26 weeks leave providing the child is at least 20 weeks old, and their partner has returned to work from statutory maternity/adoption pay. The balance of any statutory maternity or adoption pay can be transferred during this period.

Additional savings pension contribution

This is the pension contribution your employer will make for all employees participating in pension salary sacrifice, in addition to the amount of pension salary sacrifice adjustment. This will be calculated based upon 50% of the employer's NIC savings from pension salary sacrifice.

Annual Allowance

The Annual Allowance is £40,000 for the tax year 2018/19 but may be lower if you have a high income (currently over £110,000 a year) or have taken money from a pension pot. The Annual Allowance is set by the Government and may change in future years.

For the DC Section, if the total amount of contributions paid to your DC Account in a tax year is greater than the Annual Allowance, you may be subject to a tax charge on the excess. See the **Scheme Pays factsheet** on the pension website for more information and

www.gov.uk/tax-on-your-private-pension/annual-allowance

Annual renewal date

Immediately prior to 1 April each year, you will be able to review your participation in pension salary sacrifice and the level of your pension salary sacrifice adjustment (and corresponding standard employer pension contributions) using Ingenuity on the Web. An alternative process will apply if you do not have access to Ingenuity on the Web.

Employer

Refers to the following companies: BASF PLC; BASF Business Services Ltd; BASF Metals Ltd BASF Pharma (Callanish) Ltd and any other companies which participate.

Lifestyle events

These are certain changes in circumstances on which you are able to review your participation in pension salary sacrifice or vary the level of salary you sacrifice at the discretion of your employer.

Member

This includes employees of the employer who are members of the BASF UK Group Pension Scheme (DC Section).

National Insurance contributions (NIC)

These are the contributions that are deducted from your salary in respect of your liability for National Insurance. By joining pension salary sacrifice, you will pay less NIC than you would otherwise.

National living wage

This is the minimum hourly rate for employees aged over 25, effective from April 2016. In the event that your hourly rate from your employer falls below this rate at any time following

April 2016, you will automatically be taken out of pension salary sacrifice.

Pensionable salary

This is the pay used to calculate your pension benefits, as defined in the Scheme rules. This is normally annual basic salary plus fixed overtime and permanent or guaranteed shift allowance, but excluding bonus, variable overtime and other fluctuating payments.

Pension salary sacrifice adjustment

This is the amount your salary will be reduced by, and is equivalent to the regular member pension contributions that you would have made had you not participated in pension salary sacrifice.

Pension website

<http://ukpensions.basf.co.uk>

Pre-sacrifice salary

This is your salary before any salary sacrifice adjustments for pension salary sacrifice or childcare vouchers.

Regular member pension contributions

This is the level of contributions you select to make to the Scheme if you do not participate in pension salary sacrifice and is inclusive of regular additional contributions as at 1 April each year.

Scheme

This is the BASF UK Group Pension Scheme.

Single Tier Pension

This replaces the State Second Pension (S2P) from 6 April 2016. Further details can be found at: www.gov.uk/new-state-pension

State Pension age

This is the age at which you become entitled to receive the basic State Pension, and is dependent on the month and year in which you are born. Further details can be found at:

www.gov.uk/calculate-state-pension

State Second Pension (S2P)

This is the additional pension from the State for employees who are not in contracted out employment up to 5 April 2016 and reach State Pension Age before 6 April 2016. Further details can be found at: **www.gov.uk/additional-state-pension**

Statutory maternity/adoption/ paternity/additional paternity/ sick pay

This is the statutory minimum pay due to an employee during the period in which they are on such leave.

Get in touch

If you have any questions or require further information regarding pension salary sacrifice, please use the following contacts:

- Employees based at Bradford & Grimsby - contact your local HR team.
- All other employees - contact the HR Service centre by email: hr.plc@basf.com