

Planning for Retirement

Pre-retirement Workshops

Retirement is a time of change and sometimes uncertainty or even worry. Appropriate education and counselling are essential.

For most of us retirement involves a major adjustment in lifestyle and a significant alteration in financial circumstances.

Increasing life expectancy is making retirement planning an essential aspect of lifetime financial planning for all of us. The Company and Trustee recognise this and want to help you understand your needs, the opportunities available and any inherent pitfalls in planning for your retirement. They therefore give you the opportunity to attend a pre-retirement workshop paid for by your employer. The best time to attend is 2-5 years before you plan to access your pension savings and/or stop working.

Who can attend?

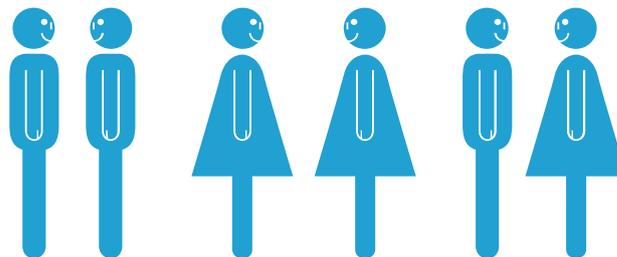
All Active members of the BASF UK Group Pension Scheme who are considering retirement have the opportunity to attend **one** pre-retirement workshop. As retirement affects spouses and partners they are also encouraged to attend.

What do the workshops cover?

Typically each workshop will last for 2 days and will cover all aspects of planning for retirement, ranging from health and lifestyle, to financial planning and taxation. They are a great opportunity to discuss concerns with a pensions expert and get support from other members.

When do the workshops take place?

Workshops will be held periodically dependent upon demand. Workshop dates are arranged in advance and published on the pension website <http://ukpensions.basf.co.uk>. Employees are invited with priority given to those closest to their Normal Retirement Date. However, you can also ask for a place on a workshop by emailing **Sharon Bedford** at sharon.bedford@basf.com or contacting your local HR Department.



Pre-retirement Workshop attendees said.....

"An excellent course, hard to improve on. Speakers really knew their stuff and how to relay to the group".

"Presenters are well read in their subjects and delivered it in understandable terms".

"Very informative, I was unaware of many issues discussed by the speakers. I can now review my future plans and make decisions more confidently".

"Made us think about things we hadn't previously considered for us".

Independent Financial Advice - service for Defined Contribution (DC) members

In addition to the pre-retirement workshops, the Trustee and the Company also provide access to independent financial advice to members at the point of retirement. The Trustee and the Company are keen for members to receive impartial advice and that members feel that their best interests are being addressed.

Who is eligible to receive independent financial advice?

If you are a member of the DC Section of the Scheme and are within 6 months of your planned retirement, or are taking early unplanned retirement, you will be offered a session with an Independent Financial Adviser (IFA). Details will be sent to you in your Retirement Pack from the Scheme Administrator, Willis Towers Watson. Your Retirement Pack will be issued 6 months before your normal pension age (or target pension date if you have one), or upon request.

What does the service cover?

The service will help you decide how to use your BASF Scheme pension savings to suit your personal circumstances and can help you find suitable products on the open market, if applicable. You will need to complete a 'fact find' questionnaire to help the IFA understand your circumstances. The IFA will help you complete any paperwork.

Active members Typically the session will be face to face and last about an hour.

Deferred members Your session will be over the phone and will last around an hour.

Will I have to pay?

The basic advisory service will be provided free of charge to you, however, you will have to pay for any additional services. If you opt for a guaranteed income (annuity), the service will include an open market search to find you the best annuity, without any additional charges. Similarly, if you take your DC savings as a cash lump sum, there will be no additional charges. However, if you opt for a flexible income (drawdown) or a combination of different types of income, a more detailed exploratory review will usually be required. This further work will fall outside of the basic advisory service and will usually incur additional charges. You will have to meet these charges yourself but the IFA will explain everything so you can decide whether you want to proceed before any charges are incurred.

Please note that this service is only available to you free of charge once. If you use the service but then defer taking your benefits, you will have to pay if you want to use the service again at a later date. Or, if you take your benefits whilst continuing to work for BASF (known as flexible retirement) and re-join the Scheme, you will have to pay if you want to use the service again.

All the Origen IFAs we use are regulated by the Financial Services Authority. Their advice is independent and neither the Trustee nor the Company will be liable for their advice.

What if I want to speak to my own IFA?

Some members may wish to use the services of their own IFA.

Whilst you can of course do this, it will fall outside the arrangement negotiated by the Trustee and you will have to pay the total cost.

Members of the Defined Benefit section of the Scheme who have AVCs may make their own arrangements to use their AVC fund, at their own cost.

To arrange a session with an Origen IFA, contact them on: 0344 209 3915 or email: basf@origenfs.co.uk

ePA

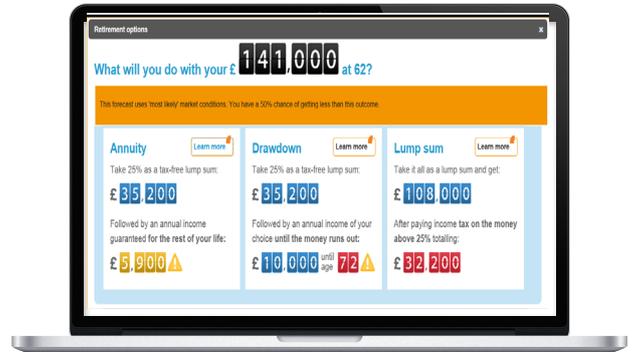
Your ePA (electronic Pension Administration) online account allows you to view and change a number of details about your DC Account and see an estimate of the benefits your DC Account could provide:

Visit: <https://epa.towerswatson.com/doc/BASF/login.htm>

If you need help logging in to ePA, please contact Willis Towers Watson on 0113 390 7119 or basf@willistowerswatson.com

■ Annuity Tool

This shows how much your DC Account might provide as guaranteed income from a lifetime annuity, based on current annuity prices in the open market. Find it under the 'quotations' tab.



■ Retirement Planner

This estimates the value of your DC Account at a future retirement date and the benefits you might receive if you use your DC Account to provide a guaranteed income (annuity), cash lump sum or flexible income drawdown.

You can also look at how different investments and contribution payments (active members only) affect the estimated benefits.



The Retirement Planner is for information only and provides an estimate of benefits over the medium to long term, which may prove not to be correct and are not a guarantee that any particular investment return will be achieved or any particular level of benefits will be provided by the Scheme. Members should consider obtaining independent financial advice before taking action.

Pension wise

Pension wise is a free and impartial government service about your defined contribution benefit options, aimed at anyone aged 50 or over. We recommend that you use Pension wise for guidance on your retirement options, tax and how to avoid pension scams. You can also request a free 45 minute appointment (face to face or over the phone). Visit: <https://www.pensionwise.gov.uk>

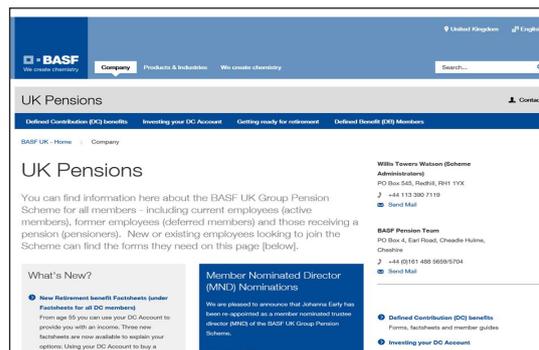


Review your DC Investments

It's important to make sure your investment choices and the type of benefits you plan to take are aligned in the last few years before you take your benefits, to manage risk. The Scheme offers a number of investment options to help you with this. Read the Investment Guide for full details and use ePA if you want to change your investment choice, anytime.

What if I have a question or need more information?

You can download all Scheme Guides, factsheets and forms from the pension website at: <http://ukpensions.basf.co.uk>



If you want to request a retirement benefit quotation, please contact the Scheme Administrators, Willis Towers Watson:

Post: Willis Towers Watson Ltd
PO Box 545
Redhill
RH1 1YX

Tel: 0113 390 7119
Email: basf@willistowerswatson.com

If you have a question about the information in this factsheet, you can contact the BASF Pension Team:

Post: BASF Pensions Trustee Ltd
PO Box 4
Earl Road
Cheadle Hulme
Cheshire
SK8 6QQ

Tel: 0161 488 5498
Email: sharon.bedford@basf.com

Tel: 0161 488 5659
Email: julie.godsell@basf.com