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|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|
| <b>Form 5500</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security<br>Administration<br><br>Pension Benefit Guaranty Corporation | <b>Annual Return/Report of Employee Benefit Plan</b><br><br>This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).<br><br><b>► Complete all entries in accordance with the instructions to the Form 5500.</b> | OMB Nos. 1210-0110<br>1210-0089<br><br><b>2016</b><br><br><b>This Form is Open to Public Inspection</b> |
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|                                                                                                          |                                                                                            |                                                                                                                                                                                                                                                                                                                                            |  |
|----------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| <b>Part I</b>                                                                                            | <b>Annual Report Identification Information</b>                                            |                                                                                                                                                                                                                                                                                                                                            |  |
| For calendar plan year 2016 or fiscal plan year beginning <u>01/01/2016</u> and ending <u>12/31/2016</u> |                                                                                            |                                                                                                                                                                                                                                                                                                                                            |  |
| <b>A</b>                                                                                                 | This return/report is for:                                                                 | <input type="checkbox"/> a multiemployer plan <input type="checkbox"/> a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)<br><input checked="" type="checkbox"/> a single-employer plan <input type="checkbox"/> a DFE (specify) _____ |  |
| <b>B</b>                                                                                                 | This return/report is:                                                                     | <input type="checkbox"/> the first return/report <input type="checkbox"/> the final return/report<br><input type="checkbox"/> an amended return/report <input type="checkbox"/> a short plan year return/report (less than 12 months)                                                                                                      |  |
| <b>C</b>                                                                                                 | If the plan is a collectively-bargained plan, check here. . . . . <input type="checkbox"/> |                                                                                                                                                                                                                                                                                                                                            |  |
| <b>D</b>                                                                                                 | Check box if filing under:                                                                 | <input checked="" type="checkbox"/> Form 5558 <input type="checkbox"/> automatic extension <input type="checkbox"/> the DFVC program<br><input type="checkbox"/> special extension (enter description)                                                                                                                                     |  |

|                |                                                                                                                                                                                                                                                                                                                                               |           |                                                           |
|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------------------------------------------------------|
| <b>Part II</b> | <b>Basic Plan Information</b> —enter all requested information                                                                                                                                                                                                                                                                                |           |                                                           |
| <b>1a</b>      | Name of plan<br><u>BASF CORPORATION SALARIED EMPLOYEES' PENSION PLAN</u>                                                                                                                                                                                                                                                                      | <b>1b</b> | Three-digit plan number (PN) ► <u>001</u>                 |
|                |                                                                                                                                                                                                                                                                                                                                               | <b>1c</b> | Effective date of plan<br><u>01/01/1987</u>               |
| <b>2a</b>      | Plan sponsor's name (employer, if for a single-employer plan)<br>Mailing address (include room, apt., suite no. and street, or P.O. Box)<br>City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)<br><u>BASF CORPORATION</u><br><br><u>100 PARK AVENUE</u><br><u>FLORHAM PARK, NJ 07932</u> | <b>2b</b> | Employer Identification Number (EIN)<br><u>16-1090809</u> |
|                |                                                                                                                                                                                                                                                                                                                                               | <b>2c</b> | Plan Sponsor's telephone number<br><u>973-245-6000</u>    |
|                |                                                                                                                                                                                                                                                                                                                                               | <b>2d</b> | Business code (see instructions)<br><u>325100</u>         |
|                |                                                                                                                                                                                                                                                                                                                                               |           |                                                           |

**Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.**

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

|                                                                                                 |                                                   |            |                                                              |
|-------------------------------------------------------------------------------------------------|---------------------------------------------------|------------|--------------------------------------------------------------|
| <b>SIGN HERE</b>                                                                                | Filed with authorized/valid electronic signature. | 10/13/2017 | GEORGE H. MUSKAL, EMPLOYEE BENEFITS                          |
|                                                                                                 | Signature of plan administrator                   | Date       | Enter name of individual signing as plan administrator       |
| <b>SIGN HERE</b>                                                                                |                                                   |            |                                                              |
|                                                                                                 | Signature of employer/plan sponsor                | Date       | Enter name of individual signing as employer or plan sponsor |
| <b>SIGN HERE</b>                                                                                |                                                   |            |                                                              |
|                                                                                                 | Signature of DFE                                  | Date       | Enter name of individual signing as DFE                      |
| Preparer's name (including firm name, if applicable) and address (include room or suite number) |                                                   |            | Preparer's telephone number                                  |
|                                                                                                 |                                                   |            |                                                              |

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>3a</b> Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <b>3b</b> Administrator's EIN<br><br><b>3c</b> Administrator's telephone number<br><br><div style="background-color: #cccccc; height: 40px; width: 100%;"></div> |
| <b>4</b> If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:<br><b>a</b> Sponsor's name                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>4b</b> EIN<br><br><b>4c</b> PN                                                                                                                                |
| <b>5</b> Total number of participants at the beginning of the plan year                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <b>5</b> 25715                                                                                                                                                   |
| <b>6</b> Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines <b>6a(1)</b> , <b>6a(2)</b> , <b>6b</b> , <b>6c</b> , and <b>6d</b> ).<br><br><b>a(1)</b> Total number of active participants at the beginning of the plan year.....<br><b>a(2)</b> Total number of active participants at the end of the plan year .....<br><br><b>b</b> Retired or separated participants receiving benefits.....<br><b>c</b> Other retired or separated participants entitled to future benefits .....<br><b>d</b> Subtotal. Add lines <b>6a(2)</b> , <b>6b</b> , and <b>6c</b> .....<br><b>e</b> Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. ....<br><b>f</b> Total. Add lines <b>6d</b> and <b>6e</b> .....<br><br><b>g</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) .....<br><br><b>h</b> Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested ..... | <b>6a(1)</b> 6911<br><b>6a(2)</b> 6297<br><b>6b</b> 9087<br><b>6c</b> 7089<br><b>6d</b> 22473<br><b>6e</b> 2606<br><b>6f</b> 25079<br><b>6g</b><br><b>6h</b> 0   |
| <b>7</b> Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | <b>7</b>                                                                                                                                                         |
| <b>8a</b> If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:<br>1A 1E 3D 3H<br><br><b>b</b> If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                  |

|                                                                                                                                                                                                                                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>9a</b> Plan funding arrangement (check all that apply)<br>(1) <input type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor                                                                                                                                         | <b>9b</b> Plan benefit arrangement (check all that apply)<br>(1) <input type="checkbox"/> Insurance<br>(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts<br>(3) <input checked="" type="checkbox"/> Trust<br>(4) <input type="checkbox"/> General assets of the sponsor                                                                                                                                                                                                                         |
| <b>10</b> Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>a Pension Schedules</b><br>(1) <input checked="" type="checkbox"/> <b>R</b> (Retirement Plan Information)<br><br>(2) <input type="checkbox"/> <b>MB</b> (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary<br><br>(3) <input checked="" type="checkbox"/> <b>SB</b> (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary | <b>b General Schedules</b><br>(1) <input checked="" type="checkbox"/> <b>H</b> (Financial Information)<br>(2) <input type="checkbox"/> <b>I</b> (Financial Information – Small Plan)<br>(3) <input type="checkbox"/> <b>0</b> <b>A</b> (Insurance Information)<br>(4) <input checked="" type="checkbox"/> <b>C</b> (Service Provider Information)<br>(5) <input checked="" type="checkbox"/> <b>D</b> (DFE/Participating Plan Information)<br>(6) <input type="checkbox"/> <b>G</b> (Financial Transaction Schedules) |

**Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)**

**11a** If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

**11b** Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ..... ☐ Yes ☐ No

**11c** Enter the Receipt Confirmation Code for the 2016 Form M-1 annual report. If the plan was not required to file the 2016 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code \_\_\_\_\_

|                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                    |                                                                                           |
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| <b>SCHEDULE SB</b><br><b>(Form 5500)</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security Administration<br><br>Pension Benefit Guaranty Corporation | <b>Single-Employer Defined Benefit Plan</b><br><b>Actuarial Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).<br><br>▶ <b>File as an attachment to Form 5500 or 5500-SF.</b> | OMB No. 1210-0110<br><br><b>2016</b><br><br><b>This Form is Open to Public Inspection</b> |
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For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

|                                                                                                                                           |                                                                                                                                                         |
|-------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>A</b> Name of plan<br><u>BASF CORPORATION SALARIED EMPLOYEES' PENSION PLAN</u>                                                         | <b>B</b> Three-digit plan number (PN) ▶ <u>001</u>                                                                                                      |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF<br><u>BASF CORPORATION</u>                                       | <b>D</b> Employer Identification Number (EIN)<br><u>16-1090809</u>                                                                                      |
| <b>E</b> Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B | <b>F</b> Prior year plan size: <input type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input checked="" type="checkbox"/> More than 500 |

|                                                                                                                                                                                                                 |                                                                                                                                |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|
| <b>Part I</b>                                                                                                                                                                                                   | <b>Basic Information</b>                                                                                                       |
| <b>1</b> Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2016</u>                                                                                                                               |                                                                                                                                |
| <b>2</b> Assets:                                                                                                                                                                                                |                                                                                                                                |
| <b>a</b> Market value .....                                                                                                                                                                                     | <b>2a</b> <u>2502963126</u>                                                                                                    |
| <b>b</b> Actuarial value .....                                                                                                                                                                                  | <b>2b</b> <u>2502963126</u>                                                                                                    |
| <b>3</b> Funding target/participant count breakdown                                                                                                                                                             |                                                                                                                                |
| <b>a</b> For retired participants and beneficiaries receiving payment .....                                                                                                                                     | (1) Number of participants <u>11503</u> (2) Vested Funding Target <u>1540403517</u> (3) Total Funding Target <u>1540403517</u> |
| <b>b</b> For terminated vested participants .....                                                                                                                                                               | <u>7362</u> <u>340138883</u> <u>340138883</u>                                                                                  |
| <b>c</b> For active participants .....                                                                                                                                                                          | <u>6911</u> <u>724939274</u> <u>731193720</u>                                                                                  |
| <b>d</b> Total .....                                                                                                                                                                                            | <u>25776</u> <u>2605481674</u> <u>2611736120</u>                                                                               |
| <b>4</b> If the plan is in at-risk status, check the box and complete lines (a) and (b)..... <input type="checkbox"/>                                                                                           |                                                                                                                                |
| <b>a</b> Funding target disregarding prescribed at-risk assumptions .....                                                                                                                                       | <b>4a</b>                                                                                                                      |
| <b>b</b> Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor ..... | <b>4b</b>                                                                                                                      |
| <b>5</b> Effective interest rate .....                                                                                                                                                                          | <b>5</b> <u>6.01 %</u>                                                                                                         |
| <b>6</b> Target normal cost .....                                                                                                                                                                               | <b>6</b> <u>13501525</u>                                                                                                       |

**Statement by Enrolled Actuary**

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

|                                  |                               |                                        |
|----------------------------------|-------------------------------|----------------------------------------|
| <b>SIGN HERE</b>                 |                               | <u>10/02/2017</u>                      |
|                                  | Signature of actuary          | Date                                   |
| <u>MARK SHIVE, F.S.A., E.A.</u>  | Type or print name of actuary | <u>17-08352</u>                        |
| <u>WILLIS TOWERS WATSON</u>      | Firm name                     | Most recent enrollment number          |
| <u>8 CAMPUS DRIVE</u>            |                               | <u>973-290-2797</u>                    |
| <u>PARSIPPANY, NJ 07054-4409</u> | Address of the firm           | Telephone number (including area code) |

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

**For Paperwork Reduction Act Notice, see the Instructions for Form 5500 or 5500-SF.**

**Schedule SB (Form 5500) 2016**  
**v. 160205**

| Part II |                                                                                                                                                          | Beginning of Year Carryover and Prefunding Balances |                        |
|---------|----------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|------------------------|
|         |                                                                                                                                                          | (a) Carryover balance                               | (b) Prefunding balance |
| 7       | Balance at beginning of prior year after applicable adjustments (line 13 from prior year) .....                                                          | 0                                                   | 0                      |
| 8       | Portion elected for use to offset prior year's funding requirement (line 35 from prior year) .....                                                       | 0                                                   | 0                      |
| 9       | Amount remaining (line 7 minus line 8) .....                                                                                                             | 0                                                   | 0                      |
| 10      | Interest on line 9 using prior year's actual return of <u>-1.47</u> % .....                                                                              | 0                                                   | 0                      |
| 11      | Prior year's excess contributions to be added to prefunding balance:                                                                                     |                                                     |                        |
| a       | Present value of excess contributions (line 38a from prior year) .....                                                                                   |                                                     | 46337291               |
| b(1)    | Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>6.22</u> % ..... |                                                     | 2882180                |
| b(2)    | Interest on line 38b from prior year Schedule SB, using prior year's actual return .....                                                                 |                                                     | 0                      |
| c       | Total available at beginning of current plan year to add to prefunding balance .....                                                                     |                                                     | 49219471               |
| d       | Portion of (c) to be added to prefunding balance .....                                                                                                   |                                                     | 0                      |
| 12      | Other reductions in balances due to elections or deemed elections .....                                                                                  | 0                                                   | 0                      |
| 13      | Balance at beginning of current year (line 9 + line 10 + line 11d – line 12) .....                                                                       | 0                                                   | 0                      |

| Part III |                                                                                                                                                                  | Funding Percentages |         |
|----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|---------|
| 14       | Funding target attainment percentage .....                                                                                                                       | 14                  | 95.83%  |
| 15       | Adjusted funding target attainment percentage .....                                                                                                              | 15                  | 95.83%  |
| 16       | Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement ..... | 16                  | 104.40% |
| 17       | If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage .....                                        | 17                  | %       |

| Part IV                                                                           |                                   | Contributions and Liquidity Shortfalls |                        |
|-----------------------------------------------------------------------------------|-----------------------------------|----------------------------------------|------------------------|
| 18 Contributions made to the plan for the plan year by employer(s) and employees: |                                   |                                        |                        |
| (a) Date<br>(MM-DD-YYYY)                                                          | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees        |                        |
| 09/12/2017                                                                        | 76394968                          | 0                                      |                        |
|                                                                                   |                                   |                                        |                        |
|                                                                                   |                                   |                                        |                        |
|                                                                                   |                                   |                                        |                        |
|                                                                                   |                                   |                                        |                        |
|                                                                                   |                                   |                                        |                        |
|                                                                                   |                                   | Totals ►                               | 18(b) 76394968 18(c) 0 |

|                                                                                                                               |                                                                     |
|-------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| 19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year: |                                                                     |
| a Contributions allocated toward unpaid minimum required contributions from prior years .....                                 | 19a 0                                                               |
| b Contributions made to avoid restrictions adjusted to valuation date .....                                                   | 19b 0                                                               |
| c Contributions allocated toward minimum required contribution for current year adjusted to valuation date .....              | 19c 69190352                                                        |
| 20 Quarterly contributions and liquidity shortfalls:                                                                          |                                                                     |
| a Did the plan have a "funding shortfall" for the prior year? .....                                                           | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? .....              | <input type="checkbox"/> Yes <input type="checkbox"/> No            |
| c If line 20a is "Yes," see instructions and complete the following table as applicable:                                      |                                                                     |
| Liquidity shortfall as of end of quarter of this plan year                                                                    |                                                                     |
| (1) 1st                                                                                                                       | (2) 2nd                                                             |
|                                                                                                                               |                                                                     |
| (3) 3rd                                                                                                                       | (4) 4th                                                             |
|                                                                                                                               |                                                                     |

|                       |                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                    |                       |                       |                       |                                                     |
|-----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------------------------------------|
| <b>Part V</b>         | <b>Assumptions Used to Determine Funding Target and Target Normal Cost</b>                                                                                                                                                       |                                                                                                                                                                                                                                                    |                       |                       |                       |                                                     |
| <b>21</b>             | Discount rate:                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                    |                       |                       |                       |                                                     |
| <b>a</b>              | Segment rates:                                                                                                                                                                                                                   | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%;">1st segment:<br/>4.43%</td> <td style="width: 33%;">2nd segment:<br/>5.91%</td> <td style="width: 33%;">3rd segment:<br/>6.65%</td> </tr> </table> | 1st segment:<br>4.43% | 2nd segment:<br>5.91% | 3rd segment:<br>6.65% | <input type="checkbox"/> N/A, full yield curve used |
| 1st segment:<br>4.43% | 2nd segment:<br>5.91%                                                                                                                                                                                                            | 3rd segment:<br>6.65%                                                                                                                                                                                                                              |                       |                       |                       |                                                     |
| <b>b</b>              | Applicable month (enter code) .....                                                                                                                                                                                              | <b>21b</b>                                                                                                                                                                                                                                         | 4                     |                       |                       |                                                     |
| <b>22</b>             | Weighted average retirement age .....                                                                                                                                                                                            | <b>22</b>                                                                                                                                                                                                                                          | 62                    |                       |                       |                                                     |
| <b>23</b>             | Mortality table(s) (see instructions) <input type="checkbox"/> Prescribed - combined <input checked="" type="checkbox"/> Prescribed - separate <input type="checkbox"/> Substitute                                               |                                                                                                                                                                                                                                                    |                       |                       |                       |                                                     |
| <b>Part VI</b>        | <b>Miscellaneous Items</b>                                                                                                                                                                                                       |                                                                                                                                                                                                                                                    |                       |                       |                       |                                                     |
| <b>24</b>             | Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. .... <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |                                                                                                                                                                                                                                                    |                       |                       |                       |                                                     |
| <b>25</b>             | Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. .... <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No                                      |                                                                                                                                                                                                                                                    |                       |                       |                       |                                                     |
| <b>26</b>             | Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. .... <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No                            |                                                                                                                                                                                                                                                    |                       |                       |                       |                                                     |
| <b>27</b>             | If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment. ....                                                                                                       | <b>27</b>                                                                                                                                                                                                                                          |                       |                       |                       |                                                     |
| <b>Part VII</b>       | <b>Reconciliation of Unpaid Minimum Required Contributions For Prior Years</b>                                                                                                                                                   |                                                                                                                                                                                                                                                    |                       |                       |                       |                                                     |
| <b>28</b>             | Unpaid minimum required contributions for all prior years .....                                                                                                                                                                  | <b>28</b>                                                                                                                                                                                                                                          | 0                     |                       |                       |                                                     |
| <b>29</b>             | Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a) .....                                                                                                       | <b>29</b>                                                                                                                                                                                                                                          | 0                     |                       |                       |                                                     |
| <b>30</b>             | Remaining amount of unpaid minimum required contributions (line 28 minus line 29) .....                                                                                                                                          | <b>30</b>                                                                                                                                                                                                                                          | 0                     |                       |                       |                                                     |
| <b>Part VIII</b>      | <b>Minimum Required Contribution For Current Year</b>                                                                                                                                                                            |                                                                                                                                                                                                                                                    |                       |                       |                       |                                                     |
| <b>31</b>             | Target normal cost and excess assets (see instructions):                                                                                                                                                                         |                                                                                                                                                                                                                                                    |                       |                       |                       |                                                     |
| <b>a</b>              | Target normal cost (line 6) .....                                                                                                                                                                                                | <b>31a</b>                                                                                                                                                                                                                                         | 13501525              |                       |                       |                                                     |
| <b>b</b>              | Excess assets, if applicable, but not greater than line 31a .....                                                                                                                                                                | <b>31b</b>                                                                                                                                                                                                                                         | 0                     |                       |                       |                                                     |
| <b>32</b>             | Amortization installments:                                                                                                                                                                                                       | Outstanding Balance                                                                                                                                                                                                                                | Installment           |                       |                       |                                                     |
| <b>a</b>              | Net shortfall amortization installment .....                                                                                                                                                                                     | 108772994                                                                                                                                                                                                                                          | 17971848              |                       |                       |                                                     |
| <b>b</b>              | Waiver amortization installment .....                                                                                                                                                                                            | 0                                                                                                                                                                                                                                                  | 0                     |                       |                       |                                                     |
| <b>33</b>             | If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount .....                                                       | <b>33</b>                                                                                                                                                                                                                                          | 0                     |                       |                       |                                                     |
| <b>34</b>             | Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33) .....                                                                                                               | <b>34</b>                                                                                                                                                                                                                                          | 31473373              |                       |                       |                                                     |
|                       |                                                                                                                                                                                                                                  | Carryover balance                                                                                                                                                                                                                                  | Prefunding balance    |                       |                       |                                                     |
| <b>35</b>             | Balances elected for use to offset funding requirement .....                                                                                                                                                                     | 0                                                                                                                                                                                                                                                  | 0                     |                       |                       |                                                     |
| <b>36</b>             | Additional cash requirement (line 34 minus line 35) .....                                                                                                                                                                        | <b>36</b>                                                                                                                                                                                                                                          | 31473373              |                       |                       |                                                     |
| <b>37</b>             | Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) .....                                                                                                        | <b>37</b>                                                                                                                                                                                                                                          | 69190352              |                       |                       |                                                     |
| <b>38</b>             | Present value of excess contributions for current year (see instructions)                                                                                                                                                        |                                                                                                                                                                                                                                                    |                       |                       |                       |                                                     |
| <b>a</b>              | Total (excess, if any, of line 37 over line 36) .....                                                                                                                                                                            | <b>38a</b>                                                                                                                                                                                                                                         | 37716979              |                       |                       |                                                     |
| <b>b</b>              | Portion included in line 38a attributable to use of prefunding and funding standard carryover balances .....                                                                                                                     | <b>38b</b>                                                                                                                                                                                                                                         | 0                     |                       |                       |                                                     |
| <b>39</b>             | Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37) .....                                                                                                                            | <b>39</b>                                                                                                                                                                                                                                          | 0                     |                       |                       |                                                     |
| <b>40</b>             | Unpaid minimum required contributions for all years .....                                                                                                                                                                        | <b>40</b>                                                                                                                                                                                                                                          | 0                     |                       |                       |                                                     |
| <b>Part IX</b>        | <b>Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)</b>                                                                                                                                                |                                                                                                                                                                                                                                                    |                       |                       |                       |                                                     |
| <b>41</b>             | If an election was made to use PRA 2010 funding relief for this plan:                                                                                                                                                            |                                                                                                                                                                                                                                                    |                       |                       |                       |                                                     |
| <b>a</b>              | Schedule elected .....                                                                                                                                                                                                           | <input type="checkbox"/> 2 plus 7 years <input checked="" type="checkbox"/> 15 years                                                                                                                                                               |                       |                       |                       |                                                     |
| <b>b</b>              | Eligible plan year(s) for which the election in line 41a was made .....                                                                                                                                                          | <input type="checkbox"/> 2008 <input type="checkbox"/> 2009 <input checked="" type="checkbox"/> 2010 <input checked="" type="checkbox"/> 2011                                                                                                      |                       |                       |                       |                                                     |
| <b>42</b>             | Amount of acceleration adjustment .....                                                                                                                                                                                          | <b>42</b>                                                                                                                                                                                                                                          | 0                     |                       |                       |                                                     |
| <b>43</b>             | Excess installment acceleration amount to be carried over to future plan years .....                                                                                                                                             | <b>43</b>                                                                                                                                                                                                                                          | 0                     |                       |                       |                                                     |

|                                                                                                                                                                                                                           |                                                                                                                                                                                                                        |                                                |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|
| <b>SCHEDULE C</b><br><b>(Form 5500)</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security Administration<br><br>Pension Benefit Guaranty Corporation | <b>Service Provider Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br><br>▶ <b>File as an attachment to Form 5500.</b> | OMB No. 1210-0110                              |
|                                                                                                                                                                                                                           |                                                                                                                                                                                                                        | <b>2016</b>                                    |
|                                                                                                                                                                                                                           |                                                                                                                                                                                                                        | <b>This Form is Open to Public Inspection.</b> |
| For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016                                                                                                                                |                                                                                                                                                                                                                        |                                                |
| <b>A</b> Name of plan<br>BASF CORPORATION SALARIED EMPLOYEES' PENSION PLAN                                                                                                                                                | <b>B</b> Three-digit plan number (PN) ▶                                                                                                                                                                                | 001                                            |
|                                                                                                                                                                                                                           |                                                                                                                                                                                                                        |                                                |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br>BASF CORPORATION                                                                                                                                         | <b>D</b> Employer Identification Number (EIN)<br>16-1090809                                                                                                                                                            |                                                |

|               |                                                        |
|---------------|--------------------------------------------------------|
| <b>Part I</b> | <b>Service Provider Information (see instructions)</b> |
|---------------|--------------------------------------------------------|

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

**1 Information on Persons Receiving Only Eligible Indirect Compensation**

- a** Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☐ Yes ☒ No
- b** If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

**(a)** Enter name and EIN or address (see instructions)

| <b>(b)</b><br>Service Code(s) | <b>(c)</b><br>Relationship to employer, employee organization, or person known to be a party-in-interest | <b>(d)</b><br>Enter direct compensation paid by the plan. If none, enter -0-. | <b>(e)</b><br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | <b>(f)</b><br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | <b>(g)</b><br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | <b>(h)</b><br>Did the service provider give you a formula instead of an amount or estimated amount? |
|-------------------------------|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
|                               |                                                                                                          |                                                                               | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                    | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                              |                                                                                                                                                                                        | Yes <input type="checkbox"/> No <input type="checkbox"/>                                            |

**(a)** Enter name and EIN or address (see instructions)

| <b>(b)</b><br>Service Code(s) | <b>(c)</b><br>Relationship to employer, employee organization, or person known to be a party-in-interest | <b>(d)</b><br>Enter direct compensation paid by the plan. If none, enter -0-. | <b>(e)</b><br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | <b>(f)</b><br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | <b>(g)</b><br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | <b>(h)</b><br>Did the service provider give you a formula instead of an amount or estimated amount? |
|-------------------------------|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
|                               |                                                                                                          |                                                                               | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                    | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                              |                                                                                                                                                                                        | Yes <input type="checkbox"/> No <input type="checkbox"/>                                            |

**(a)** Enter name and EIN or address (see instructions)

| <b>(b)</b><br>Service Code(s) | <b>(c)</b><br>Relationship to employer, employee organization, or person known to be a party-in-interest | <b>(d)</b><br>Enter direct compensation paid by the plan. If none, enter -0-. | <b>(e)</b><br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | <b>(f)</b><br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | <b>(g)</b><br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | <b>(h)</b><br>Did the service provider give you a formula instead of an amount or estimated amount? |
|-------------------------------|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
|                               |                                                                                                          |                                                                               | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                    | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                              |                                                                                                                                                                                        | Yes <input type="checkbox"/> No <input type="checkbox"/>                                            |

**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

**(a)** Enter name and EIN or address (see instructions)

| <b>(b)</b><br>Service Code(s) | <b>(c)</b><br>Relationship to employer, employee organization, or person known to be a party-in-interest | <b>(d)</b><br>Enter direct compensation paid by the plan. If none, enter -0-. | <b>(e)</b><br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | <b>(f)</b><br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | <b>(g)</b><br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | <b>(h)</b><br>Did the service provider give you a formula instead of an amount or estimated amount? |
|-------------------------------|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
|                               |                                                                                                          |                                                                               | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                    | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                              |                                                                                                                                                                                        | Yes <input type="checkbox"/> No <input type="checkbox"/>                                            |

**(a)** Enter name and EIN or address (see instructions)

| <b>(b)</b><br>Service Code(s) | <b>(c)</b><br>Relationship to employer, employee organization, or person known to be a party-in-interest | <b>(d)</b><br>Enter direct compensation paid by the plan. If none, enter -0-. | <b>(e)</b><br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | <b>(f)</b><br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | <b>(g)</b><br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | <b>(h)</b><br>Did the service provider give you a formula instead of an amount or estimated amount? |
|-------------------------------|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
|                               |                                                                                                          |                                                                               | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                    | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                              |                                                                                                                                                                                        | Yes <input type="checkbox"/> No <input type="checkbox"/>                                            |

**(a)** Enter name and EIN or address (see instructions)

| <b>(b)</b><br>Service Code(s) | <b>(c)</b><br>Relationship to employer, employee organization, or person known to be a party-in-interest | <b>(d)</b><br>Enter direct compensation paid by the plan. If none, enter -0-. | <b>(e)</b><br>Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | <b>(f)</b><br>Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | <b>(g)</b><br>Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | <b>(h)</b><br>Did the service provider give you a formula instead of an amount or estimated amount? |
|-------------------------------|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
|                               |                                                                                                          |                                                                               | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                    | Yes <input type="checkbox"/> No <input type="checkbox"/>                                                                              |                                                                                                                                                                                        | Yes <input type="checkbox"/> No <input type="checkbox"/>                                            |

**Part I Service Provider Information (continued)**

**3.** If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

| (a) Enter service provider name as it appears on line 2             | (b) Service Codes<br>(see instructions)                                                                                                                            | (c) Enter amount of indirect compensation |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------|
|                                                                     |                                                                                                                                                                    |                                           |
| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |                                           |
|                                                                     |                                                                                                                                                                    |                                           |
| (a) Enter service provider name as it appears on line 2             | (b) Service Codes<br>(see instructions)                                                                                                                            | (c) Enter amount of indirect compensation |
|                                                                     |                                                                                                                                                                    |                                           |
| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |                                           |
|                                                                     |                                                                                                                                                                    |                                           |
| (a) Enter service provider name as it appears on line 2             | (b) Service Codes<br>(see instructions)                                                                                                                            | (c) Enter amount of indirect compensation |
|                                                                     |                                                                                                                                                                    |                                           |
| (d) Enter name and EIN (address) of source of indirect compensation | (e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |                                           |
|                                                                     |                                                                                                                                                                    |                                           |

**Part II Service Providers Who Fail or Refuse to Provide Information**

**4** Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|--------------------------------------------------------------------------|-------------------------------|-------------------------------------------------------------------------------------|
|                                                                          |                               |                                                                                     |
| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|                                                                          |                               |                                                                                     |
| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|                                                                          |                               |                                                                                     |
| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|                                                                          |                               |                                                                                     |
| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|                                                                          |                               |                                                                                     |
| (a) Enter name and EIN or address of service provider (see instructions) | (b) Nature of Service Code(s) | (c) Describe the information that the service provider failed or refused to provide |
|                                                                          |                               |                                                                                     |

**Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)**  
(complete as many entries as needed)

|                    |                                                                      |                     |              |
|--------------------|----------------------------------------------------------------------|---------------------|--------------|
| <b>a</b> Name:     | WILLIAM NICKEL                                                       | <b>b</b> EIN:       | 23-1159360   |
| <b>c</b> Position: | SR CONSULTING ACTUARY                                                |                     |              |
| <b>d</b> Address:  | WILLIS TOWERS WATSON<br>1500 MARKET STREET<br>PHILADELPHIA, PA 19102 | <b>e</b> Telephone: | 215-246-4293 |
|                    |                                                                      |                     |              |

Explanation: OUR ENROLLED ACTUARY HAS CHANGED BECAUSE OF RE-ASSIGNMENT OF RESPONSIBILITIES WITHIN WILLIS TOWERS WATSON.

|                    |  |                     |  |
|--------------------|--|---------------------|--|
| <b>a</b> Name:     |  | <b>b</b> EIN:       |  |
| <b>c</b> Position: |  |                     |  |
| <b>d</b> Address:  |  | <b>e</b> Telephone: |  |
|                    |  |                     |  |

Explanation:

|                    |  |                     |  |
|--------------------|--|---------------------|--|
| <b>a</b> Name:     |  | <b>b</b> EIN:       |  |
| <b>c</b> Position: |  |                     |  |
| <b>d</b> Address:  |  | <b>e</b> Telephone: |  |
|                    |  |                     |  |

Explanation:

|                    |  |                     |  |
|--------------------|--|---------------------|--|
| <b>a</b> Name:     |  | <b>b</b> EIN:       |  |
| <b>c</b> Position: |  |                     |  |
| <b>d</b> Address:  |  | <b>e</b> Telephone: |  |
|                    |  |                     |  |

Explanation:

|                    |  |                     |  |
|--------------------|--|---------------------|--|
| <b>a</b> Name:     |  | <b>b</b> EIN:       |  |
| <b>c</b> Position: |  |                     |  |
| <b>d</b> Address:  |  | <b>e</b> Telephone: |  |
|                    |  |                     |  |

Explanation:

|                                                                                                                                                                                   |  |                                                                                                                                                                                                                                   |  |                                                                                                         |  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|---------------------------------------------------------------------------------------------------------|--|
| <div>SCHEDULE D<br/>(Form 5500)<br/><br/>Department of the Treasury<br/>Internal Revenue Service<br/><br/>Department of Labor<br/>Employee Benefits Security Administration</div> |  | <div>DFE/Participating Plan Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div> |  | <div>OMB No. 1210-0110</div> <div>2016</div> <div>This Form is Open to Public Inspection.</div>         |  |
| For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016                                                                                        |  |                                                                                                                                                                                                                                   |  |                                                                                                         |  |
| A Name of plan<br>BASF CORPORATION SALARIED EMPLOYEES' PENSION PLAN                                                                                                               |  |                                                                                                                                                                                                                                   |  | B Three-digit plan number (PN) ▶ 001                                                                    |  |
| C Plan or DFE sponsor's name as shown on line 2a of Form 5500<br>BASF CORPORATION                                                                                                 |  |                                                                                                                                                                                                                                   |  | D Employer Identification Number (EIN)<br>16-1090809                                                    |  |
| Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)<br>(Complete as many entries as needed to report all interests in DFEs)  |  |                                                                                                                                                                                                                                   |  |                                                                                                         |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE: BASF CORPORATION PENSION MASTER TR                                                                                                        |  |                                                                                                                                                                                                                                   |  |                                                                                                         |  |
| b Name of sponsor of entity listed in (a): BASF CORPORATION                                                                                                                       |  |                                                                                                                                                                                                                                   |  |                                                                                                         |  |
| c EIN-PN 16-1090809-101                                                                                                                                                           |  | d Entity code M                                                                                                                                                                                                                   |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 2435212199 |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                           |  |                                                                                                                                                                                                                                   |  |                                                                                                         |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                        |  |                                                                                                                                                                                                                                   |  |                                                                                                         |  |
| c EIN-PN                                                                                                                                                                          |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)            |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                           |  |                                                                                                                                                                                                                                   |  |                                                                                                         |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                        |  |                                                                                                                                                                                                                                   |  |                                                                                                         |  |
| c EIN-PN                                                                                                                                                                          |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)            |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                           |  |                                                                                                                                                                                                                                   |  |                                                                                                         |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                        |  |                                                                                                                                                                                                                                   |  |                                                                                                         |  |
| c EIN-PN                                                                                                                                                                          |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)            |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                           |  |                                                                                                                                                                                                                                   |  |                                                                                                         |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                        |  |                                                                                                                                                                                                                                   |  |                                                                                                         |  |
| c EIN-PN                                                                                                                                                                          |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)            |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                           |  |                                                                                                                                                                                                                                   |  |                                                                                                         |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                        |  |                                                                                                                                                                                                                                   |  |                                                                                                         |  |
| c EIN-PN                                                                                                                                                                          |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)            |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                           |  |                                                                                                                                                                                                                                   |  |                                                                                                         |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                        |  |                                                                                                                                                                                                                                   |  |                                                                                                         |  |
| c EIN-PN                                                                                                                                                                          |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)            |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                           |  |                                                                                                                                                                                                                                   |  |                                                                                                         |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                        |  |                                                                                                                                                                                                                                   |  |                                                                                                         |  |
| c EIN-PN                                                                                                                                                                          |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)            |  |
| a Name of MTIA, CCT, PSA, or 103-12 IE:                                                                                                                                           |  |                                                                                                                                                                                                                                   |  |                                                                                                         |  |
| b Name of sponsor of entity listed in (a):                                                                                                                                        |  |                                                                                                                                                                                                                                   |  |                                                                                                         |  |
| c EIN-PN                                                                                                                                                                          |  | d Entity code                                                                                                                                                                                                                     |  | e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)            |  |

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Schedule D (Form 5500) 2016 v.160205

**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity  
code**e** Dollar value of interest in MTIA, CCT, PSA, or  
103-12 IE at end of year (see instructions)

**Part II Information on Participating Plans (to be completed by DFEs)**

(Complete as many entries as needed to report all participating plans)

**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN**a** Plan name**b** Name of  
plan sponsor**c** EIN-PN

|                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                              |                                                                                                          |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|
| <b>SCHEDULE H</b><br><b>(Form 5500)</b><br><br><small>Internal Revenue Service</small><br><hr/> <small>Department of Labor</small><br><small>Employee Benefits Security Administration</small><br><hr/> <small>Pension Benefit Guaranty Corporation</small> | <b>Financial Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).<br><br><b>► File as an attachment to Form 5500.</b> | <small>OMB No. 1210-0110</small><br><br><b>2016</b><br><br><b>This Form is Open to Public Inspection</b> |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|

|                                                                                                                                                              |                                                                                              |                                      |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|--------------------------------------|
| For calendar plan year 2016 or fiscal plan year beginning <span style="color:blue;">01/01/2016</span> and ending <span style="color:blue;">12/31/2016</span> |                                                                                              |                                      |
| <b>A</b> Name of plan<br><span style="color:blue;">BASF CORPORATION SALARIED EMPLOYEES' PENSION PLAN</span>                                                  | <b>B</b> Three-digit plan number (PN) <span style="color:blue;">►</span>                     | <span style="color:blue;">001</span> |
|                                                                                                                                                              |                                                                                              |                                      |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><span style="color:blue;">BASF CORPORATION</span>                                           | <b>D</b> Employer Identification Number (EIN)<br><span style="color:blue;">16-1090809</span> |                                      |

|               |                                      |
|---------------|--------------------------------------|
| <b>Part I</b> | <b>Asset and Liability Statement</b> |
|---------------|--------------------------------------|

**1** Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

| Assets                                                                                            |                 | (a) Beginning of Year | (b) End of Year |
|---------------------------------------------------------------------------------------------------|-----------------|-----------------------|-----------------|
| <b>a</b> Total noninterest-bearing cash .....                                                     | <b>1a</b>       |                       |                 |
| <b>b</b> Receivables (less allowance for doubtful accounts):                                      |                 |                       |                 |
| <b>(1)</b> Employer contributions.....                                                            | <b>1b(1)</b>    | 51300000              | 76394968        |
| <b>(2)</b> Participant contributions .....                                                        | <b>1b(2)</b>    |                       |                 |
| <b>(3)</b> Other.....                                                                             | <b>1b(3)</b>    |                       |                 |
| <b>c</b> General investments:                                                                     |                 |                       |                 |
| <b>(1)</b> Interest-bearing cash (include money market accounts & certificates of deposit).....   | <b>1c(1)</b>    |                       |                 |
| <b>(2)</b> U.S. Government securities .....                                                       | <b>1c(2)</b>    |                       |                 |
| <b>(3)</b> Corporate debt instruments (other than employer securities):                           |                 |                       |                 |
| <b>(A)</b> Preferred .....                                                                        | <b>1c(3)(A)</b> |                       |                 |
| <b>(B)</b> All other.....                                                                         | <b>1c(3)(B)</b> |                       |                 |
| <b>(4)</b> Corporate stocks (other than employer securities):                                     |                 |                       |                 |
| <b>(A)</b> Preferred .....                                                                        | <b>1c(4)(A)</b> |                       |                 |
| <b>(B)</b> Common.....                                                                            | <b>1c(4)(B)</b> |                       |                 |
| <b>(5)</b> Partnership/joint venture interests .....                                              | <b>1c(5)</b>    |                       |                 |
| <b>(6)</b> Real estate (other than employer real property).....                                   | <b>1c(6)</b>    |                       |                 |
| <b>(7)</b> Loans (other than to participants) .....                                               | <b>1c(7)</b>    |                       |                 |
| <b>(8)</b> Participant loans.....                                                                 | <b>1c(8)</b>    |                       |                 |
| <b>(9)</b> Value of interest in common/collective trusts .....                                    | <b>1c(9)</b>    |                       |                 |
| <b>(10)</b> Value of interest in pooled separate accounts .....                                   | <b>1c(10)</b>   |                       |                 |
| <b>(11)</b> Value of interest in master trust investment accounts .....                           | <b>1c(11)</b>   | 2453743656            | 2435212199      |
| <b>(12)</b> Value of interest in 103-12 investment entities.....                                  | <b>1c(12)</b>   |                       |                 |
| <b>(13)</b> Value of interest in registered investment companies (e.g., mutual funds).....        | <b>1c(13)</b>   |                       |                 |
| <b>(14)</b> Value of funds held in insurance company general account (unallocated contracts)..... | <b>1c(14)</b>   |                       |                 |
| <b>(15)</b> Other .....                                                                           | <b>1c(15)</b>   |                       |                 |

|                    |                                                                  | (a) Beginning of Year | (b) End of Year       |
|--------------------|------------------------------------------------------------------|-----------------------|-----------------------|
| <b>1d</b>          | Employer-related investments:                                    |                       |                       |
| (1)                | Employer securities .....                                        | <b>1d(1)</b>          |                       |
| (2)                | Employer real property .....                                     | <b>1d(2)</b>          |                       |
| <b>e</b>           | Buildings and other property used in plan operation .....        | <b>1e</b>             |                       |
| <b>f</b>           | Total assets (add all amounts in lines 1a through 1e) .....      | <b>1f</b>             | 2505043656 2511607167 |
| <b>Liabilities</b> |                                                                  |                       |                       |
| <b>g</b>           | Benefit claims payable .....                                     | <b>1g</b>             |                       |
| <b>h</b>           | Operating payables .....                                         | <b>1h</b>             | 372113 307673         |
| <b>i</b>           | Acquisition indebtedness .....                                   | <b>1i</b>             |                       |
| <b>j</b>           | Other liabilities .....                                          | <b>1j</b>             |                       |
| <b>k</b>           | Total liabilities (add all amounts in lines 1g through 1j) ..... | <b>1k</b>             | 372113 307673         |
| <b>Net Assets</b>  |                                                                  |                       |                       |
| <b>l</b>           | Net assets (subtract line 1k from line 1f) .....                 | <b>1l</b>             | 2504671543 2511299494 |

**Part II Income and Expense Statement**

**2** Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

|          |                                                                                                        | (a) Amount      | (b) Total |
|----------|--------------------------------------------------------------------------------------------------------|-----------------|-----------|
| <b>a</b> | <b>Contributions:</b>                                                                                  |                 |           |
| (1)      | Received or receivable in cash from: <b>(A)</b> Employers .....                                        | <b>2a(1)(A)</b> | 76394968  |
|          | <b>(B)</b> Participants .....                                                                          | <b>2a(1)(B)</b> |           |
|          | <b>(C)</b> Others (including rollovers) .....                                                          | <b>2a(1)(C)</b> |           |
| (2)      | Noncash contributions .....                                                                            | <b>2a(2)</b>    |           |
| (3)      | Total contributions. Add lines <b>2a(1)(A)</b> , <b>(B)</b> , <b>(C)</b> , and line <b>2a(2)</b> ..... | <b>2a(3)</b>    | 76394968  |
| <b>b</b> | <b>Earnings on investments:</b>                                                                        |                 |           |
| (1)      | Interest:                                                                                              |                 |           |
|          | <b>(A)</b> Interest-bearing cash (including money market accounts and certificates of deposit) .....   | <b>2b(1)(A)</b> |           |
|          | <b>(B)</b> U.S. Government securities .....                                                            | <b>2b(1)(B)</b> |           |
|          | <b>(C)</b> Corporate debt instruments .....                                                            | <b>2b(1)(C)</b> |           |
|          | <b>(D)</b> Loans (other than to participants) .....                                                    | <b>2b(1)(D)</b> |           |
|          | <b>(E)</b> Participant loans .....                                                                     | <b>2b(1)(E)</b> |           |
|          | <b>(F)</b> Other .....                                                                                 | <b>2b(1)(F)</b> |           |
|          | <b>(G)</b> Total interest. Add lines <b>2b(1)(A)</b> through <b>(F)</b> .....                          | <b>2b(1)(G)</b> | 0         |
| (2)      | Dividends: <b>(A)</b> Preferred stock .....                                                            | <b>2b(2)(A)</b> |           |
|          | <b>(B)</b> Common stock .....                                                                          | <b>2b(2)(B)</b> |           |
|          | <b>(C)</b> Registered investment company shares (e.g. mutual funds) .....                              | <b>2b(2)(C)</b> |           |
|          | <b>(D)</b> Total dividends. Add lines <b>2b(2)(A)</b> , <b>(B)</b> , and <b>(C)</b> .....              | <b>2b(2)(D)</b> | 0         |
| (3)      | Rents .....                                                                                            | <b>2b(3)</b>    |           |
| (4)      | Net gain (loss) on sale of assets: <b>(A)</b> Aggregate proceeds .....                                 | <b>2b(4)(A)</b> |           |
|          | <b>(B)</b> Aggregate carrying amount (see instructions) .....                                          | <b>2b(4)(B)</b> |           |
|          | <b>(C)</b> Subtract line <b>2b(4)(B)</b> from line <b>2b(4)(A)</b> and enter result .....              | <b>2b(4)(C)</b> | 0         |
| (5)      | Unrealized appreciation (depreciation) of assets: <b>(A)</b> Real estate .....                         | <b>2b(5)(A)</b> |           |
|          | <b>(B)</b> Other .....                                                                                 | <b>2b(5)(B)</b> |           |
|          | <b>(C)</b> Total unrealized appreciation of assets. Add lines <b>2b(5)(A)</b> and <b>(B)</b> .....     | <b>2b(5)(C)</b> | 0         |

|                                                                                                |        | (a) Amount | (b) Total |
|------------------------------------------------------------------------------------------------|--------|------------|-----------|
| (6) Net investment gain (loss) from common/collective trusts .....                             | 2b(6)  |            |           |
| (7) Net investment gain (loss) from pooled separate accounts .....                             | 2b(7)  |            |           |
| (8) Net investment gain (loss) from master trust investment accounts .....                     | 2b(8)  |            | 148340462 |
| (9) Net investment gain (loss) from 103-12 investment entities .....                           | 2b(9)  |            |           |
| (10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)..... | 2b(10) |            |           |
| c Other income.....                                                                            | 2c     |            |           |
| d Total income. Add all <b>income</b> amounts in column (b) and enter total.....               | 2d     |            | 224735430 |

**Expenses**

|                                                                                      |       |           |           |
|--------------------------------------------------------------------------------------|-------|-----------|-----------|
| e Benefit payment and payments to provide benefits:                                  |       |           |           |
| (1) Directly to participants or beneficiaries, including direct rollovers .....      | 2e(1) | 218238219 |           |
| (2) To insurance carriers for the provision of benefits .....                        | 2e(2) |           |           |
| (3) Other .....                                                                      | 2e(3) |           |           |
| (4) Total benefit payments. Add lines 2e(1) through (3).....                         | 2e(4) |           | 218238219 |
| f Corrective distributions (see instructions) .....                                  | 2f    |           |           |
| g Certain deemed distributions of participant loans (see instructions) .....         | 2g    |           |           |
| h Interest expense.....                                                              | 2h    |           |           |
| i Administrative expenses: (1) Professional fees.....                                | 2i(1) |           |           |
| (2) Contract administrator fees.....                                                 | 2i(2) |           |           |
| (3) Investment advisory and management fees.....                                     | 2i(3) |           |           |
| (4) Other .....                                                                      | 2i(4) |           |           |
| (5) Total administrative expenses. Add lines 2i(1) through (4).....                  | 2i(5) |           | 0         |
| j Total expenses. Add all <b>expense</b> amounts in column (b) and enter total ..... | 2j    |           | 218238219 |

**Net Income and Reconciliation**

|                                                          |       |  |         |
|----------------------------------------------------------|-------|--|---------|
| k Net income (loss). Subtract line 2j from line 2d ..... | 2k    |  | 6497211 |
| l Transfers of assets:                                   |       |  |         |
| (1) To this plan.....                                    | 2l(1) |  | 130740  |
| (2) From this plan.....                                  | 2l(2) |  |         |

**Part III Accountant's Opinion**

**3** Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

**a** The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

**b** Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

**c** Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: COHNREZNICK LLP

(2) EIN: 22-1478099

**d** The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

**Part IV Compliance Questions**

**4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

**a** Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

**b** Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.) .....

|    | Yes | No | Amount |
|----|-----|----|--------|
| 4a |     | X  |        |
| 4b |     | X  |        |

|                                                                                                                                                                                                                               |           | Yes | No | Amount  |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|-----|----|---------|
| <b>c</b> Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) .....                                          | <b>4c</b> |     | X  |         |
| <b>d</b> Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.) .....                               | <b>4d</b> |     | X  |         |
| <b>e</b> Was this plan covered by a fidelity bond? .....                                                                                                                                                                      | <b>4e</b> | X   |    | 9000000 |
| <b>f</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? .....                                                                                       | <b>4f</b> |     | X  |         |
| <b>g</b> Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? .....                                                    | <b>4g</b> |     | X  |         |
| <b>h</b> Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? .....                                          | <b>4h</b> |     | X  |         |
| <b>i</b> Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) .....                                                                | <b>4i</b> |     | X  |         |
| <b>j</b> Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.) ..... | <b>4j</b> |     | X  |         |
| <b>k</b> Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? .....                                                           | <b>4k</b> |     | X  |         |
| <b>l</b> Has the plan failed to provide any benefit when due under the plan? .....                                                                                                                                            | <b>4l</b> |     | X  |         |
| <b>m</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) .....                                                                                                  | <b>4m</b> |     | X  |         |
| <b>n</b> If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3. ....                                      | <b>4n</b> |     |    |         |
| <b>o</b> Defined Benefit Plan or Money Purchase Pension Plan Only:<br>Were any distributions made during the plan year to an employee who attained age 62 and had not separated from service? .....                           | <b>4o</b> |     |    |         |

**5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?  
If "Yes," enter the amount of any plan assets that reverted to the employer this year. .... ☐ Yes ☒ No **Amount:**

**5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

| 5b(1) Name of plan(s) | 5b(2) EIN(s) | 5b(3) PN(s) |
|-----------------------|--------------|-------------|
|                       |              |             |
|                       |              |             |
|                       |              |             |
|                       |              |             |

**5c** If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? ..... ☒ Yes ☐ No ☐ Not determined  
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 3997023. (See instructions.)

## Part V Trust Information

|                                        |                                                     |
|----------------------------------------|-----------------------------------------------------|
| <b>6a</b> Name of trust                | <b>6b</b> Trust's EIN                               |
| <b>6c</b> Name of trustee or custodian | <b>6d</b> Trustee's or custodian's telephone number |

|                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                             |                                                                                            |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|
| <b>SCHEDULE R</b><br><b>(Form 5500)</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security Administration<br><br>Pension Benefit Guaranty Corporation | <b>Retirement Plan Information</b><br><br>This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).<br><br>▶ <b>File as an attachment to Form 5500.</b> | OMB No. 1210-0110<br><br><b>2016</b><br><br><b>This Form is Open to Public Inspection.</b> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

|                                                                                          |                                                                    |
|------------------------------------------------------------------------------------------|--------------------------------------------------------------------|
| <b>A</b> Name of plan<br><u>BASF CORPORATION SALARIED EMPLOYEES' PENSION PLAN</u>        | <b>B</b> Three-digit plan number (PN) ▶<br><u>001</u>              |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500<br><u>BASF CORPORATION</u> | <b>D</b> Employer Identification Number (EIN)<br><u>16-1090809</u> |

|               |                      |
|---------------|----------------------|
| <b>Part I</b> | <b>Distributions</b> |
|---------------|----------------------|

All references to distributions relate only to payments of benefits during the plan year.

|                                                                                                                                                                                                                                                                    |          |            |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|------------|
| <b>1</b> Total value of distributions paid in property other than in cash or the forms of property specified in the instructions .....                                                                                                                             | <b>1</b> | <u>0</u>   |
| <b>2</b> Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):<br><br>EIN(s): <u>04-3275867</u> |          |            |
| Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.                                                                                                                                                                                                   |          |            |
| <b>3</b> Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year .....                                                                                                                                   | <b>3</b> | <u>290</u> |

|                |                                                                                                                                                                               |
|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part II</b> | <b>Funding Information</b> (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.) |
|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                                                                                                                                                                                                                                                                                             |                              |                             |                                         |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------------------------|-----------------------------------------|
| <b>4</b> Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? .....                                                                                                                                                                                                                                        | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input checked="" type="checkbox"/> N/A |
| If the plan is a defined benefit plan, go to line 8.                                                                                                                                                                                                                                                                                                        |                              |                             |                                         |
| <b>5</b> If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____<br>If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule. |                              |                             |                                         |
| <b>6 a</b> Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) .....                                                                                                                                                                                                              | <b>6a</b>                    |                             |                                         |
| <b>b</b> Enter the amount contributed by the employer to the plan for this plan year .....                                                                                                                                                                                                                                                                  | <b>6b</b>                    |                             |                                         |
| <b>c</b> Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) .....                                                                                                                                                                                                            | <b>6c</b>                    |                             |                                         |
| If you completed line 6c, skip lines 8 and 9.                                                                                                                                                                                                                                                                                                               |                              |                             |                                         |
| <b>7</b> Will the minimum funding amount reported on line 6c be met by the funding deadline? .....                                                                                                                                                                                                                                                          | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> N/A            |
| <b>8</b> If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? .....                                                                                 | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input checked="" type="checkbox"/> N/A |

|                 |                   |
|-----------------|-------------------|
| <b>Part III</b> | <b>Amendments</b> |
|-----------------|-------------------|

|                                                                                                                                                                                                                            |                                   |                                   |                               |                                        |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|-------------------------------|----------------------------------------|
| <b>9</b> If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box..... | <input type="checkbox"/> Increase | <input type="checkbox"/> Decrease | <input type="checkbox"/> Both | <input checked="" type="checkbox"/> No |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|-------------------------------|----------------------------------------|

|                |                                                                                                                                                   |
|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part IV</b> | <b>ESOPs</b> (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part. |
|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------|

|                                                                                                                                                                                              |                              |                             |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|-----------------------------|
| <b>10</b> Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? .....                                                      | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <b>11 a</b> Does the ESOP hold any preferred stock? .....                                                                                                                                    | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <b>b</b> If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| <b>12</b> Does the ESOP hold any stock that is not readily tradable on an established securities market? .....                                                                               | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Schedule R (Form 5500) 2016  
v. 160205

**Part V Additional Information for Multiemployer Defined Benefit Pension Plans**

**13** Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

**a** Name of contributing employer

**b** EIN

**c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_

**e** Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) \_\_\_\_\_

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): \_\_\_\_\_

|           |                                                                                                                                                                                                                                                      |            |  |
|-----------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|--|
| <b>14</b> | Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:                                                                                                                    |            |  |
|           | <b>a</b> The current year .....                                                                                                                                                                                                                      | <b>14a</b> |  |
|           | <b>b</b> The plan year immediately preceding the current plan year .....                                                                                                                                                                             | <b>14b</b> |  |
|           | <b>c</b> The second preceding plan year .....                                                                                                                                                                                                        | <b>14c</b> |  |
| <b>15</b> | Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:                                                                         |            |  |
|           | <b>a</b> The corresponding number for the plan year immediately preceding the current plan year .....                                                                                                                                                | <b>15a</b> |  |
|           | <b>b</b> The corresponding number for the second preceding plan year .....                                                                                                                                                                           | <b>15b</b> |  |
| <b>16</b> | Information with respect to any employers who withdrew from the plan during the preceding plan year:                                                                                                                                                 |            |  |
|           | <b>a</b> Enter the number of employers who withdrew during the preceding plan year .....                                                                                                                                                             | <b>16a</b> |  |
|           | <b>b</b> If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers .....                                                                               | <b>16b</b> |  |
| <b>17</b> | If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. .... <input type="checkbox"/> |            |  |

|                |                                                                                                   |
|----------------|---------------------------------------------------------------------------------------------------|
| <b>Part VI</b> | <b>Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans</b> |
|----------------|---------------------------------------------------------------------------------------------------|

|           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|-----------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>18</b> | If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment .....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>19</b> | If the total number of participants is 1,000 or more, complete lines (a) through (c)<br><b>a</b> Enter the percentage of plan assets held as:<br>Stock: <u>12.0</u> % Investment-Grade Debt: <u>47.0</u> % High-Yield Debt: <u>3.0</u> % Real Estate: <u>3.0</u> % Other: <u>35.0</u> %<br><b>b</b> Provide the average duration of the combined investment-grade and high-yield debt:<br><input type="checkbox"/> 0-3 years <input checked="" type="checkbox"/> 3-6 years <input type="checkbox"/> 6-9 years <input type="checkbox"/> 9-12 years <input type="checkbox"/> 12-15 years <input type="checkbox"/> 15-18 years <input type="checkbox"/> 18-21 years <input type="checkbox"/> 21 years or more<br><b>c</b> What duration measure was used to calculate line 19(b)?<br><input checked="" type="checkbox"/> Effective duration <input type="checkbox"/> Macaulay duration <input type="checkbox"/> Modified duration <input type="checkbox"/> Other (specify): |

|                 |                                 |
|-----------------|---------------------------------|
| <b>Part VII</b> | <b>IRS Compliance Questions</b> |
|-----------------|---------------------------------|

|                                                                                                                                                                                                                                |                                                                                                                                                                                   |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>20a</b> Is the plan a 401(k) plan? If "No," skip b .....                                                                                                                                                                    | <input type="checkbox"/> Yes <input type="checkbox"/> No                                                                                                                          |
| <b>20b</b> How did the plan satisfy the nondiscrimination requirements for employee deferrals under section 401(k)(3) for the plan year? Check all that apply: .....                                                           | <input type="checkbox"/> Design-based safe harbor <input type="checkbox"/> "Prior year" ADP test<br><input type="checkbox"/> "Current year" ADP test <input type="checkbox"/> N/A |
| <b>21a</b> What testing method was used to satisfy the coverage requirements under section 410(b) for the plan year? Check all that apply: .....                                                                               | <input type="checkbox"/> Ratio percentage test <input type="checkbox"/> Average benefit test <input type="checkbox"/> N/A                                                         |
| <b>21b</b> Did the plan satisfy the coverage and nondiscrimination requirements of sections 410(b) and 401(a)(4) for the plan year by combining this plan with any other plan under the permissive aggregation rules? .....    | <input type="checkbox"/> Yes <input type="checkbox"/> No                                                                                                                          |
| <b>22a</b> If the plan is a master and prototype plan (M&P) or volume submitter plan that received a favorable IRS opinion letter or advisory letter, enter the date of the letter     /     /     and the serial number     . |                                                                                                                                                                                   |
| <b>22b</b> If the plan is an individually-designed plan that received a favorable determination letter from the IRS, enter the date of the most recent determination letter     /     /     .                                  |                                                                                                                                                                                   |

**BASF CORPORATION SALARIED  
EMPLOYEES' PENSION PLAN**

Financial Statements  
and Independent Auditor's Report

December 31, 2016 and 2015

**BASE CORPORATION SALARIED  
EMPLOYEES' PENSION PLAN**

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Note: All schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.

## Independent Auditor's Report

BASF Corporation as Plan Sponsor and Plan Administrator  
and Participants in the  
BASF Corporation Salaried Employees' Pension Plan

### *Report on the Financial Statements*

We were engaged to audit the accompanying financial statements of BASF Corporation Salaried Employees' Pension Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2016 and 2015, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the *Basis for Disclaimer of Opinion* paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

### *Basis for Disclaimer of Opinion*

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 7, which was certified by BNY Mellon, N.A., the Trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan Administrator that the Trustee holds the Plan's investment assets and executes investment transactions. The Plan Administrator has obtained a certification from the Trustee as of December 31, 2016 and 2015, and for the years then ended, that the information provided to the Plan Administrator by the Trustee is complete and accurate.

*Disclaimer of Opinion*

Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

*Report on Form and Content in Compliance with DOL Rules and Regulations*

The form and content of the information included in the financial statements, other than that derived from the information certified by the Trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

A handwritten signature in black ink that reads "CohnReznick LLP". The signature is written in a cursive, flowing style.

Roseland, New Jersey  
October 11, 2017

**BASF CORPORATION SALARIED  
EMPLOYEES' PENSION PLAN**

Statements of Net Assets Available for Benefits  
December 31, 2016 and 2015  
(In thousands)

|                                                                   | <u>2016</u>         | <u>2015</u>         |
|-------------------------------------------------------------------|---------------------|---------------------|
| Assets:                                                           |                     |                     |
| Investment in the BASF Corporation Master Trust,<br>at fair value | \$ 2,435,213        | \$ 2,453,744        |
| Contribution receivable                                           | <u>76,395</u>       | <u>51,300</u>       |
| Total assets                                                      | <u>2,511,608</u>    | <u>2,505,044</u>    |
| Liabilities:                                                      |                     |                     |
| Accrued administrative expenses                                   | <u>308</u>          | <u>372</u>          |
| Total liabilities                                                 | <u>308</u>          | <u>372</u>          |
| Net assets available for benefits                                 | <u>\$ 2,511,300</u> | <u>\$ 2,504,672</u> |

See accompanying notes to financial statements.

**BASF CORPORATION SALARIED  
EMPLOYEES' PENSION PLAN**

Statements of Changes in Net Assets Available for Benefits  
Years Ended December 31, 2016 and 2015  
(In thousands)

|                                                                   | <u>2016</u>                | <u>2015</u>                |
|-------------------------------------------------------------------|----------------------------|----------------------------|
| Additions:                                                        |                            |                            |
| Net investment gain (loss) from the BASF Corporation Master Trust | \$ 164,851                 | \$ (33,802)                |
| Contributions                                                     | <u>76,395</u>              | <u>51,300</u>              |
| Total additions                                                   | <u>241,246</u>             | <u>17,498</u>              |
| Deductions:                                                       |                            |                            |
| Benefits paid to participants                                     | 218,238                    | 213,213                    |
| Investment and administrative expenses                            | <u>16,511</u>              | <u>14,595</u>              |
| Total deductions                                                  | <u>234,749</u>             | <u>227,808</u>             |
| Net increase (decrease) before transfers                          | 6,497                      | (210,310)                  |
| Transfer in from merged plans                                     | <u>131</u>                 | <u>138</u>                 |
| Net increase (decrease)                                           | 6,628                      | (210,172)                  |
| Net assets available for benefits:                                |                            |                            |
| Beginning of year                                                 | <u>2,504,672</u>           | <u>2,714,844</u>           |
| End of year                                                       | \$ <u><u>2,511,300</u></u> | \$ <u><u>2,504,672</u></u> |

See accompanying notes to financial statements.

## **BASF CORPORATION SALARIED EMPLOYEES' PENSION PLAN**

Notes to Financial Statements  
December 31, 2016 and 2015  
(In thousands)

### **(1) Description of the Plan**

The following description of the BASF Corporation Salaried Employees' Pension Plan (the Plan) is provided for general information purposes only. Participants should refer to the Plan document for a more complete description of the provisions of the Plan and detailed definitions of various Plan terms.

BASF Corporation (the Sponsor) administers the Plan through its Pension and Savings Plan Committee (the Plan Administrator) under the authority of the Pension and Benefits Committee of the Sponsor's Board of Directors. The Plan has an agreement with BNY Mellon, N.A. (the Trustee) whereby substantially all of the assets of the Plan are held in the BASF Corporation Master Trust (the Master Trust). The Master Trust was established by the Sponsor and is administered by the Trustee. The trust fund distributes the benefits to participants in accordance with the provisions of the Plan. The assets of the Plan are managed by the Trustee and several investment managers of the Sponsor.

#### **a) General**

The Plan is a defined benefit pension plan providing retirement benefits to the Sponsor's eligible salaried and nonbargaining unit hourly employees of BASF Americas Corporation (the Company), or any of its subsidiaries or affiliates which have adopted the Plan. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

The Plan became effective January 1, 1987 and has been amended since that time.

Effective January 1, 2007, the Company has changed the eligibility requirements for both the pension and retiree medical benefit plans. Management-represented employees hired after December 31, 2006 will not be eligible to participate in any of the existing pension or postretirement medical plans. They will instead be eligible to participate in an enhanced defined contribution plan.

Effective January 1, 2010, the Company decided to curtail the Plan. Management-represented employees will instead be eligible to participate in an enhanced defined contribution plan. As a result, each active participant will not accrue any additional benefits under the Plan.

Effective June 30, 2011, accruals of all future benefits for active employees except for certain participants that were disabled on June 30, 2011 as defined by the Plan, were ceased for participants that formerly participated in the Cognis Corporation Retirement Plan (the Cognis Plan). No Cognis Plan employees shall become a participant in the Plan after June 30, 2011.

Transfers in represents transfers of investments from various Sponsor-related plans.

**BASF CORPORATION SALARIED  
EMPLOYEES' PENSION PLAN**

Notes to Financial Statements  
December 31, 2016 and 2015  
(In thousands)

***b) Sponsor Contributions***

The Plan is noncontributory on the part of the employees. The Company makes contributions to the Plan for certain salaried and nonbargaining unit hourly employees as are necessary on an actuarial basis to provide the Plan with assets sufficient to meet the benefits to be paid to Plan participants. The Company contributes such amounts as are necessary to meet or exceed the minimum funding requirements as prescribed by any applicable law. The Company contributed \$76,395 and \$51,300 for the Plan years ended December 31, 2016 and 2015, respectively. The Sponsor met or exceeded the minimum funding requirements of ERISA.

***c) Distributions***

Payment of retirement benefits to participants generally commences at age 65 or an earlier date for participants electing early retirement or terminating with vested rights to a Plan benefit. The benefit is based upon the participant's years of credited service and average compensation in the highest 36 consecutive calendar months during the last 120 calendar months of service.

The Plan provides the option to participants, beginning on January 1, 2000, to continue in the traditional version of the Plan or take part in a new cash balance arrangement within the Plan. Effective January 1, 2000, all participants starting employment after June 30, 1999 take part in the cash balance arrangement.

Participants retiring after December 31, 1999 have the choice of receiving their accrued benefit in the form of a lump-sum payment. Previously, retirees could receive benefits only as a monthly annuity. Each individual account is credited with an annual contribution based on the participant's age and years of vested service as of the last day of each month. Interest is credited to each participant's account, on a monthly basis, based on an average 30 year Treasury bond rate, as defined in the Plan document. These amendments were recognized in 1999 in the development of the pension cost and in 2000 for funding purposes.

Participants who are also employees of BASF Catalysts employees are subject to the following distribution terms: Participants who have completed five years of credited service are eligible for a benefit. The benefit is based on an employee's years of credited service, average monthly pay, and covered compensation. Normal retirement is at age 65. Early retirement is available at age 55 for participants whose age and credited service total is at least 65. Early retirement benefits are computed based on normal retirement benefits except that they are reduced as described in the Plan depending on the period of time that the early retirement date preceded the normal retirement date and if the participant was an employee prior to January 1, 2003.

## **BASF CORPORATION SALARIED EMPLOYEES' PENSION PLAN**

Notes to Financial Statements  
December 31, 2016 and 2015  
(In thousands)

The normal form of retirement benefit payment is a life annuity. However, if an employee is married on the date their benefit payments commence, their retirement benefit is paid in the form of a joint and survivor annuity – unless the member elects not to receive it in this form, and has obtained the spouse's written consent. There are also several optional forms of retirement benefit payments, all of which are actuarial equivalents to the life annuity. These optional forms of payment include: lump sum, level income option, 5, 10, 15, or 20 years period certain, 100%, 75%, 50%, and 25% contingency annuities and joint and survivor annuity with restoration options. Further details on these optional payment methods can be found in the Plan document.

Participants who are also BASF Construction Chemicals employees are subject to the following distribution terms: Under the Plan's cash balance formula, retirement benefits are equal to the sum of any operating cash balance account, cash balance credits for each pay period and interest credits. The Plan includes a grandfathered traditional formula for prior participants in the SKW Plan, as defined in the Plan. Grandfathered participants receive the higher of the benefit calculated under the Plan's traditional formula over the cash balance formula. The Plan permits early retirement at ages 55 through 64 provided that the participant has completed a certain amount of years of services as described in the Plan. Early retirement benefits under the traditional formula are computed as described above for normal retirement benefits except that they are reduced as described in the Plan depending on the period of time that the early retirement date preceded the normal retirement date.

The normal form of retirement benefit payment is a life annuity. However, if an employee is married on the date their benefit payments commence, their retirement benefit is paid in the form of a joint and survivor annuity – unless the member elects not to receive it in this form. Alternative forms of distribution may be elected, including a life annuity, 50%, 75%, 100% survivor options, 10 year period certain, and lump sum payment options.

Deferred retirement benefits under the traditional formula are computed as described above for normal retirement benefits except that they are reduced as described in the Plan depending on the period of time that the severance date preceded the participant's normal retirement or early retirement date. All benefit payments are limited by certain restrictions as defined by the Plan. Participants may elect different payment options as defined by the Plan.

Participants who were former Ciba Corporation employees are subject to the following distribution terms: Under the Plan's Pension Equity Plan (the PEP Plan) formula, which became effective January 1, 2001, the benefit is calculated as follows: for each year of a participant's pension service, the sum of Basic Credits based on age multiplied by the average compensation for the five consecutive years in which the employee has received the highest pay ("average earnings") plus the sum of Excess Credits also based on age multiplied by the average earnings. For grandfathered participants (eligible employees as of January 1,

**BASE CORPORATION SALARIED  
EMPLOYEES' PENSION PLAN**

Notes to Financial Statements  
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(In thousands)

2001), benefits accrue through December 31, 2006 under the pension formula in effect as of December 31, 2000. The greater of the PEP Plan lump sum and the actuarial equivalent of the grandfathered benefit shall be the participant's pension benefit. Under the PEP Plan, normal retirement benefits are based on the participant's credited years of service multiplied by the applicable benefit rate, less an adjustment for estimated Social Security benefits. The applicable benefit rate is a standard percentage multiplied by the average earnings.

Normal retirement age is the later of the participant's 65<sup>th</sup> birthday or the earlier of the date that the participant has completed 5 years of continuous service or the 5<sup>th</sup> anniversary of the participant's commencement of participation in the Plan. The normal form of retirement benefit payment is a life annuity. However, if an employee is married on the date their benefit payments commence, their retirement benefit is paid in the form of a joint and survivor annuity – unless the member elects not to receive it in this form, and has obtained the spouse's written consent. There are also several optional forms of retirement benefit payments, all of which are actuarial equivalents to the life annuity. These optional forms of payment include: 5, 10 or 15 years period certain, 100% and 50% contingency annuities, Social Security adjusted, lump sum, combination lump sum and annuity and survivor. Further details on these optional payment methods can be found in the Plan document.

Under the PEP Plan, if the participant employment is terminated prior to normal retirement but after completing 5 years of continuous services, the participants will receive their accrued benefit commencing on their normal retirement date. If the participant elects to receive the benefit prior to their normal retirement, the benefit will be reduced to its actuarial equivalent for early commencement. Under the grandfathered pension plan, early retirement benefits are available to a participant who has completed 5 years of continuous services, attained age 50 and whose age and credited service total is at least 65. If the participant elects benefits to commence on the early retirement date, benefits will be reduced by ¼% for each month prior to normal retirement date.

The Plan also provides permanent disability benefits and death benefits under certain circumstances.

Participants who were former Cognis Corporation employees are subject to the following distribution terms: Retirement benefits are equal to the participants past service benefits plus their future service benefits as defined by the Plan. Normal retirement is at age 65. Early retirement is available at age 55 for participants who have completed at least a five-year period of service. Early retirement benefits under the traditional formula are computed as described above for normal retirement benefits except that they are reduced as described in the Plan depending on the period of time that the early retirement date preceded age 62 for the past service benefits and age 65 for the future service benefit.

**BASF CORPORATION SALARIED  
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(In thousands)

The normal form of retirement benefit payment is a single life annuity. However, if an employee is married on the date their benefit payments commence, their retirement benefit is paid in the form of a qualified joint and survivor annuity – unless the member elects not to receive it in this form. Alternative forms of distribution may be elected, 50%, 75%, 100% survivor options and 10 year period certain.

The Plan also provides for disability benefits and death benefits under certain circumstances.

***d) Vesting***

Generally benefits become vested after 5 years of service to the Sponsor.

**(2) Summary of Significant Accounting Policies**

***a) Basis of Accounting***

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles in the United States of America (GAAP).

***b) Valuation of Investments***

The Plan's investment in the Master Trust has been presented at fair value, which has been determined based on the fair value of the underlying investments of the Master Trust. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See "Note 6 Fair Value Measurements" for discussion of fair value measurement.

***c) Security Transactions***

Purchases and sales of securities are recorded on a trade date basis. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

***d) Investment Income***

Dividend income is recorded on the ex-dividend date; interest is recorded as earned on the accrual basis.

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***e) Use of Estimates***

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, and the actuarial present value of accumulated plan benefits at the date of the financial statements, and changes therein. Actual results could differ from those estimates.

***f) Payment of Benefits***

Benefit payments to participants are recorded upon distribution.

***g) Administrative Costs***

All administrative expenses of the Master Trust, such as trustee, custodian and accounting services, are paid by the Master Trust and then allocated to the participating plans.

***h) Risk and Uncertainties***

The Plan utilizes various investment securities. Investment securities, in general, are exposed to various risks, such as interest rate risk, credit risk and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and those changes could materially affect the amounts reported in the financial statements.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimation and assumption processes, it is at least reasonably possible that changes in these estimates and assumptions in the near term could materially affect the amounts reported and disclosed in the financial statements.

***i) Accounting Changes***

In May 2015, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2015-07, *Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)*. ASU 2015-07 removes the requirement to categorize within the fair value hierarchy all investments for which fair value is measured using the net asset value per share practical expedient. ASU 2015-07 also removes the requirement to make certain disclosures for all investments that are eligible to be measured at fair value using the net

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asset value per share practical expedient. Rather, those disclosures are limited to investments for which the entity has elected to measure the fair value using that practical expedient. ASU 2015-07 is effective for fiscal years beginning after December 15, 2016. Management has elected to early adopt ASU 2015-07, and the pronouncement has been applied retrospectively.

***j) Reclassification***

Certain amounts in the 2015 financial statements have been reclassified to conform with the 2016 presentation.

***k) Subsequent Events***

The Plan has evaluated events through October 11, 2017, the date the financial statements were available to be issued.

**(3) Actuarial Present Value of Accumulated Plan Benefits**

Accumulated plan benefits are those future periodic payments, including lump-sum distributions, that are attributable under the Plan's provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. The accumulated plan benefits for active employees are based on the number of credited service years ending on the date the benefit information is presented (the valuation date).

Benefits payable under all circumstances (retirement, death, disability and termination of employment) are included to the extent they are deemed attributable to employee service rendered to the valuation date.

The significant actuarial assumptions used in determining the present value of accumulated plan benefits as of December 31, 2015 were as follows:

|                        |                                   |
|------------------------|-----------------------------------|
| Discount rate          | 7.20%                             |
| Mortality rate         | RP-2014 Mortality Table           |
| Actuarial cost method  | Projected Unit Credit Cost Method |
| Average retirement age | 62                                |

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of the accumulated plan benefits. The

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computations of the actuarial present value of accumulated plan benefits were made as of January 1, 2016. Had the valuations been performed as of December 31, there would be no material differences.

The actuarial present value of accumulated plan benefits, determined by Willis Towers Watson for 2015, is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, withdrawal, or retirement) between the valuation date and the expected date of payment.

The status of the estimated actuarially determined present value of the accumulated benefits under the Plan as of December 31, 2015 is:

**Vested benefits:**

|                                                           |                  |
|-----------------------------------------------------------|------------------|
| Participants / beneficiaries currently receiving payments | \$ 1,499,170     |
| Other participants                                        | <u>1,030,592</u> |
|                                                           | 2,529,762        |

|                                                            |                            |
|------------------------------------------------------------|----------------------------|
| Nonvested benefits                                         | <u>5,360</u>               |
| Total actuarial present value of accumulated plan benefits | <u><u>\$ 2,535,122</u></u> |

The changes in the actuarial present value of accumulated plan benefits were:

|                                                                              |                            |
|------------------------------------------------------------------------------|----------------------------|
| Actuarial present value of accumulated plan benefits as of January 1, 2015   | \$ 2,622,923               |
| Increase (decrease) attributable to:                                         |                            |
| Benefits accumulated                                                         | 1                          |
| Decrease in the discount period                                              | 176,269                    |
| Benefits paid                                                                | (213,213)                  |
| Assumption changes and plan amendments                                       | <u>(50,858)</u>            |
| Actuarial present value of accumulated plan benefits as of December 31, 2015 | <u><u>\$ 2,535,122</u></u> |

## **(4) Federal Income Tax Status**

The Internal Revenue Service has determined, and informed the Sponsor by letter dated November 4, 2016, that the Plan and the related trust are designed in accordance with applicable sections of the Internal Revenue Code (the Code). The Plan has been amended since receiving the determination letter. The Plan Administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with the

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applicable requirements of the Code. Accordingly, the Plan's financial statements do not include a provision for income taxes.

### **(5) Interest in the Master Trust**

The Plan has an agreement with the Trustee whereby substantially all the assets of the Plan are held in the Master Trust. The assets are maintained in a commingled account by the Trustee and are not separately identified as to ownership. The value of the Plan's interest in the Master Trust is based on the beginning of year value of the Plan's interest in the Master Trust plus actual contributions and allocated investment income less actual distributions and allocated administrative expenses. Investment income and administrative expenses relating to the Master Trust are allocated to the individual plans based upon average monthly balances invested by each plan. The Plan had a percentage interest in the Master Trust of approximately 82% and 83% as of December 31, 2016 and 2015, respectively.

As of December 31, 2016, the following benefit plans participated in the Master Trust:

Pension Plan for Hourly Employees of Louisville, Kentucky Facility  
Pension Plan for Hourly Employees of Vidalia, Louisiana Facility  
BASF Corporation Consolidated Bargaining Unit Employees' Pension Plan  
BASF Corporation Salaried Employees' Pension Plan  
Chemetall Corporation Retirement Plan

### **(6) Fair Value Measurements**

The FASB Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

- |         |                                                                                                                                                                                                      |
|---------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Level 1 | Quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities. The fair value hierarchy gives the highest priority to Level 1 inputs. |
| Level 2 | Observable prices that are based on inputs not quoted on active markets, but corroborated by market data.                                                                                            |

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Level 3            Unobservable inputs are used when little or no market data is available which are significant to the fair value measurements. The fair value hierarchy gives the lowest priority to Level 3 inputs.

In determining fair value, the Master Trust utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible, as well as considers counterparty credit risk in its assessment of fair value. Assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

The following is a description of the valuation methodologies used for assets at fair value. There have been no changes in the methodologies used at December 31, 2016 and 2015.

*Corporate Stocks:* Valued at the closing price reported on the active market on which the individual securities are traded.

*Money Market:* Valued at amortized cost, which approximates fair value.

*U.S. Government Securities:* Valued using pricing models maximizing the use of observable inputs for similar securities.

*Mutual Funds:* Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

*Corporate Debt:* Corporate bond securities traded on national securities exchanges are valued at the last reported sales price on the last business day of the year. Securities traded in the over-the-counter market and listed securities for which no sales were reported on that date are valued at the last reported bid price.

*Common/collective Trusts and 103-12 Investments:* The Plan's interest in the common/collective trusts and 103-12 investments are valued at the NAV. The NAV, as provided by the trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities.

*Real Estate and Partnerships/Joint Ventures:* The Plan's interest in real estate and partnerships/joint venture funds are valued at the NAV. The NAV, as provided by the investment advisor, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities.

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*Futures Contracts:* Valued at the last sale price (or, if there is no sale on the valuation day, bid price) in the market where such contracts are principally traded.

*Repurchase Agreements:* Short-term agreements to sell and buy back securities in the future which is valued based on the value of the underlying asset.

*Swap Agreements:* Valued based on the net present value of all estimated future cash flows. Swaps may be valued in terms of bond prices or as portfolio of forwards contracts.

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The following tables set forth by level, within the fair value hierarchy, the Master Trust's assets at fair value as of December 31, 2016 and 2015:

## **Assets at Fair Value as of December 31, 2016**

|                                             | <u>Level 1</u>    | <u>Level 2</u>      | <u>Level 3</u> | <u>Total</u>        |
|---------------------------------------------|-------------------|---------------------|----------------|---------------------|
| Common Stock                                | \$ 382,973        | \$ -                | \$ -           | \$ 382,973          |
| Preferred Stock                             | <u>7,331</u>      | <u>14,392</u>       | <u>-</u>       | <u>21,723</u>       |
| Total Corporate Stock                       | <u>390,304</u>    | <u>14,392</u>       | <u>-</u>       | <u>404,696</u>      |
| Corporate Debt                              | -                 | 593,113             | -              | 593,113             |
| Preferred Corporate Debt                    | -                 | 385,331             | -              | 385,331             |
| Government Securities                       | -                 | 554,920             | -              | 554,920             |
| Mutual Funds                                | 200,772           | -                   | -              | 200,772             |
| Money Market                                | -                 | 17,876              | -              | 17,876              |
| Other                                       | -                 | 87,726              | -              | 87,726              |
| Total assets in the fair value hierarchy    | <u>\$ 591,076</u> | <u>\$ 1,653,358</u> | <u>\$ -</u>    | <u>\$ 2,244,434</u> |
| Investments measured at net asset value (a) |                   |                     |                | <u>957,142</u>      |
| Total investments at fair value             |                   |                     |                | <u>\$ 3,201,576</u> |

## **Assets at Fair Value as of December 31, 2015**

|                                             | <u>Level 1</u>    | <u>Level 2</u>      | <u>Level 3</u> | <u>Total</u>        |
|---------------------------------------------|-------------------|---------------------|----------------|---------------------|
| Common Stock                                | \$ 354,001        | \$ -                | \$ -           | \$ 354,001          |
| Preferred Stock                             | <u>6,826</u>      | <u>11,503</u>       | <u>-</u>       | <u>18,329</u>       |
| Total Corporate Stock                       | <u>360,827</u>    | <u>11,503</u>       | <u>-</u>       | <u>372,330</u>      |
| Corporate Debt                              | -                 | 615,885             | 14             | 615,899             |
| Preferred Corporate Debt                    | -                 | 337,583             | -              | 337,583             |
| Government Securities                       | -                 | 488,497             | -              | 488,497             |
| Mutual Funds                                | 179,853           | -                   | -              | 179,853             |
| Money Market                                | -                 | 3,094               | -              | 3,094               |
| Other                                       | -                 | 67,491              | -              | 67,491              |
| Total assets in the fair value hierarchy    | <u>\$ 540,680</u> | <u>\$ 1,524,053</u> | <u>\$ 14</u>   | <u>\$ 2,064,747</u> |
| Investments measured at net asset value (a) |                   |                     |                | <u>959,711</u>      |
| Total investments at fair value             |                   |                     |                | <u>\$ 3,024,458</u> |

(a) In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the net assets of the Master Trust.

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The following tables set forth a summary of changes in the fair value of the Master Trust's Level 3 assets for the years ended December 31, 2016 and 2015:

**For the Year Ended December 31, 2016**

|                 | <b>Corporate Debt<br/>Instruments</b> |
|-----------------|---------------------------------------|
| Opening Balance | \$ 14                                 |
| Realized Loss   | (1,142)                               |
| Unrealized Gain | 1,128                                 |
| Closing Balance | <u>\$ -</u>                           |

**For the Year Ended December 31, 2015**

|                 | <b>Other</b> | <b>Corporate Debt<br/>Instruments</b> |
|-----------------|--------------|---------------------------------------|
| Opening Balance | \$ 89        | \$ 14                                 |
| Dispositions    | (124)        | -                                     |
| Realized Gain   | 117          | -                                     |
| Unrealized Loss | (82)         | -                                     |
| Closing Balance | <u>\$ -</u>  | <u>\$ 14</u>                          |

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The following table represents the Master Trust's investments with reported NAV at December 31, 2016:

|                                                                    | <u>Fair Value</u>  | <u>Unfunded<br/>Commitment</u> | <u>Redemption Frequency (If<br/>Currently Eligible)</u> | <u>Redemption Notice Period</u>                                     |
|--------------------------------------------------------------------|--------------------|--------------------------------|---------------------------------------------------------|---------------------------------------------------------------------|
| All Weather Portfolio                                              | \$ 99,928          | \$ -                           | Monthly                                                 | 5 business days                                                     |
| Bridgewater Pure Alpha Fund Ltd                                    | 44,834             | -                              | Monthly                                                 | 5 business days                                                     |
| Oaktree Expanded High Yield Fund                                   | 149,302            | -                              | Monthly                                                 | 10 business days                                                    |
| OCM Opportunities Fund III LP                                      | 369                | -                              | N/A                                                     | N/A                                                                 |
| Total 103-12 Investments                                           | <u>294,433</u>     | <u>-</u>                       |                                                         |                                                                     |
| <br>A&Q Diversified Neutral Alpha Limited                          | <br>17             | <br>-                          | <br>End of any calendar quarter                         | <br>Last business day of the first month<br>of such quarter         |
| CIF II Opportunistic Emerging Markets Debt<br>Portfolio (Series 1) | 141,102            | -                              | Daily liquidity                                         | Must be received by 4pm the day<br>prior to the settlement date     |
| Collective US Government STIF                                      | 80,282             | -                              | Daily liquidity                                         | N/A                                                                 |
| JPMorgan Commingled Pension                                        | 41,955             | -                              | Daily liquidity                                         | None                                                                |
| Pyramis Select International Fund                                  | 86,722             | -                              | Daily liquidity                                         | 5 business days                                                     |
| Sprucegrove US Intl Pooled Fund                                    | 89,249             | -                              | Monthly                                                 | 10 business days for withdrawals<br>over \$5 million                |
| Wellington Equity Research Trust                                   | 96,302             | -                              | Monthly                                                 | Must be received by the 22nd<br>calendar day of the preceding month |
| <br>Total Common/Collective Trust                                  | <br><u>535,629</u> | <br><u>-</u>                   |                                                         |                                                                     |
| <br>AEW Value Investors II, LP                                     | <br>1,424          | <br>-                          | <br>N/A                                                 | <br>N/A                                                             |
| AEW Value Investors LP                                             | 74                 | -                              | N/A                                                     | N/A                                                                 |
| Amaranth International Limited                                     | 204                | -                              | Liquidating failed hedge fund                           | Full redemption requested                                           |
| Ashmore Global Special Situations                                  | 1,592              | -                              | N/A                                                     | N/A                                                                 |
| Cerberus Institutional Real Estate Partners III, L.P.              | 29,370             | 7,307                          | N/A                                                     | N/A                                                                 |
| EIG Energy Fund XB, L.P.                                           | 131                | -                              | N/A                                                     | N/A                                                                 |
| EIG Energy Fund XIV-A, L.P.                                        | 2,673              | 690                            | N/A                                                     | N/A                                                                 |
| Fortress Credit Opps Fund B LP                                     | 14,053             | 2,029                          | N/A                                                     | N/A                                                                 |
| Galen Partners IV LP                                               | 1,051              | -                              | N/A                                                     | N/A                                                                 |
| GSO Capital Solutions Fund II                                      | 13,534             | 17,431                         | N/A                                                     | N/A                                                                 |
| Oaktree Real Estate Opportunities Fund VI, L.P.                    | 27,544             | 6,900                          | N/A                                                     | N/A                                                                 |
| RCG Longview Debt Fund IV LP                                       | 1,396              | 5,006                          | N/A                                                     | N/A                                                                 |
| Rockwood Capital Real Estate V                                     | 392                | -                              | N/A                                                     | N/A                                                                 |
| Rockwood Capital Real Estate VI                                    | 1,440              | -                              | N/A                                                     | N/A                                                                 |
| Rockwood Capital Real Estate VII                                   | 8,257              | -                              | N/A                                                     | N/A                                                                 |
| TPG Opportunities Partners II LP                                   | 14,966             | 11,842                         | N/A                                                     | N/A                                                                 |
| Total Partnership/Joint Ventures                                   | <u>118,101</u>     | <u>51,205</u>                  |                                                         |                                                                     |
| <br>PEG Secondary Fund                                             | <br>8,973          | <br>7,100                      | <br>N/A                                                 | <br>N/A                                                             |
| Rockwood Capital Real Estate IV                                    | 6                  | -                              | N/A                                                     | N/A                                                                 |
| Total Real Estate                                                  | <u>8,979</u>       | <u>7,100</u>                   |                                                         |                                                                     |
| Totals                                                             | <u>\$ 957,142</u>  | <u>\$ 58,305</u>               |                                                         |                                                                     |

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The following table represents the Master Trust's investments with reported NAV at December 31, 2015:

|                                                                    | Fair Value        | Unfunded<br>Commitment | Redemption Frequency (If<br>Currently Eligible) | Redemption Notice Period                                            |
|--------------------------------------------------------------------|-------------------|------------------------|-------------------------------------------------|---------------------------------------------------------------------|
| All Weather Portfolio                                              | \$ 90,741         | \$ -                   | Monthly                                         | 5 business days                                                     |
| Bridgewater Pure Alpha Fund Ltd                                    | 43,956            | -                      | Monthly                                         | 5 business days                                                     |
| Oaktree Expanded High Yield Fund                                   | 130,732           | -                      | Monthly                                         | 10 business days                                                    |
| OCM Opportunities Fund III LP                                      | 334               | -                      | N/A                                             | N/A                                                                 |
| Total 103-12 Investments                                           | <u>265,763</u>    | <u>-</u>               |                                                 |                                                                     |
| <br>A&Q Diversified Neutral Alpha Limited                          | <br>17            | <br>-                  | <br>End of any calendar quarter                 | <br>Last business day of the first month of<br>such quarter         |
| CIF II Opportunistic Emerging Markets Debt<br>Portfolio (Series 1) | 125,037           | -                      | Daily liquidity                                 | N/A                                                                 |
| Collective US Government STIF                                      | 108,904           | -                      | Daily liquidity                                 | N/A                                                                 |
| JPMorgan Commingled Pension                                        | 41,175            | -                      | Daily liquidity                                 | None                                                                |
| Pyramis Select International Fund                                  | 88,687            | -                      | Daily liquidity                                 | 5 business days                                                     |
| Sprucegrove US Intl Pooled Fund                                    | 79,761            | -                      | Monthly on first business day                   | 10 business days for withdrawals over<br>\$5 million                |
| Wellington Equity Research Trust                                   | 88,413            | -                      | Monthly                                         | Must be received by the 22nd calendar<br>day of the preceding month |
| Total Common/Collective Trust                                      | <u>531,994</u>    | <u>-</u>               |                                                 |                                                                     |
| <br>AEW Value Investors II, LP                                     | <br>2,765         | <br>-                  | <br>N/A                                         | <br>N/A                                                             |
| AEW Value Investors LP                                             | 2,177             | -                      | N/A                                             | N/A                                                                 |
| Amaranth International Limited                                     | 201               | -                      | Liquidating failed hedge fund                   | Full redemption requested                                           |
| Ashmore Global Special Situations                                  | 1,506             | -                      | N/A                                             | N/A                                                                 |
| Cerberus Institutional Real Estate Partners III, L.P.              | 34,681            | 3,651                  | N/A                                             | N/A                                                                 |
| EIG Energy Fund XB, L.P.                                           | 1,973             | -                      | N/A                                             | N/A                                                                 |
| EIG Energy Fund XIV-A, L.P.                                        | 7,820             | 1,397                  | N/A                                             | N/A                                                                 |
| Fortress Credit Opps Fund B LP                                     | 15,324            | 2,331                  | N/A                                             | N/A                                                                 |
| Galen Partners IV LP                                               | 882               | -                      | N/A                                             | N/A                                                                 |
| GSO Capital Solutions Fund II                                      | 7,211             | 23,606                 | N/A                                             | N/A                                                                 |
| Morgan Stanley Global Emerging                                     | 350               | 4,501                  | N/A                                             | N/A                                                                 |
| Oaktree Real Estate Opportunities Fund VI, L.P.                    | 33,081            | -                      | N/A                                             | N/A                                                                 |
| RCG Longview Debt Fund IV LP                                       | 3,034             | 15,338                 | N/A                                             | N/A                                                                 |
| Rockwood Capital Real Estate V                                     | 523               | -                      | N/A                                             | N/A                                                                 |
| Rockwood Capital Real Estate VI                                    | 8,519             | -                      | N/A                                             | N/A                                                                 |
| Rockwood Capital Real Estate VII                                   | 10,247            | -                      | N/A                                             | N/A                                                                 |
| TPG Opportunities Partners II LP                                   | 19,350            | 11,842                 | N/A                                             | N/A                                                                 |
| Total Partnership/Joint Ventures                                   | <u>149,644</u>    | <u>62,666</u>          |                                                 |                                                                     |
| <br>BASF Rockwood Capital Fund III                                 | <br>204           | <br>-                  | <br>N/A                                         | <br>N/A                                                             |
| PEG Secondary Fund                                                 | 11,902            | 7,100                  | N/A                                             | N/A                                                                 |
| Rockwood Capital Real Estate IV                                    | 6                 | -                      | N/A                                             | N/A                                                                 |
| Value Enhancement Fund II, LLC                                     | 198               | -                      | N/A                                             | N/A                                                                 |
| Total Real Estate                                                  | <u>12,310</u>     | <u>7,100</u>           |                                                 |                                                                     |
| Totals                                                             | <u>\$ 959,711</u> | <u>\$ 69,766</u>       |                                                 |                                                                     |

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**A&Q Diversified Neutral Alpha Limited** - This is the remaining portion not yet returned from a fully redeemed hedge fund. This investment can never be redeemed. Instead, the nature of the investment is that distributions are received through the liquidation of the underlying assets of the fund. If these investments were held, it is estimated that the underlying assets of the fund would be liquidated within 1 year.

**AEW Value Investors LP** - A real estate limited partnership that invests in commercial real estate. The strategy is to buy properties that need some "value add," such as increasing occupancy, making enhancements to reposition buildings, etc. This investment can never be redeemed. Instead, the nature of the investment is that distributions are received through the liquidation of the underlying assets of the fund. If these investments were held, it is estimated that the underlying assets of the fund would be liquidated within 1 year.

**AEW Value Investors II, LP** - A real estate limited partnership that invests in commercial real estate. The strategy is to buy properties that need some "value add," such as increasing occupancy, making enhancements to reposition buildings, etc. This investment can never be redeemed. Instead, the nature of the investment is that distributions are received through the liquidation of the underlying assets of the fund. If these investments were held, it is estimated that the underlying assets of the fund would be liquidated within 1 year.

**Amaranth International Limited** - A failed hedge fund. Highly levered investments in energy brought the fund down in 2006. BASF requested full redemption of the remaining investment in 2006. Less than \$1 million remains to be paid to the BASF Pension Trust.

**Ashmore Global Special Situations** - The fund invests in emerging market private equity. This investment can never be redeemed. Instead, the nature of the investment is that distributions are received through the liquidation of the underlying assets of the fund. If these investments were held, it is estimated that the underlying assets of the fund would be liquidated within 1 year.

**Cerberus Institutional Real Estate Partners III, L.P.** - A real estate limited partnership that invests in commercial real estate. The strategy is to buy properties that need some "value add," such as increasing occupancy, making enhancements to reposition buildings, etc. This investment can never be redeemed. Instead, the nature of the investment is that distributions are received through the liquidation of the underlying assets of the fund. If these investments were held, it is estimated that the underlying assets of the fund would be liquidated within 7 years.

**EIG Energy Fund XB, L.P.** - A fund that provides debt financing to oil, gas and other energy producers with proven reserves. Return on investment is interest on debt as well as royalties, if investments perform well. This investment can never be redeemed. Instead, the nature of the investment is that distributions are received through the liquidation of the underlying

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assets of the fund. If these investments were held, it is estimated that the underlying assets of the fund would be liquidated within 1 year.

**EIG Energy Fund XIV-A, L.P.** - A fund that provides debt financing to oil, gas and other energy producers with proven reserves. Return on investment is interest on debt as well as royalties, if investments perform well. This investment can never be redeemed. Instead, the nature of the investment is that distributions are received through the liquidation of the underlying assets of the fund. If these investments were held, it is estimated that the underlying assets of the fund would be liquidated within 3 years.

**Fortress Credit Opps Fund B LP** - The fund invests in distressed debt - residential and commercial mortgages, commercial debt, etc. This investment can never be redeemed. Instead, the nature of the investment is that distributions are received through the liquidation of the underlying assets of the fund. If these investments were held, it is estimated that the underlying assets of the fund would be liquidated within 2 years.

**Galen Partners IV LP** - A fund which invests in mid-stage medical equipment private equity. This investment can never be redeemed. Instead, the nature of the investment is that distributions are received through the liquidation of the underlying assets of the fund. If these investments were held, it is estimated that the underlying assets of the fund would be liquidated within 1 year.

**GSO Capital Solutions Fund II** - This is a limited partnership that will provide debt to small, below investment grade companies. This investment can never be redeemed. Instead, the nature of the investment is that distributions are received through the liquidation of the underlying assets of the fund. If these investments were held, it is estimated that the underlying assets of the fund would be liquidated within 7 years.

**Morgan Stanley Global Emerging** - A fund which invested in private equity (buyouts, etc.) in emerging markets. This fund dates to 1998 and is fully liquidated. This investment can never be redeemed. Instead, the nature of the investment is that distributions are received through the liquidation of the underlying assets of the fund. This fund has been wrapped up.

**Oaktree Real Estate Opportunities Fund VI, LP** - A real estate limited partnership that invests in commercial real estate. The strategy is to buy properties that need some "value add," such as increasing occupancy, making enhancements to reposition buildings, etc. This investment can never be redeemed. Instead, the nature of the investment is that distributions are received through the liquidation of the underlying assets of the fund. If these investments were held, it is estimated that the underlying assets of the fund would be liquidated within 7 years.

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**PEG Secondary Fund** - A fund which buys limited partnership interests from distressed sellers such as endowment funds, which have over invested in illiquid investments. This investment can never be redeemed. Instead, the nature of the investment is that distributions are received through the liquidation of the underlying assets of the fund. If these investments were held, it is estimated that the underlying assets of the fund would be liquidated within 5 years.

**RCG Longview Debt Fund IV LP** - This fund provides subordinate financing (mezzanine debt) to commercial real estate investors, mainly in the New York metro area. This investment can never be redeemed. Instead, the nature of the investment is that distributions are received through the liquidation of the underlying assets of the fund. If these investments were held, it is estimated that the underlying assets of the fund would be liquidated within 1 year.

**Rockwood Capital Real Estate V** - A real estate limited partnership that invests in commercial real estate. The strategy is to buy properties that need some "value add," such as increasing occupancy, making enhancements to reposition buildings, etc. This investment can never be redeemed. Instead, the nature of the investment is that distributions are received through the liquidation of the underlying assets of the fund. If these investments were held, it is estimated that the underlying assets of the fund would be liquidated within 1 year.

**Rockwood Capital Real Estate VI** - A real estate limited partnership that invests in commercial real estate. The strategy is to buy properties that need some "value add," such as increasing occupancy, making enhancements to reposition buildings, etc. This investment can never be redeemed. Instead, the nature of the investment is that distributions are received through the liquidation of the underlying assets of the fund. If these investments were held, it is estimated that the underlying assets of the fund would be liquidated within 1 year.

**Rockwood Capital Real Estate VII** - A real estate limited partnership that invests in commercial real estate. The strategy is to buy properties that need some "value add," such as increasing occupancy, making enhancements to reposition buildings, etc. This investment can never be redeemed. Instead, the nature of the investment is that distributions are received through the liquidation of the underlying assets of the fund. If these investments were held, it is estimated that the underlying assets of the fund would be liquidated within 2 years.

**Rockwood Capital Real Estate IV** - A fully liquidated real estate limited partnership that invested in commercial real estate.

**BASF Rockwood Capital Fund III** - A real estate limited partnership that invests in commercial real estate. The strategy is to buy properties that need some "value add," such as increasing occupancy, making enhancements to reposition buildings, etc. This investment

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can never be redeemed. Instead, the nature of the investment is that distributions are received through the liquidation of the underlying assets of the fund. This fund is completely wrapped up.

**TPG Opportunities Partners II LP** - The fund invests in distressed debt - residential and commercial mortgages, commercial debt, etc. This investment can never be redeemed. Instead, the nature of the investment is that distributions are received through the liquidation of the underlying assets of the fund. If these investments were held, it is estimated that the underlying assets of the fund would be liquidated within 5 years.

**Value Enhancement Fund II, LLC** - A real estate limited partnership that invests in commercial real estate. The strategy is to buy properties that need some "value add," such as increasing occupancy, making enhancements to reposition buildings, etc. This investment can never be redeemed. Instead, the nature of the investment is that distributions are received through the liquidation of the underlying assets of the fund. This fund has been fully wound down.

**(7) Certification by the Plan Trustee (Unaudited)**

The Plan Administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulation for Reporting and Disclosure under ERISA. Investments at December 31, 2016 and 2015, and investment income for the years then ended, that are disclosed in the accompanying financial statements, were obtained or derived from information supplied to the Plan Administrator and certified as complete and accurate by the Trustee of the Plan.

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Information regarding the commingled assets of the Master Trust as of December 31, 2016 and 2015, certified by the Trustee, is summarized as follows:

|                                                                            | <b>Unaudited</b>         |                          |
|----------------------------------------------------------------------------|--------------------------|--------------------------|
|                                                                            | <b>December 31, 2016</b> | <b>December 31, 2015</b> |
| Investments:                                                               |                          |                          |
| Interest Bearing Cash                                                      | \$ 17,876                | \$ 3,094                 |
| U.S. Government Securities (includes securities on loan of \$251 and \$0)  | 554,920                  | 488,497                  |
| Corporate Debt Instruments (includes securities on loan of \$0 and \$121): |                          |                          |
| Preferred                                                                  | 385,331                  | 337,583                  |
| All Other                                                                  | 593,113                  | 615,899                  |
| Corporate Stocks (includes securities on loan of \$730 and \$864):         |                          |                          |
| Preferred                                                                  | 21,723                   | 18,329                   |
| Common                                                                     | 382,973                  | 354,001                  |
| Partnership/Joint Venture Interests                                        | 118,101                  | 149,644                  |
| Real Estate                                                                | 8,979                    | 12,310                   |
| Common/Collective Trusts                                                   | 535,629                  | 531,994                  |
| 103-12 Investment Entities                                                 | 294,433                  | 265,763                  |
| Mutual Funds                                                               | 200,772                  | 179,853                  |
| Other                                                                      | 87,726                   | 67,491                   |
| Investment of securities lending collateral                                | 1,009                    | 1,009                    |
| Total Investments                                                          | <u>3,202,585</u>         | <u>3,025,467</u>         |
| Receivables:                                                               |                          |                          |
| Other                                                                      | 84,930                   | 87,849                   |
| Liabilities:                                                               |                          |                          |
| Other                                                                      | (327,705)                | (154,736)                |
| Payable for collateral on securities loaned                                | (1,009)                  | (1,009)                  |
| Total Net Assets of Master Trust                                           | <u>\$ 2,958,801</u>      | <u>\$ 2,957,571</u>      |
| Plan's Investment in the Master Trust                                      | \$ 2,435,213             | \$ 2,453,744             |
| Plan's Investment in the Master Trust as a percentage of total             | 82.30%                   | 82.96%                   |

The Master Trust assets include limited investments in derivative financial instruments. These investments are in accordance with guidelines established by the Sponsor. Such contracts are entered into to manage market risks associated with the Master Trust's investment portfolio, to lower transaction costs or to enhance returns on investments in the Master Trust. The Master Trust does not enter into any leverage or complex derivative instruments.

The Master Trust enters into a securities lending program with the Trustee in its corporate capacity as a lending agent. The program allows the Trustee to loan securities, which are assets of the Master Trust, to approved brokers (the Borrowers). The Trustee requires

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Borrowers, pursuant to a security loan agreement, to deliver collateral to secure each loan. The collateral is required to equal at least 102% of the fair value of U.S. securities borrowed and 105% for non-U.S. securities borrowed. The Master Trust bears the risk of loss with respect to the unfavorable change in fair value of the invested cash collateral. However, the Borrower bears the risk of loss related to the decrease in the fair value of the securities collateral and, therefore, will have to deliver additional securities to maintain the required collateral. In the event of default by the Borrowers, the Trustee shall indemnify the Master Trust by purchasing replacement securities equal to the number of unreturned loaned securities or, if replacement securities are not able to be purchased, the Trustee shall credit the Master Trust for the market value of the unreturned securities. In each case, the Trustee would apply the proceeds from the collateral for such a loan to make the Master Trust whole.

The market value of the securities on loan to Borrowers at December 31, 2016 and 2015 was \$981 and \$985, respectively. Cash collateral of \$1,009 was received for securities on loan at December 31, 2016 and 2015, and was invested in the Collateral Fund, which is a fund affiliated with the Trustee. The Master Trust may not repledge or relend the noncash collateral. A portion of the income generated upon investment of cash collateral is remitted to the Borrowers, and the remainder is allocated between the Master Trust and the Trustee in its capacity as a security agent. Securities lending income allocated to the Master Trust amounted to \$31 and \$39 for 2016 and 2015, respectively. Securities lending income allocated to the Trustee amounted to \$17 and \$21 for 2016 and 2015, respectively.

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Changes in net assets for the Master Trust are as follows:

|                                   | <b>Unaudited</b> |              |
|-----------------------------------|------------------|--------------|
|                                   | <b>2016</b>      | <b>2015</b>  |
| Net appreciation (depreciation)   | \$ 126,702       | \$ (117,523) |
| Interest income                   | 53,707           | 57,677       |
| Dividend income                   | 27,231           | 25,053       |
| Total investment income (loss)    | 207,640          | (34,793)     |
| Net transfers                     | (187,836)        | (154,182)    |
| Administrative expenses           | (18,574)         | (15,767)     |
| Increase (decrease) in net assets | 1,230            | (204,742)    |
| Net assets:                       |                  |              |
| Beginning of year                 | 2,957,571        | 3,162,313    |
| End of year                       | \$ 2,958,801     | \$ 2,957,571 |

**(8) Party-in-Interest Transactions**

Certain Plan investments are shares or units of funds managed by BNY Mellon, N.A., the Plan's Trustee, as of December 31, 2016 and 2015. Transactions in these funds qualify as permitted party-in-interest transactions.

**(9) Plan Termination**

Although it has not expressed any intention to do so, the Company has the right under the Plan, in certain circumstances, to discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA. In the event that the Plan is terminated, the net assets of the Plan will be allocated for payment of Plan benefits to the participants in an order of priority determined in accordance with ERISA, applicable regulations thereunder and the Plan document.

Certain benefits under the Plan are insured by the Pension Benefit Guaranty Corporation (PBGC) if the Plan terminates. Generally, the PBGC guarantees most vested normal-age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination subject to a statutory ceiling on the amount of an individual's monthly benefit.

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Whether all participants receive their benefits should the Plan be terminated at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide those benefits, the priority of those benefits to be paid, and the level and type of benefits guaranteed by the PBGC at that time. Some benefits may be fully or partially provided for by the then existing assets and the PBGC guaranty while other benefits may not be provided for at all.

**(10) Reconciliation of Financial Statements to Form 5500**

The following is a reconciliation of certain line items on the statement of changes in net assets available for benefits per the financial statements for the year ended December 31, 2016 to Form 5500:

|                                                               | <b>Per Financial<br/>Statements</b> | <b>Reclass for<br/>Form 5500<br/>Purposes</b> | <b>Per Form<br/>5500</b> |
|---------------------------------------------------------------|-------------------------------------|-----------------------------------------------|--------------------------|
| Net investment gain (loss) from BASF Corporation Master Trust | \$ 164,851                          | \$ (16,511)                                   | \$ 148,340               |
| Administrative fees                                           | 16,511                              | (16,511)                                      | -                        |

Schedule SB Attachments (Form 5500) – 2016 Plan Year  
Schedule SB, Line 26 - Schedule of Active Participant Data  
BASF Corporation Salaried Employees' Pension Plan  
EIN: 16-1090809 PN: 001

**Analysis of Active Participant Data by Age and Service - BASF Corporation Salaried Employees' Pension Plan**  
**Traditional Participants**

| Attained Age     | COMPLETED YEARS OF SERVICE |        |         |        |        |         |         |         |         |         |
|------------------|----------------------------|--------|---------|--------|--------|---------|---------|---------|---------|---------|
|                  | Under 1                    | 1-4    | 5-9     | 10-14  | 15-19  | 20-24   | 25-29   | 30-34   | 35-39   | 40 & up |
| Under 25         | 0                          | 0      | 0       | 0      | 0      | 0       | 0       | 0       | 0       | 0       |
| Number           |                            |        |         |        |        |         |         |         |         |         |
| Average Earnings |                            |        |         |        |        |         |         |         |         |         |
| 25-29            | 1                          | 1      | 0       | 0      | 0      | 0       | 0       | 0       | 0       | 0       |
| Number           |                            |        |         |        |        |         |         |         |         |         |
| Average Earnings |                            |        |         |        |        |         |         |         |         |         |
| 30-34            | 6                          | 23     | 5       | 4      | 1      | 0       | 0       | 0       | 0       | 0       |
| Number           |                            |        |         |        |        |         |         |         |         |         |
| Average Earnings |                            | 67,902 |         |        |        |         |         |         |         |         |
| 35-39            | 3                          | 36     | 34      | 36     | 33     | 1       | 0       | 0       | 0       | 0       |
| Number           |                            |        |         |        |        |         |         |         |         |         |
| Average Earnings |                            | 68,709 | 76,697  | 69,049 | 66,030 |         |         |         |         |         |
| 40-44            | 2                          | 47     | 46      | 99     | 79     | 27      | 0       | 0       | 0       | 0       |
| Number           |                            |        |         |        |        |         |         |         |         |         |
| Average Earnings |                            | 70,135 | 85,187  | 73,303 | 70,494 | 74,443  |         |         |         |         |
| 45-49            | 3                          | 56     | 49      | 117    | 170    | 84      | 40      | 6       | 0       | 0       |
| Number           |                            |        |         |        |        |         |         |         |         |         |
| Average Earnings |                            | 72,214 | 81,857  | 75,774 | 81,073 | 75,746  | 82,373  |         |         |         |
| 50-54            | 1                          | 52     | 56      | 106    | 206    | 216     | 100     | 48      | 12      | 1       |
| Number           |                            |        |         |        |        |         |         |         |         |         |
| Average Earnings |                            | 74,488 | 82,287  | 76,755 | 84,650 | 98,523  | 87,769  | 72,178  |         |         |
| 55-59            | 2                          | 35     | 43      | 84     | 175    | 209     | 185     | 102     | 62      | 12      |
| Number           |                            |        |         |        |        |         |         |         |         |         |
| Average Earnings |                            | 72,021 | 82,670  | 82,208 | 86,347 | 102,795 | 104,307 | 97,985  | 79,341  |         |
| 60-64            | 1                          | 19     | 20      | 62     | 111    | 112     | 107     | 120     | 63      | 43      |
| Number           |                            |        |         |        |        |         |         |         |         |         |
| Average Earnings |                            |        | 102,032 | 84,068 | 91,851 | 97,147  | 94,628  | 106,072 | 105,059 | 71,769  |
| 65-69            | 0                          | 4      | 8       | 22     | 28     | 31      | 23      | 34      | 17      | 10      |
| Number           |                            |        |         |        |        |         |         |         |         |         |
| Average Earnings |                            |        |         | 90,626 | 95,493 | 104,357 | 134,531 | 103,746 |         |         |
| 70 & up          | 0                          | 1      | 1       | 2      | 5      | 4       | 1       | 2       | 1       | 9       |
| Number           |                            |        |         |        |        |         |         |         |         |         |
| Average Earnings |                            |        |         |        |        |         |         |         |         |         |

AVERAGE AGE = 54.1

AVERAGE SERVICE = 19.7

\* Does not include 2 active employees who have transferred within BASF and are no longer accruing benefits under this plan

Schedule SB Attachments (Form 5500) – 2016 Plan Year  
Schedule SB, Line 26 - Schedule of Active Participant Data  
BASF Corporation Salaried Employees' Pension Plan  
EIN: 16-1090809 PN: 001

**Analysis of Active Participant Data by Age and Service - BASF Corporation Salaried Employees' Pension Plan**  
**Cash Balance Participants**

| Attained Age |                      | COMPLETED YEARS OF SERVICE |        |         |         |         |                        |         |       |       |         |
|--------------|----------------------|----------------------------|--------|---------|---------|---------|------------------------|---------|-------|-------|---------|
|              |                      | Under 1                    | 1-4    | 5-9     | 10-14   | 15-19   | 20-24                  | 25-29   | 30-34 | 35-39 | 40 & up |
| Under 25     | Number               | 0                          | 0      | 0       | 0       | 0       | 0                      | 0       | 0     | 0     | 0       |
|              | Average Cash Balance |                            |        |         |         |         |                        |         |       |       |         |
| 25-29        | Number               | 0                          | 2      | 0       | 0       | 0       | 0                      | 0       | 0     | 0     | 0       |
|              | Average Cash Balance |                            |        |         |         |         |                        |         |       |       |         |
| 30-34        | Number               | 0                          | 61     | 8       | 0       | 0       | 0                      | 0       | 0     | 0     | 0       |
|              | Average Cash Balance |                            | 9,846  |         |         |         |                        |         |       |       |         |
| 35-39        | Number               | 0                          | 83     | 139     | 32      | 0       | 0                      | 0       | 0     | 0     | 0       |
|              | Average Cash Balance |                            | 12,919 | 30,677  | 43,396  |         |                        |         |       |       |         |
| 40-44        | Number               | 0                          | 109    | 176     | 127     | 30      | 0                      | 0       | 0     | 0     | 0       |
|              | Average Cash Balance |                            | 18,319 | 39,936  | 54,994  | 76,124  |                        |         |       |       |         |
| 45-49        | Number               | 0                          | 95     | 222     | 156     | 125     | 46                     | 0       | 0     | 0     | 0       |
|              | Average Cash Balance |                            | 22,182 | 50,896  | 71,721  | 90,934  | 106,099                |         |       |       |         |
| 50-54        | Number               | 0                          | 77     | 216     | 127     | 149     | 177                    | 23      | 3     | 0     | 0       |
|              | Average Cash Balance |                            | 26,141 | 62,038  | 89,022  | 108,628 | 147,431                | 170,747 |       |       |         |
| 55-59        | Number               | 0                          | 66     | 222     | 96      | 84      | 142                    | 53      | 17    | 0     | 0       |
|              | Average Cash Balance |                            | 30,576 | 87,654  | 114,776 | 128,892 | 176,672                | 228,251 |       |       |         |
| 60-64        | Number               | 0                          | 31     | 150     | 54      | 59      | 59                     | 20      | 11    | 4     | 3       |
|              | Average Cash Balance |                            | 30,893 | 102,873 | 129,757 | 145,177 | 213,249                | 248,900 |       |       |         |
| 65-69        | Number               | 0                          | 5      | 36      | 13      | 10      | 5                      | 3       | 0     | 1     | 0       |
|              | Average Cash Balance |                            |        | 120,086 |         |         |                        |         |       |       |         |
| 70 & up      | Number               | 0                          | 0      | 3       | 2       | 0       | 0                      | 0       | 0     | 0     | 0       |
|              | Average Cash Balance |                            |        |         |         |         |                        |         |       |       |         |
|              |                      | AVERAGE AGE = 51.2         |        |         |         |         | AVERAGE SERVICE = 12.1 |         |       |       |         |

## Actuarial Assumptions and Methods — Salaried Plan (Contributions)

### Economic Assumptions

Interest rate basis:

- Applicable month
- Yield curve basis

September 2015

Segment rates

Interest rates:

Reflecting Corridors

Not Reflecting Corridors

|                           |       |       |
|---------------------------|-------|-------|
| ■ First segment rate      | 4.43% | 1.34% |
| ■ Second segment rate     | 5.91% | 4.03% |
| ■ Third segment rate      | 6.65% | 5.06% |
| ■ Effective interest rate | 6.01% | 4.21% |

Interest crediting rate

3.50%

Annual rates of increase

|                                                        |       |
|--------------------------------------------------------|-------|
| ■ Pensionable earnings (weighted average) <sup>1</sup> | N/A   |
| ■ Future Social Security wage bases                    | 3.00% |
| ■ Statutory limits on compensation and benefits        | N/A   |

<sup>1</sup> Service and pay accruals are frozen for all of the BASF Corporation Salaried Plans.

Schedule SB Attachments (Form 5500) – 2016 Plan Year  
Schedule SB, Part V – Statement of Actuarial Assumptions and Methods  
BASF Corporation Salaried Employees' Pension Plan  
EIN: 16-1090809 PN: 001

### Demographic Assumptions

New or rehired employees      It was assumed there will be no new or rehired employees.

Mortality

■ Healthy      Separate rates for non-annuitants (based on RP-2000 "Employees" table without collar or amount adjustments, with generational projection) and annuitants (based on RP-2000 "Healthy Annuitants" table without collar or amount adjustments, with generational projection).

■ Disabled      Alternative disabled life mortality tables as defined under Revenue Ruling 96-7.

Termination      Rates varying by age and service:

| <i>Age</i> | <i>Rate</i> |
|------------|-------------|
| 25         | 10.0%       |
| 30         | 10.0%       |
| 35         | 7.0%        |
| 40         | 7.0%        |
| 45         | 5.0%        |
| 50         | 5.0%        |
| 55         | 5.0%        |

Schedule SB Attachments (Form 5500) – 2016 Plan Year  
Schedule SB, Part V – Statement of Actuarial Assumptions and Methods  
BASF Corporation Salaried Employees' Pension Plan  
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|            |                                |                                                    |                                  |
|------------|--------------------------------|----------------------------------------------------|----------------------------------|
| Disability | SOA 1980 rates of disability.  |                                                    |                                  |
| Retirement | Rates varying by age and plan: |                                                    |                                  |
|            | <i>Age</i>                     | <i>Traditional Formulas<br/>and Pension Equity</i> | <i>Cash Balance<br/>Formulas</i> |
|            | 55                             | 10.00%                                             | 5.00%                            |
|            | 56                             | 7.50%                                              | 6.00%                            |
|            | 57                             | 7.50%                                              | 7.00%                            |
|            | 58                             | 7.50%                                              | 8.00%                            |
|            | 59                             | 7.50%                                              | 9.00%                            |
|            | 60                             | 11.25%                                             | 10.00%                           |
|            | 61                             | 11.25%                                             | 10.00%                           |
|            | 62                             | 18.75%                                             | 15.00%                           |
|            | 63                             | 15.00%                                             | 15.00%                           |
|            | 64                             | 15.00%                                             | 15.00%                           |
|            | 65                             | 30.00%                                             | 20.00%                           |
|            | 66                             | 30.00%                                             | 20.00%                           |
|            | 67                             | 30.00%                                             | 20.00%                           |
|            | 68                             | 30.00%                                             | 20.00%                           |
|            | 69                             | 30.00%                                             | 20.00%                           |
|            | 70                             | 100.00%                                            | 100.00%                          |

Benefit commencement age for  
deferred vested participants

- Cash Balance Formulas Age 55 or immediate if older than age 55 at actuarial valuation date
- Pension Equity Formulas Age 57 or immediate if older than age 57 at actuarial valuation date
- All Other Formulas Age 61 or immediate if older than age 61 at actuarial valuation date

Schedule SB Attachments (Form 5500) – 2016 Plan Year  
Schedule SB, Part V – Statement of Actuarial Assumptions and Methods  
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**Form of payment:**

- BASF Corporation

Either annuity or single lump sum based on age and type of benefit.

For death and termination benefits including for terminated employees with deferred vested benefits: 90% of participants in the cash balance plan are assumed to elect a lump sum payable upon the later of the attainment of age 55 and decrement and 10% are assumed to elect an annuity payable at age 55.

Participants in the traditional plan are assumed to commence benefits upon the later of decrement and attainment of age 61 with 35% electing a lump sum and 65% electing an annuity.

For retirement benefits and disabled benefits for employees over age 55, participants in the traditional plan are assumed to elect lump sums based on age at decrement as follows:

|            |                 |                 |
|------------|-----------------|-----------------|
| <i>Age</i> | <i>Lump Sum</i> | <i>Annuity*</i> |
| 55 +       | 35%             | 65%             |

\* A married participant is assumed to elect a single life annuity 40% of the time and a 50% contingent annuity the remaining 60% of the time

For retirement benefits and disabled benefits for employees over age 55, participants in the cash balance plan are assumed to elect lump sums based on age at decrement as follows:

|            |                 |                 |
|------------|-----------------|-----------------|
| <i>Age</i> | <i>Lump Sum</i> | <i>Annuity*</i> |
| 55+        | 90%             | 10%             |

\* A married participant is assumed to elect a single life annuity 40% of the time and a 50% contingent annuity the remaining 60% of the time

For participants assumed to elect an annuity form of payment, the table below shows full detail on the percentage of participants assumed to elect each of the available optional forms available under the plan.

| Form of Payment                        | Single | Married |
|----------------------------------------|--------|---------|
| Single Life Annuity                    | 100%   | 40%     |
| 50% Contingent Annuity (QJSA)          | 0%     | 60%     |
| 75% Contingent Annuity                 | 0%     | 0%      |
| 100% Contingent Annuity                | 0%     | 0%      |
| 66 2/3% Contingent Annuity             | 0%     | 0%      |
| 10 year certain and continuous Annuity | 0%     | 0%      |
| 5 year certain and continuous Annuity  | 0%     | 0%      |

Since all annuity forms are actuarially equivalent, no explicit assumption is made for annuity forms other than the Single Life Annuity and 50% Contingent Annuity Option (QJSA).

Schedule SB Attachments (Form 5500) – 2016 Plan Year

Schedule SB, Part V – Statement of Actuarial Assumptions and Methods

BASF Corporation Salaried Employees' Pension Plan

EIN: 16-1090809 PN: 001

■ BASF Construction Chemicals

For participants leaving active service due to retirement, death, disability, or pre-retirement withdrawal,

- 85% of Former SKW-MBT participants are assumed to elect a lump sum and the remaining 15% are assumed to elect an annuity form of payment. Benefits are assumed to commence upon termination.
- 95% of Former ChemRex employees and Construction Chemicals employees hired after January 1, 2002 are assumed to elect a lump sum upon commencement and the remaining 5% are assumed to elect an annuity form of payment.

For all currently inactive participants who have not begun to receive any benefits, it is assumed that they will elect a form of payment consistent with the above, but defer payment until age 61.

If the SKW Plan Minimum is payable due to pre-retirement death, the lump sum component of the SKW Plan Minimum equal to one year base pay is payable as a lump sum regardless of the form of benefit elected for the remainder of the benefit.

For participants assumed to elect an annuity form of payment, the table below shows full detail on the percentage of participants assumed to elect each of the available optional forms available under the plan.

| Form of Payment                        | Single | Married |
|----------------------------------------|--------|---------|
| Single Life Annuity                    | 100%   | 40%     |
| 50% Contingent Annuity (QJSA)          | 0%     | 60%     |
| 100% Contingent Annuity                | 0%     | 0%      |
| 75% Contingent Annuity                 | 0%     | 0%      |
| 10 year certain and continuous Annuity | 0%     | 0%      |

Since all annuity forms are actuarially equivalent, no explicit assumption is made for annuity forms other than the Single Life Annuity and 50% Contingent Annuity Option (QJSA).

Schedule SB Attachments (Form 5500) – 2016 Plan Year

Schedule SB, Part V – Statement of Actuarial Assumptions and Methods

BASF Corporation Salaried Employees' Pension Plan

EIN: 16-1090809 PN: 001

■ BASF Catalysts

For participants leaving active service due to retirement, disability, or pre-retirement withdrawal, 55% are assumed to elect a lump sum upon commencement and the remaining 45% are assumed to elect an annuity form of payment. The beneficiaries of participants leaving active service due to pre-retirement death are assumed to take an annuity form of payment.

For all currently inactive participants who have not begun to receive any benefits, it is assumed that they will elect a form of payment consistent with the above, but defer payment until age 61.

For participants assumed to elect an annuity form of payment, the table below shows full detail on the percentage of participants assumed to elect each of the available optional forms available under the plan.

| <b>Form of Payment</b>                 | <b>Single</b> | <b>Married</b> |
|----------------------------------------|---------------|----------------|
| Single Life Annuity                    | 100%          | 40%            |
| 50% Contingent Annuity (QJSA)          | 0%            | 60%            |
| 100% Contingent Annuity                | 0%            | 0%             |
| 75% Contingent Annuity                 | 0%            | 0%             |
| 25% Contingent Annuity                 | 0%            | 0%             |
| 50% Pop-up Annuity                     | 0%            | 0%             |
| 20 year Certain and Continuous Annuity | 0%            | 0%             |
| 15 year Certain and Continuous Annuity | 0%            | 0%             |
| 10 year Certain and Continuous Annuity | 0%            | 0%             |
| 5 year Certain and Continuous Annuity  | 0%            | 0%             |
| Level Income Annuity                   | 0%            | 0%             |

Since all annuity forms are actuarially equivalent, no explicit assumption is made for annuity forms other than the Single Life Annuity and 50% Contingent Annuity Option (QJSA).

Schedule SB Attachments (Form 5500) – 2016 Plan Year

Schedule SB, Part V – Statement of Actuarial Assumptions and Methods

BASF Corporation Salaried Employees' Pension Plan

EIN: 16-1090809 PN: 001

■ BASF Performance  
Products PEP

For participants leaving active service due to retirement, or pre-retirement withdrawal,

- 55% of salaried participants are assumed to elect a lump sum upon commencement and the remaining 45% are assumed to elect an annuity form of payment.

- Former Tom's River employees are assumed to elect an annuity form of payment.

Beneficiaries of participants leaving active service due to pre-retirement death are assumed to take an annuity form of payment.

55% of inactive salaried participants not in pay status are assumed to elect a lump sum payable at age 57 and the remaining 45% are assumed to elect an annuity form of payment. All inactive Tom's River participants not in pay status are assumed to elect a life annuity at age 57.

Retirements are assumed to commence the forms noted above immediately.

For participants assumed to elect an annuity form of payment, the table below shows full detail on the percentage of participants assumed to elect each of the available optional forms available under the plan.

| Form of Payment                        | Salaried* | Allied Colloids |
|----------------------------------------|-----------|-----------------|
| Single Life Annuity                    | 100%      | 0%              |
| 50% Contingent Annuity (QJSA)          | 0%        | 0%              |
| 100% Contingent Annuity                | 0%        | 0%              |
| 75% Spousal Annuity                    | 0%        | 0%              |
| 15 year Certain and Continuous Annuity | 0%        | 0%              |
| 10 year Certain and Continuous Annuity | 0%        | 100%            |
| 5 year Certain and Continuous Annuity  | 0%        | 0%              |
| Level Income Annuity                   | 0%        | 0%              |

\* Since all annuity forms are actuarially equivalent, no explicit assumption is made for annuity forms other than the single life annuity.

Schedule SB Attachments (Form 5500) – 2016 Plan Year

Schedule SB, Part V – Statement of Actuarial Assumptions and Methods

BASF Corporation Salaried Employees' Pension Plan

EIN: 16-1090809 PN: 001

■ BASF Cognis Retirement Plan

All participants are assumed to elect payment in the form of single life annuity except for former Quantum participants for whom the 12/31/1988 Quantum accrued benefit is assumed to be paid as a lump sum if the participant terminates or retires on or after age 50.

100% of deferred vested participants are assumed elect payment in the form of single life annuity, payable at age 62 if Hourly and terminated on or after 12/1/2003, otherwise payable at age 65.

Retirements are assumed to commence the forms noted above immediately.

For participants assumed to elect an annuity form of payment, the table below shows full detail on the percentage of participants assumed to elect each of the available optional forms available under the plan.

| Form of Payment                        | Salaried* | Hourly |
|----------------------------------------|-----------|--------|
| Single Life Annuity                    | 100%      | 100%   |
| 50% Contingent Annuity (QJSA)          | 0%        | 0%     |
| 75% Contingent Annuity                 | 0%        | 0%     |
| 100% Contingent Annuity                | 0%        | 0%     |
| 10 year Certain and Continuous Annuity | 0%        | 0%     |

\* Since all annuity forms are actuarially equivalent, no explicit assumption is made for annuity forms other than the single life annuity.

Percent married

85% of males; 55% of females.

Spouse age

Wives 2 years younger than husbands

Administrative expenses

Noninvestment expenses paid from the Trust are assumed to be 0.55% of the Fair Value of Assets

Valuation earnings

Valuation earnings are not applicable as there are no benefit accruals after 2011 for any plan participants.

Schedule SB Attachments (Form 5500) – 2016 Plan Year  
Schedule SB, Part V – Statement of Actuarial Assumptions and Methods  
BASF Corporation Salaried Employees' Pension Plan  
EIN: 16-1090809 PN: 001

### Methods

|                           |                                                                                                                                                                                                   |
|---------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Valuation date            | First day of plan year                                                                                                                                                                            |
| Funding target            | Present value of accrued benefits as required by regulations under IRC §430.                                                                                                                      |
| Target normal cost        | Present value of benefits expected to accrue during the plan year plus plan-related expenses expected to be paid from plan assets during the plan year as required by regulations under IRC §430. |
| Actuarial value of assets | Actuarial value of assets is equal to the market value of assets on the valuation date (including any receivables).                                                                               |
| Benefits Not Valued       | All benefits described in the summary of plan provisions were valued.                                                                                                                             |

### Data Sources

Willis Towers Watson used asset data supplied by the trustee. BASF and the plan administrator furnished participant data as of the valuation date. The company provided the dates and amounts of the 2015 contributions that will be paid in 2016. Data were reviewed for reasonableness and consistency, but no audit was performed. Based on discussions with the company, assumptions or estimates were made when data were not available, and the data was adjusted to reflect any significant events that occurred between the date the data was collected and the measurement date. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

**SCHEDULE SB  
(Form 5500)**Department of the Treasury  
Internal Revenue ServiceDepartment of Labor  
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

**Single-Employer Defined Benefit Plan  
Actuarial Information**

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

**2016****This Form is Open to Public  
Inspection**

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

▶ **Round off amounts to nearest dollar.**▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

|                                                                                                                                           |  |                                                                                                                                                         |     |
|-------------------------------------------------------------------------------------------------------------------------------------------|--|---------------------------------------------------------------------------------------------------------------------------------------------------------|-----|
| <b>A</b> Name of plan<br>BASF Corporation Salaried Employees' Pension Plan                                                                |  | <b>B</b> Three-digit plan number (PN) ▶                                                                                                                 | 001 |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF<br>BASF Corporation                                              |  | <b>D</b> Employer Identification Number (EIN)<br>16-1090809                                                                                             |     |
| <b>E</b> Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B |  | <b>F</b> Prior year plan size: <input type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input checked="" type="checkbox"/> More than 500 |     |

**Part I Basic Information**

|                                                                                                                                                                                                                 |                            |                           |                          |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|---------------------------|--------------------------|
| <b>1</b> Enter the valuation date: Month 01 Day 01 Year 2016                                                                                                                                                    |                            |                           |                          |
| <b>2</b> Assets:                                                                                                                                                                                                |                            |                           |                          |
| <b>a</b> Market value.....                                                                                                                                                                                      | <b>2a</b>                  | 2,502,963,126             |                          |
| <b>b</b> Actuarial value .....                                                                                                                                                                                  | <b>2b</b>                  | 2,502,963,126             |                          |
| <b>3</b> Funding target/participant count breakdown                                                                                                                                                             | (1) Number of participants | (2) Vested Funding Target | (3) Total Funding Target |
| <b>a</b> For retired participants and beneficiaries receiving payment .....                                                                                                                                     | 11,503                     | 1,540,403,517             | 1,540,403,517            |
| <b>b</b> For terminated vested participants .....                                                                                                                                                               | 7,362                      | 340,138,883               | 340,138,883              |
| <b>c</b> For active participants .....                                                                                                                                                                          | 6,911                      | 724,939,274               | 731,193,720              |
| <b>d</b> Total .....                                                                                                                                                                                            | 25,776                     | 2,605,481,674             | 2,611,736,120            |
| <b>4</b> If the plan is in at-risk status, check the box and complete lines (a) and (b) .....                                                                                                                   | <input type="checkbox"/>   |                           |                          |
| <b>a</b> Funding target disregarding prescribed at-risk assumptions .....                                                                                                                                       | <b>4a</b>                  |                           |                          |
| <b>b</b> Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor ..... | <b>4b</b>                  |                           |                          |
| <b>5</b> Effective interest rate.....                                                                                                                                                                           | <b>5</b>                   | 6.01%                     |                          |
| <b>6</b> Target normal cost .....                                                                                                                                                                               | <b>6</b>                   | 13,501,525                |                          |

**Statement by Enrolled Actuary**

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

|                               |            |                                        |            |
|-------------------------------|------------|----------------------------------------|------------|
| <b>SIGN HERE</b>              | Mark Shive | MES 10/2/2017                          | 10/02/2017 |
| Signature of actuary          |            | Date                                   |            |
| Mark Shive, F.S.A., E.A.      |            | 1708352                                |            |
| Type or print name of actuary |            | Most recent enrollment number          |            |
| Willis Towers Watson          |            | 973-290-2797                           |            |
| Firm name                     |            | Telephone number (including area code) |            |
| 3 Campus Drive                |            |                                        |            |
| Parsippany NJ 07054-4409      |            |                                        |            |
| Address of the firm           |            |                                        |            |

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice, see the Instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2016  
v. 160205

**Part II Beginning of Year Carryover and Prefunding Balances**

|                                                                                                                                                                     | (a) Carryover balance | (b) Prefunding balance |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|------------------------|
| <b>7</b> Balance at beginning of prior year after applicable adjustments (line 13 from prior year).....                                                             | 0                     | 0                      |
| <b>8</b> Portion elected for use to offset prior year's funding requirement (line 35 from prior year) .....                                                         | 0                     | 0                      |
| <b>9</b> Amount remaining (line 7 minus line 8).....                                                                                                                | 0                     | 0                      |
| <b>10</b> Interest on line 9 using prior year's actual return of <u>-1.47%</u> .....                                                                                | 0                     | 0                      |
| <b>11</b> Prior year's excess contributions to be added to prefunding balance:                                                                                      |                       |                        |
| <b>a</b> Present value of excess contributions (line 38a from prior year).....                                                                                      |                       | 46,337,291             |
| <b>b(1)</b> Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>6.22%</u> ..... |                       | 2,882,180              |
| <b>b(2)</b> Interest on line 38b from prior year Schedule SB, using prior year's actual return .....                                                                |                       | 0                      |
| <b>c</b> Total available at beginning of current plan year to add to prefunding balance.....                                                                        |                       | 49,219,471             |
| <b>d</b> Portion of (c) to be added to prefunding balance.....                                                                                                      |                       | 0                      |
| <b>12</b> Other reductions in balances due to elections or deemed elections.....                                                                                    | 0                     | 0                      |
| <b>13</b> Balance at beginning of current year (line 9 + line 10 + line 11d – line 12).....                                                                         | 0                     | 0                      |

**Part III Funding Percentages**

|                                                                                                                                                                            |           |         |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|---------|
| <b>14</b> Funding target attainment percentage .....                                                                                                                       | <b>14</b> | 95.83%  |
| <b>15</b> Adjusted funding target attainment percentage.....                                                                                                               | <b>15</b> | 95.83%  |
| <b>16</b> Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement ..... | <b>16</b> | 104.40% |
| <b>17</b> If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage. ....                                        | <b>17</b> | %       |

**Part IV Contributions and Liquidity Shortfalls****18** Contributions made to the plan for the plan year by employer(s) and employees:

| (a) Date<br>(MM-DD-YYYY) | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees | (a) Date<br>(MM-DD-YYYY) | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees |
|--------------------------|-----------------------------------|---------------------------------|--------------------------|-----------------------------------|---------------------------------|
| 09/12/2017               | 76,394,968                        | 0                               |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
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|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
| <b>Totals ►</b>          |                                   |                                 | <b>18(b)</b>             | 76,394,968                        | <b>18(c)</b> 0                  |

**19** Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

|                                                                                                                        |            |            |
|------------------------------------------------------------------------------------------------------------------------|------------|------------|
| <b>a</b> Contributions allocated toward unpaid minimum required contributions from prior years.....                    | <b>19a</b> | 0          |
| <b>b</b> Contributions made to avoid restrictions adjusted to valuation date .....                                     | <b>19b</b> | 0          |
| <b>c</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date..... | <b>19c</b> | 69,190,352 |

**20** Quarterly contributions and liquidity shortfalls:

- a** Did the plan have a "funding shortfall" for the prior year?..... ☐ Yes ☒ No
- b** If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ..... ☐ Yes ☐ No
- c** If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year

| (1) 1st | (2) 2nd | (3) 3rd | (4) 4th |
|---------|---------|---------|---------|
|         |         |         |         |

**Part V Assumptions Used to Determine Funding Target and Target Normal Cost****21** Discount rate:**a** Segment rates:1st segment:  
4.43 %2nd segment:  
5.91 %3rd segment:  
6.65 %☐ N/A, full yield curve used**b** Applicable month (enter code) ..... **21b** 4**22** Weighted average retirement age ..... **22** 62**23** Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute**Part VI Miscellaneous Items****24** Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment ..... ☒ Yes ☐ No**25** Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment ..... ☒ Yes ☐ No**26** Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment ..... ☒ Yes ☐ No**27** If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment ..... **27****Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years****28** Unpaid minimum required contributions for all prior years ..... **28** 0**29** Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a) ..... **29** 0**30** Remaining amount of unpaid minimum required contributions (line 28 minus line 29) ..... **30** 0**Part VIII Minimum Required Contribution For Current Year****31** Target normal cost and excess assets (see instructions):**a** Target normal cost (line 6) ..... **31a** 13,501,525**b** Excess assets, if applicable, but not greater than line 31a ..... **31b** 0

| 32 Amortization installments:                        | Outstanding Balance | Installment |
|------------------------------------------------------|---------------------|-------------|
| <b>a</b> Net shortfall amortization installment..... | 108,772,994         | 17,971,848  |
| <b>b</b> Waiver amortization installment.....        | 0                   | 0           |

**33** If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month \_\_\_\_\_ Day \_\_\_\_\_ Year \_\_\_\_\_) and the waived amount ..... **33** 0**34** Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)..... **34** 31,473,373

|                                                                       | Carryover balance | Prefunding balance | Total balance |
|-----------------------------------------------------------------------|-------------------|--------------------|---------------|
| <b>35</b> Balances elected for use to offset funding requirement..... | 0                 | 0                  | 0             |

**36** Additional cash requirement (line 34 minus line 35)..... **36** 31,473,373**37** Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)..... **37** 69,190,352**38** Present value of excess contributions for current year (see instructions)**a** Total (excess, if any, of line 37 over line 36) ..... **38a** 37,716,979**b** Portion included in line 38a attributable to use of prefunding and funding standard carryover balances ..... **38b** 0**39** Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)..... **39** 0**40** Unpaid minimum required contributions for all years ..... **40** 0**Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)****41** If an election was made to use PRA 2010 funding relief for this plan:**a** Schedule elected ..... ☐ 2 plus 7 years ☒ 15 years**b** Eligible plan year(s) for which the election in line 41a was made ..... ☐ 2008 ☐ 2009 ☒ 2010 ☒ 2011**42** Amount of acceleration adjustment ..... **42** 0**43** Excess installment acceleration amount to be carried over to future plan years ..... **43** 0



We create chemistry

December 1, 2016

**CONFIDENTIAL**

Mr. William Nickel  
Senior Consulting Actuary  
Willis Towers Watson  
1500 Market Street  
Philadelphia, PA 19102

**NOTICE TO TERMINATED ENROLLED ACTUARY**

Dear Willie:

In accordance with the rules on notifying a terminated enrolled actuary, I, as plan administrator, verify that the explanation shown below is the explanation concerning your termination as it will be reported on the Schedule C (Form 5500) attached to the 2016 Annual Return/Report Form 5500 for the plans listed below. The returns/reports are identified in line 2b by the nine-digit EIN and in line 1b by the three-digit PN also listed below.

| Plan Name                                                                           | EIN        | PN  |
|-------------------------------------------------------------------------------------|------------|-----|
| BASF Corporation Salaried Employees' Pension Plan                                   | 16-1090809 | 001 |
| BASF Corporation Consolidated Bargaining Unit Employees' Pension Plan               | 16-1090809 | 003 |
| BASF Corporation Pension Plan for Hourly Employees of Louisville, Kentucky Facility | 16-1090809 | 028 |
| BASF Corporation Pension Plan for Hourly Employees at Vidalia, Louisiana Facility   | 16-1090809 | 029 |

Explanation as it will appear on the 2016 Schedule C:

*"Our enrolled actuary has changed because of re-assignment of responsibilities within Willis Towers Watson."*

Any comments concerning this explanation should include the name, EIN, and PN of the Plan and be submitted directly to:

Office of Enforcement  
Employee Benefits Security Administration  
U.S. Department of Labor  
200 Constitution Avenue, NW  
Washington, DC 20210

Sincerely,

George H. Muskal  
Manager, Retirement Plans and Compliance

**BASF Corporation Salaried Employees' Pension Plan**

EIN: 16-1090809

Plan Number: 001

Attachments to 2016 Schedule SB (Form 5500)

Statement by Enrolled Actuary

Line 22 — Description of Weighted Average Retirement Age

Part V — Statement of Actuarial Assumptions and Methods

Part V — Summary of Plan Provisions

Line 24 — Change in Actuarial Assumptions

Line 25 — Change in Method

Line 26 — Schedule of Active Participant Data

Line 32 — Schedule of Amortization Bases

Part IX — Pension Funding relief Under Pension Relief Act of 2010

**Schedule SB – Statement by Enrolled Actuary**

|                          |                                                   |
|--------------------------|---------------------------------------------------|
| <b>Plan Sponsor</b>      | BASF Corporation                                  |
| <b>EIN/PN</b>            | 16-1090809/001                                    |
| <b>Plan Name</b>         | BASF Corporation Salaried Employees' Pension Plan |
| <b>Valuation Date</b>    | January 1, 2016                                   |
| <b>Enrolled Actuary</b>  | Mark Shive, F.S.A., E.A.                          |
| <b>Enrollment Number</b> | 17-08352                                          |

The actuarial assumptions that are not mandated by IRC § 430 and regulations, represent the enrolled actuary's best estimate of anticipated experience under the plan, subject to the following conditions:

The actuarial valuation, on which the information in this Schedule SB is based, has been prepared in reliance upon the employee and financial data furnished by the plan administrator and the trustee. The enrolled actuary has not made a rigorous check of the accuracy of this information but has accepted it after reviewing it and concluding it is reasonable in relation to similar information furnished in previous years. The amounts of contributions and dates paid shown in Item 18 of Schedule SB were listed in reliance on information provided by the plan administrator and/or trustee.

## Schedule SB Attachments (Form 5500) – 2016 Plan Year

## Schedule SB, Line 22 – Description of Weighted Average Retirement Age

BASF Corporation Salaried Employees' Pension Plan

EIN: 16-1090809 PN: 001

| Traditional Plan |                    |                                         |                                               |                                   | Cash Balance Plan  |                                         |                                               |                                   |
|------------------|--------------------|-----------------------------------------|-----------------------------------------------|-----------------------------------|--------------------|-----------------------------------------|-----------------------------------------------|-----------------------------------|
| (1)              | (2)                | (3)                                     | (4)                                           | (5)                               | (6)                | (7)                                     | (8)                                           | (9)                               |
| Ages             | Rate of Retirement | Remaining Active (3) at AGE-1 x (1-(2)) | Number Retiring (3) at AGE-1 minus (3) at AGE | Ages * Number Retiring: (1) x (4) | Rate of Retirement | Remaining Active (7) at AGE-1 x (1-(6)) | Number Retiring (7) at AGE-1 minus (7) at AGE | Ages * Number Retiring: (1) x (8) |
|                  |                    | 1.0000                                  |                                               |                                   |                    | 1.0000                                  |                                               |                                   |
| 50               | 0.0000             | 1.0000                                  | 0.0000                                        | 0.00                              | 0.0000             | 1.0000                                  | 0.0000                                        | 0.00                              |
| 51               | 0.0000             | 1.0000                                  | 0.0000                                        | 0.00                              | 0.0000             | 1.0000                                  | 0.0000                                        | 0.00                              |
| 52               | 0.0000             | 1.0000                                  | 0.0000                                        | 0.00                              | 0.0000             | 1.0000                                  | 0.0000                                        | 0.00                              |
| 53               | 0.0000             | 1.0000                                  | 0.0000                                        | 0.00                              | 0.0000             | 1.0000                                  | 0.0000                                        | 0.00                              |
| 54               | 0.0000             | 1.0000                                  | 0.0000                                        | 0.00                              | 0.0000             | 1.0000                                  | 0.0000                                        | 0.00                              |
| 55               | 0.1000             | 0.9000                                  | 0.1000                                        | 5.50                              | 0.0500             | 0.9500                                  | 0.0500                                        | 2.75                              |
| 56               | 0.0750             | 0.8325                                  | 0.0675                                        | 3.78                              | 0.0600             | 0.8930                                  | 0.0570                                        | 3.19                              |
| 57               | 0.0750             | 0.7701                                  | 0.0624                                        | 3.56                              | 0.0700             | 0.8305                                  | 0.0625                                        | 3.56                              |
| 58               | 0.0750             | 0.7123                                  | 0.0578                                        | 3.35                              | 0.0800             | 0.7641                                  | 0.0664                                        | 3.85                              |
| 59               | 0.0750             | 0.6589                                  | 0.0534                                        | 3.15                              | 0.0900             | 0.6953                                  | 0.0688                                        | 4.06                              |
| 60               | 0.1125             | 0.5848                                  | 0.0741                                        | 4.45                              | 0.1000             | 0.6258                                  | 0.0695                                        | 4.17                              |
| 61               | 0.1125             | 0.5190                                  | 0.0658                                        | 4.01                              | 0.1000             | 0.5632                                  | 0.0626                                        | 3.82                              |
| 62               | 0.1875             | 0.4217                                  | 0.0973                                        | 6.03                              | 0.1500             | 0.4787                                  | 0.0845                                        | 5.24                              |
| 63               | 0.1500             | 0.3584                                  | 0.0633                                        | 3.99                              | 0.1500             | 0.4069                                  | 0.0718                                        | 4.52                              |
| 64               | 0.1500             | 0.3046                                  | 0.0538                                        | 3.44                              | 0.1500             | 0.3459                                  | 0.0610                                        | 3.90                              |
| 65               | 0.3000             | 0.2132                                  | 0.0914                                        | 5.94                              | 0.2000             | 0.2767                                  | 0.0692                                        | 4.50                              |
| 66               | 0.3000             | 0.1492                                  | 0.0640                                        | 4.22                              | 0.2000             | 0.2214                                  | 0.0553                                        | 3.65                              |
| 67               | 0.3000             | 0.1044                                  | 0.0448                                        | 3.00                              | 0.2000             | 0.1771                                  | 0.0443                                        | 2.97                              |
| 68               | 0.3000             | 0.0731                                  | 0.0313                                        | 2.13                              | 0.2000             | 0.1417                                  | 0.0354                                        | 2.41                              |
| 69               | 0.3000             | 0.0512                                  | 0.0219                                        | 1.51                              | 0.2000             | 0.1134                                  | 0.0283                                        | 1.95                              |
| 70               | 1.0000             | 0.0000                                  | 0.0512                                        | 3.58                              | 1.0000             | 0.0000                                  | 0.1134                                        | 7.94                              |

Average Retirement Age:

61.65

62.48

Total Weighted Average Retirement Age:

62.05

The determination of the average retirement age assumes employees continue in employment until reaching the first age of retirement eligibility with the required number of years of service. After this point, only the retirement decrement is recognized.

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This plan was fully funded as of January 1, 2014. While an election was made in 2010 and 2011 to extend the amortization period to 15 years, the base has since been set to zero due to the plan's funded status in excess of 100%.

## Independent Auditor's Report

BASF Corporation as Plan Sponsor and Plan Administrator  
and Participants in the  
BASF Corporation Salaried Employees' Pension Plan

### *Report on the Financial Statements*

We were engaged to audit the accompanying financial statements of BASF Corporation Salaried Employees' Pension Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2016 and 2015, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the *Basis for Disclaimer of Opinion* paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

### *Basis for Disclaimer of Opinion*

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 7, which was certified by BNY Mellon, N.A., the Trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the Plan Administrator that the Trustee holds the Plan's investment assets and executes investment transactions. The Plan Administrator has obtained a certification from the Trustee as of December 31, 2016 and 2015, and for the years then ended, that the information provided to the Plan Administrator by the Trustee is complete and accurate.

*Disclaimer of Opinion*

Because of the significance of the matter described in the *Basis for Disclaimer of Opinion* paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

*Report on Form and Content in Compliance with DOL Rules and Regulations*

The form and content of the information included in the financial statements, other than that derived from the information certified by the Trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

A handwritten signature in black ink that reads "CohnReznick LLP". The signature is written in a cursive, flowing style.

Roseland, New Jersey  
October 11, 2017

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#### **BASF Corporation Traditional and Cash Balance Formulas**

|                   |                                                                                                                                                                                                                                                                                                     |
|-------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Effective Date    | January 1, 2010 (last amended January 1, 2010).                                                                                                                                                                                                                                                     |
| Covered Employees | All salaried and non-union hourly employees not covered by another BASF sponsored retirement plan who meet the eligibility requirements. Leased employees, delegates and employees covered by collective bargained agreements are not covered.                                                      |
| Eligibility Date  | If included in the prior plan, immediately eligible as of the effective date.<br>All other employees hired prior to December 31, 2006 are eligible as of the later of the effective date or the first of the month coincident with or next following completion of one year of eligibility service. |

#### **Definitions**

|                                     |                                                                                                                                                                                                                                                                                                                                                                                                          |
|-------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Credited service                    | All service from date of employment through December 31, 2009.                                                                                                                                                                                                                                                                                                                                           |
| Vesting service                     | All service from date of employment.                                                                                                                                                                                                                                                                                                                                                                     |
| Earnings                            | Base salary plus commissions, overtime, bonuses and incentive awards earned prior to December 31, 2009.                                                                                                                                                                                                                                                                                                  |
| Final Average Earnings              | Average earnings during the 36 consecutive calendar months in which the employee shall have the greatest aggregate amount of earnings selected from the last 120 months preceding the employee's severance from service, or January 1, 2010 if earlier.                                                                                                                                                  |
| Normal Retirement Date (NRD)        | First of the month coinciding with or next following the attainment of age 65.                                                                                                                                                                                                                                                                                                                           |
| Primary Social Security Benefit     | The amount payable under Social Security at normal retirement date, based on the law in effect at termination, assuming earnings continue until normal retirement date.                                                                                                                                                                                                                                  |
| Grandfathered as of January 1, 2004 | The BASF Salaried Pension Plan was amended January 1, 2004 to reduce future accruals under the Traditional and Cash Balance formulas. Participants covered under the plan as of January 1, 2004 at least age 45 or with age plus service greater than 60 are "Grandfathered" into the Pre-2004 benefit formulas. All others ("Non-Grandfathered") have benefits determined under the Post-2003 formulas. |

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Cash Balance Account

For all participants hired after June 30, 1999 and converted cash balance participants, a cash balance account is established. The cash balance account is increased monthly with a percentage of pensionable earnings earned prior to December 31, 2009 based on age and service according to the following schedule:

|                     |                          |                        |                                     |
|---------------------|--------------------------|------------------------|-------------------------------------|
| ■ Grandfathered     | <i>Age &amp; Service</i> | <i>Credit</i>          |                                     |
|                     | <35                      | 4.75%                  |                                     |
|                     | 35-49                    | 6.50%                  |                                     |
|                     | 50-64                    | 8.50%                  |                                     |
|                     | 65-79                    | 11.00%                 |                                     |
|                     | 80+                      | 13.50%                 |                                     |
| ■ Non-Grandfathered | <i>Age &amp; Service</i> | <i>Pre-2004 Credit</i> | <i>Post-2003 Credit<sup>1</sup></i> |
|                     | <35                      | 4.75%                  | 3.50%                               |
|                     | 35-49                    | 6.50%                  | 4.75%                               |
|                     | 50-64                    | 8.50%                  | 6.50%                               |
|                     | 65-79                    | 11.00%                 | 9.00%                               |
|                     | 80+                      | 13.50%                 | 11.50%                              |

There is no allocation after 40 years of vesting service. In addition, the cash balance is increased monthly with interest credits based on the cash balance account value at the end of the prior month using a monthly interest rate equal to the average 30-year Treasury rate during the month three months prior to the crediting month.

Participants who converted to the cash balance formula have an initial cash balance account value as of January 1, 2000 equal to the present value of the December 31, 1999 accrued benefit payable at age 65 calculated as of January 1, 2000 using the GATT interest rate for October 1999 and 1983 GAM unisex mortality.

As of January 1, 2010, BASF prospectively eliminated benefit accruals. There will be no credits to a participant's cash balance account based on the above table. The accounts will continue to earn interest credits as defined above.

<sup>1</sup> The monthly credit for participants hired after December 31, 2003 is capped at 9.00%.

#### Accrued Benefit

■ Grandfathered

The greater of (1) or (2) (as defined for Grandfathered and Non-Grandfathered employees) with a minimum of (3) for participants in the traditional plan, or (4) for participants in the cash balance plan.

- (1) 1.50% of final average earnings for each year of credited service less 1.67% of primary social security benefit for each year of credited service, up to a maximum of 30 years.
- (2) 1.25% of final average earnings up to the social security wage base in the year of retirement for each year of credited service. Paragraph (2) shall not apply to employees of Fritzsche, Dodge & Olcott or the Clemson, South Carolina location of the Fibers Division.

As of January 1, 2010, BASF prospectively eliminated all benefit accruals after December 31, 2009.

■ Non-Grandfathered

- (1) 1.20% of final average earnings for each year of credited service less 1.33% of primary social security benefit for each year of credited service, up to a maximum of 30 years.
- (2) 1.00% of final average earnings up to the social security wage base in the year of retirement for each year of credited service. Paragraph (2) shall not apply to employees of Fritzsche, Dodge & Olcott or the Clemson, South Carolina location of the Fibers Division.

In the event of termination prior to normal retirement date, the accrued benefit will be calculated by multiplying (a) the greater of (1) or (2), assuming service continues until normal retirement date, based on final average earnings and social security at termination, by (b) the ratio, not to exceed 1.00, of credited service at termination divided by credited service at normal retirement date.

- (1) Benefits accrued under prior plans. For all participants in the Badische Corporation Employees' Retirement Plan who attain age 50 and complete 10 years of service by 12/31/88, no benefit payable on retirement or death shall be smaller than the benefit that would be paid if the prior plan had continued unchanged and final average compensation had been calculated at the earlier of 12/31/88 or that date of separation.
- (2) The benefit payable upon retirement is a single lump sum equal to the cash balance account value as of commencement date, or an actuarially equivalent annuity.

As of January 1, 2010, BASF prospectively eliminated all benefit accruals after December 31, 2009.

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#### Eligibility for Benefits

|                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Normal Retirement           | Retirement on NRD.                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Early retirement            | For traditional plan participants, retirement before NRD and on or after both attaining age 55 and completing ten years of vesting service. For cash balance participants, retirement before NRD and on or after both attaining age 55 and completing five year of vesting service. For former Badische Corporation Employees' Retirement Plan participants in the traditional plan, age 50 if both attained age 50 and completed 10 years of vesting service on or before December 1988. |
| Postponed retirement        | Retirement after NRD.                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Deferred vested             | Termination for reasons other than death, disability or retirement after completing three years of vesting service. For participants hired before July 1, 1999, benefits may commence at any age. For participants hired after June 30, 1999, benefits may commence after the attainment of age 55.                                                                                                                                                                                       |
| Preretirement death benefit | For traditional plan participants, death after completing at least five years of vesting service. Cash balance participants are eligible as of their participation date.                                                                                                                                                                                                                                                                                                                  |
| Disability benefits         | Eligibility for company LTD benefits.                                                                                                                                                                                                                                                                                                                                                                                                                                                     |

#### Benefits Paid Upon the Following Events

|                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|----------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Normal retirement    | The accrued benefit determined as of NRD.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Early retirement     | For participants covered under the traditional plan formula, accrued benefit determined as of early retirement date, reduced by 1/3% for each complete month preceding age 62. The benefit is unreduced if the participant's age plus vesting service total 85 or more. The social security offset is deferred to the later of age 62 or actual retirement age. For Fritzsche, Dodge & Olcott employees, the accrued benefit reduced 5/9% for each of the first 60 months of early commencement and 5/18% for each of the next 60 months of early commencement. For participants covered under the cash balance formula, cash balance account value determined as of ERD. |
| Postponed retirement | Accrued benefit determined as of actual retirement date.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |

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|                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|---------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Deferred vested termination                       | Accrued benefit as of termination date payable on NRD. If the traditional plan benefit is paid as an annuity, and the participant has attained age 55 and has completed ten years of vesting service, the accrued benefit is reduced 5/9% for each of the first 60 months of early commencement and 5/18% for each of the next 60 months of early commencement. If the traditional plan benefit is paid as an annuity and the participant has completed five years of vesting service, the accrued benefit is reduced using actuarial equivalence. For participants covered under the cash balance formula, cash balance account value determined as of ERD. |
| Death with preretirement survivor benefits        | For the traditional plan participants, the amount that would have been payable had the participant retired on the date of death and elected the 50% contingent annuity form of payment. For cash balance plan participants, 100% of the cash balance account value.                                                                                                                                                                                                                                                                                                                                                                                          |
| Retirement Equity Act Preretirement Death Benefit | For the traditional plan participants, 50% of the participant's accrued benefit's present value on the date of death payable as a life annuity to the deferred to the date the participant would attain age 55, and reduced in accordance with early commencement of deferred vested termination benefits. For cash balance plan participants, 100% of the cash balance account value.                                                                                                                                                                                                                                                                       |
| Disability                                        | Benefits based on credited service projected to age 65 or the cessation of disability and presuming earnings continue at the rate of earnings for the 12 months preceding disability, payable at age 65.<br><br>Special minimum provisions apply to certain former Badische Corporation Employees' Retirement Plan participants and certain former BASF Structural Materials, Inc. Retirement Income Plan.                                                                                                                                                                                                                                                   |
| Forms of Payment                                  | Normal Form: Actuarially equivalent 50% contingent annuity if married on date benefits commence; life annuity if single.<br><br>Optional forms are also available. Refer to the Assumptions and Methods section for a list of all available forms. See Appendix I for actuarial equivalence basis used to adjust benefit amount for optional forms of payment.                                                                                                                                                                                                                                                                                               |
| Maximum on Benefits and Pay                       | All benefits and pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective.                                                                                                                                                                                                                                                                                                                                                                                                                  |

#### Future Plan Changes

No future plan changes were recognized in determining pension cost or funding requirements.

#### Changes in Benefits Valued Since Prior Year

There have been no changes in benefits valued since the prior year.

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**Plan Provisions – BASF Construction Chemicals Salaried Formula**

|                   |                                                                                                                                                                                                |
|-------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Effective Date    | January 1, 2008 (last amended January 1, 2010). Effective January 1, 2008, the BASF Construction Chemicals Pension Plan was merged into the BASF Corporation Salaried Employees' Pension Plan. |
| Covered Employees | Employees of BASF Construction Chemicals Salaried not employed in a collective bargaining unit and hired on or before December 31, 2006.                                                       |
| Eligibility Date  | Eligibility is upon the first full day of employment.                                                                                                                                          |

**Definitions**

|                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Credited service             | Period of employment with the company beginning the date the employee completes his first hour of service through December 31, 2009.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Vesting service              | Elapsed time from date of hire.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Pensionable pay              | W-2 earnings prior to any reduction for 401(k) or Code Section 125 plan contributions, but with certain exclusions, earned prior to December 31, 2009.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Average earnings             | The average of the highest five consecutive calendar years of pensionable pay during the ten-year period ending on the earlier of the participant's termination date or retirement date, or January 1, 2010 if earlier.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Covered compensation         | 35 year average of the Social Security Wage Base ending with the calendar year that the employee attains his Social Security Retirement Age.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Normal retirement date (NRD) | First of month coinciding with or next following the attainment of age 65.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Past Service Benefit         | January 1, 1987 accrued benefit under the Rexnord Retirement Plan (Prior Plan).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Personal Retirement Account  | <p>A nominal cash balance account is maintained for all Participants. The cash balance account is increased quarterly with pay credits (6.00% of eligible quarterly pay) through December 31, 2009 and interest credits using a quarterly interest rate equal to the average 30-year treasury bond yield during the month of September preceding the year in which the interest credit is granted.</p> <p>Participants in the former SKW-MBT Management, Inc. Pension Plan for Salaried Employees ("SKW-MBT Plan") were credited with an initial cash balance as of December 31, 2001 equal to the present value of their December 31, 2001 SKW-MBT plan benefit converted to a lump sum using plan factors as of September 2001.</p> <p>As of January 1, 2010, BASF prospectively eliminated benefit accruals. There will be no credits to a participant's cash balance account based on the above table. The accounts will continue to earn interest credits as defined above.</p> |

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Grandfathered SKW-MBT Minimum Retirement Benefit ("SKW Minimum")

Participants in the former SKW-MBT Plan are eligible for a minimum benefit calculated as the sum of (1) and (2) times Credited Service:

(1) 1.125% of Final Average Earnings up to Social Security Covered Compensation

(2) 1.500% of Final Average Earnings in excess of Social Security Covered Compensation

As of January 1, 2010, BASF prospectively eliminated all benefit accruals after December 31, 2009.

Monthly pension benefit

The greater of the SKW minimum or the single life annuity that is actuarially equivalent to the Personal Retirement Account, plus past service benefit, if applicable.

### Eligibility for Benefits

Normal retirement

Retirement on NRD

Early retirement

Retirement before NRD and on or after both attaining age 55 and completing 3 years of vesting service. For the Past Service Benefit, age 60 with 10 years of vesting service.

Postponed retirement

Retirement after NRD

Vested termination

Termination for reasons other than death or retirement after completing three years of vesting service

Disability

Permanent and total disability prior to NRD, and participant is receiving benefits under the Company's TPD plan.

Preretirement death benefit

Death while eligible for normal, early, postponed, or deferred vested retirement benefits, with a surviving spouse

#### Benefits Paid Upon the Following Events

##### Preretirement death benefit

Cash Balance plus Past Service Benefit. Minimum of SKW Plan Benefit for SKW eligible participants.

Cash Balance Account: Actuarially equivalent life annuity of the account balance as of the commencement date.

Past Service Benefit: The spouse's portion of the Past Service Benefit converted to a 50% J&S benefit. If the deceased participant was 65 and 5 or had completed at least 10 years of service at death, this benefit cannot be less than \$50 per month or 40% of the Past Service Benefit.

If single, the Past Service Plan Benefit can be paid as an immediate actuarial equivalent lump sum.

SKW Plan Minimum: The lump sum actuarial equivalent of the benefit described above cannot be less than the lump sum actuarial equivalent of the sum of (i) and (ii):

- (i) The greater of 50% of the SKW accrued benefit or the 75% survivor benefit based upon the benefit payable in the form of a 75% J&S. This amount is zero if the participant is single.
- (ii) A lump sum payment in the amount equal to the annual base salary in effect immediately prior to the date of death. This amount cannot be greater than the excess of (a) 100 times the projected SKW Plan Benefit had the participant continued service until Normal Retirement Date, using the latest Compensation and Covered Compensation amounts over (b) the actuarial equivalent value of (i) above.

##### Normal retirement

Monthly pension benefit determined as of NRD

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Early retirement

Monthly pension benefit determined as of early retirement date, reduced as follows:

Cash Balance Account: converted to life annuity as of ERD

Past Service Benefit:

- (i) If 55 & 30 at retirement, benefit can be taken as early as age 60. The reduction is 6% per year prior to age 65.
- (ii) If 60 & 10 at retirement, the reduction is a percentage per year prior to age 62. The percentage is as follows:

Less than 31 years of service: 6.0% per year

31 to 32 years of service: 5.4% per year

32 to 33 years of service: 4.8% per year

33 to 34 years of service: 4.2% per year

34 to 35 years of service: 3.6% per year

35 to 36 years of service: 3.0% per year

36 to 37 years of service: 2.4% per year

37 to 38 years of service: 1.8% per year

38 to 39 years of service: 1.2% per year

39 to 40 years of service: 0.6% per year

40+ years of service: unreduced

Reduction for the minimum SKW benefit: The SKW Benefit is reduced a percentage amount per year for commencement prior to age 62. The amount is 5% reduced by 1/10<sup>th</sup> of 1% for each full year of Credited Service (limited to 30 years) in excess of five years. (That is, the 5% cannot be reduced to less than 2.5%)

Postponed retirement

Monthly pension benefit determined as of actual retirement date

Vested termination

Monthly pension benefit determined as of termination date, reduced 7.2% for the first five years that payment precedes the participant's NRD.

Disability Benefits

Continued accruals during period of disability. Accruals (both Pay Credits and for the SKW plan minimum benefit) are based on Compensation for the calendar year preceding the disability.

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|                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Forms of payment            | <p>Preretirement death benefits are payable only as described above. Monthly pension benefits are paid as described above as a life annuity, if the participant has no spouse as of the date payments begin, or if the participant so elects. Otherwise, benefits are paid in the form of the 50% joint and survivor annuity option or, if the participant elects and the spouse consents, another actuarially equivalent optional form offered by the plan. Note that there is a subsidized lump sum option that is valued based on assumed election rates.</p> <p>Optional forms are also available. Refer to the Assumptions and Methods section for a list of all available forms. See Appendix I for actuarial equivalence basis used to adjust benefit amount for optional forms of payment.</p> |
| Maximum on benefits and pay | <p>All benefits and pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective. Increases in the dollar limits are not assumed for determining contributions.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

#### Future Plan Changes

No future plan changes were recognized in determining pension cost or funding requirements.

#### Changes in Benefits Valued Since Prior Year

There have been no changes in benefits valued since the prior year.

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**Plan Provisions - BASF Catalysts LLC Salaried Formula**

|                    |                                                                                                                                                                                                 |
|--------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Effective Date     | January 1, 2008 (last amended January 1, 2010). Effective January 1, 2008, the BASF Catalysts LLC Retirement Income Plan was merged into the BASF Corporation Salaried Employees' Pension Plan. |
| Covered Employees  | BASF Catalysts salaried employees or hourly employees not employed in a collective bargaining unit, and hired on or before December 31, 2006.                                                   |
| Participation Date | The later of the effective date or completion of one year of service                                                                                                                            |

**Definitions**

|                                      |                                                                                                                                                                                                                                                                                                                                                                                                                 |
|--------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Vesting service                      | Years and completed months of service from date of hire.                                                                                                                                                                                                                                                                                                                                                        |
| Benefit service                      | Vesting service while an eligible participant through December 31, 2009.                                                                                                                                                                                                                                                                                                                                        |
| Earnings                             | Basic cash compensation plus overtime, commissions, and regular cash bonus paid under the Management Incentive Plan (pensionable when earned) earned prior to December 31, 2009.                                                                                                                                                                                                                                |
| Final Average Earnings               | Average earnings during the 60 consecutive calendar months in which the employee shall have the greatest aggregate amount of earnings selected from the last 120 months preceding the employee's separation from service, or January 1, 2010 if earlier.                                                                                                                                                        |
| Normal retirement date (NRD)         | Age 65                                                                                                                                                                                                                                                                                                                                                                                                          |
| Monthly pension benefit              | 1/12 of an annual benefit equal to the sum of (a) 1.2% of Final Average Compensation and (b) 0.3% of Final Average Compensation in excess of Covered Compensation; multiplied by the years of Credited Service. However, no benefit may exceed the maximum benefit limitation for qualified pensions.<br><br>As of January 1, 2010, BASF prospectively eliminated all benefit accruals after December 31, 2009. |
| Monthly preretirement spouse benefit | Greater of (a) Benefit eligible spouse would have received had the member retired on the first day of the month preceding death with a Joint and 100% Survivor election in effect, and (b) \$1,200 per year.                                                                                                                                                                                                    |

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### Eligibility for Benefits

|                               |                                                                                                                                                               |
|-------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Normal retirement             | Retire at NRD                                                                                                                                                 |
| Early retirement              | Retire before NRD and on or after both attaining age 55 and a sum of age plus vesting service of at least 65                                                  |
| Postponed retirement          | Retire after NRD                                                                                                                                              |
| Deferred vested               | Terminate for reasons other than death or retirement after completing five years of service                                                                   |
| Preretirement spouse benefit  | Spouse of active participants who die after either having completed five years of credited service or having a sum of age plus vesting service of at least 65 |
| Postretirement spouse benefit | Spouse of retired participants who die after being retired for more than 5 years                                                                              |
| Disability benefit            | Totally and permanently disabled and eligible for Social Security disability                                                                                  |

### Benefits Paid Upon the Following Events

|                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Normal retirement                        | Monthly pension benefit determined as of NRD                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Early retirement                         | Monthly pension benefit determined as of early retirement date with reduction. For pre-2003 employees, benefits are reduced 3.6% for each year before age 65. For those retiring with greater than 20 years of service, the above reduction is multiplied by the difference of (a) 100% and (b) the product of 6.5% multiplied by credited service in excess of 20 years. For post-2002 employees, benefits are reduced 6-2/3% for each year between age 60 and 65, and 3-1/3% or each year prior to age 60. |
| Postponed retirement                     | Monthly pension benefit determined as of actual retirement date                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Deferred vested termination              | Monthly pension benefit determined as of termination date reduced for early retirement in accordance with the early retirement reduction provisions                                                                                                                                                                                                                                                                                                                                                          |
| Death with preretirement spouse benefits | Monthly preretirement spouse benefit                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Disability                               | Monthly pension benefit determined based on service to normal retirement date                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Postretirement spouse benefit            | A lump sum of \$2,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Forms of payment                         | Normal forms: Life annuity for single participants; actuarially reduced 50% J&S for married participants<br>Optional forms are also available. Refer to the Assumptions and Methods section for a list of all available forms. See Appendix I for actuarial equivalence basis used to adjust benefit amount for optional forms of payment.                                                                                                                                                                   |

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#### **Future Plan Changes**

No future plan changes were recognized in determining pension cost or funding requirements.

#### **Changes in Benefits Valued Since Prior Year**

There have been no changes in benefits valued since the prior year.

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#### **Plan Provisions – BASF Performance Products LLC Salaried Formula**

|                   |                                                                                                                                                                                                                                                                                                                                                                                                                               |
|-------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Effective Date    | November 1, 1996 (last amended in 2006). Effective November 1, 1996, the Ciba Pension Plan was formed as a result of a spin-off from Ciba-Geigy Corporation. Effective January 1, 2001, the name of the plan was changed to the Pension Equity Plan for Salaried Employees of Ciba Specialty Chemicals Corporation. Effective January 1, 2010, the plan was merged into the BASF Corporation Salaried Employees' Pension Plan |
| Covered Employees | Employees of BASF Performance Products LLC Salaried hired prior to January 1, 2007.                                                                                                                                                                                                                                                                                                                                           |
| Eligibility Date  | First day of the month coinciding with or preceding the end of the first Eligibility Period if the employee completed 1,000 hours of service. Otherwise, the first day of the plan year immediately following any subsequent Eligibility Period in which 1,000 hours were completed.                                                                                                                                          |

#### **Definitions**

|                              |                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Credited service             | <p>For a regularly scheduled employee, elapsed time from the date of participation to the earlier of termination date and December 31, 2006.</p> <p>Service continues to accrue until termination date for Tom's River PACE Local 2-562 employees.</p> <p>For a non-regularly scheduled employee, one year is credited for each plan year of participation, up to 2006, during which at least 1,000 hours of service were completed.</p> |
| Vesting service              | One year of Vesting Service is credited for each Plan Year with 1,000 or more hours of service.                                                                                                                                                                                                                                                                                                                                          |
| Final average earnings       | Average considered compensation for the five consecutive plan years ending December 31, 2006 with the highest total pay. If less than five years, average over the number of months paid.                                                                                                                                                                                                                                                |
| Covered compensation         | Based on participant's year of birth.                                                                                                                                                                                                                                                                                                                                                                                                    |
| Considered Compensation      | W2 earnings plus IRC Section 125 or 401(k) deferrals and deferred compensation but excluding cafeteria plan credits, expense reimbursement, severance, special awards, imputed income and payments from deferred compensation and Long-Term Incentive Plans subject to limitations of IRC Sec. 401(a)(17)                                                                                                                                |
| Normal retirement date (NRD) | The later of age 65 or 5 years of service.                                                                                                                                                                                                                                                                                                                                                                                               |

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Pension Equity Plan (PEP)

The monthly benefit under the Pension Equity Plan (PEP) formula is the actuarial equivalent of the PEP lump sum. The PEP lump sum equals total Basic Credits times the Final Average Earnings, plus total Excess Credits times the Final Average Earnings above the participant's Covered Compensation. For each year of Credited Service, the Basic and Excess Credits are accrued as follows:

| Age          | Basic Credits | Excess Credits |
|--------------|---------------|----------------|
| 20-24        | 4.0%          | 1.5%           |
| 25-29        | 5.0%          | 2.0%           |
| 30-34        | 6.0%          | 2.0%           |
| 35-39        | 7.0%          | 2.5%           |
| 40-44        | 8.0%          | 3.0%           |
| 45-49        | 9.0%          | 3.0%           |
| 50-54        | 10.0%         | 4.0%           |
| 55-59        | 12.5%         | 5.0%           |
| 60 and above | 15.0%         | 6.0%           |

Grandfathered Participants

Employees who were active on January 1, 2001 are eligible for a monthly Final Average Earnings benefit calculated as of the sum of (1) plus (2) plus (3) all times Credited Service less the offset described in (4):

- (1) 2.0% of Final Average Earnings of the first 20 years
- (2) 1.0% of Final Average Earnings for each of the next 10 years
- (3) 0.5% of Final Average Earnings for each of the next 10 years
- (4) 1.333% of the participant's estimated Social Security Benefit for each year of Credited Service up to a maximum of 25 years.

Monthly pension benefit

The greater of the PEP monthly benefit and the Grandfathered Final Average Earnings (FAE) formula, if applicable.

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#### Eligibility for Benefits

|                             |                                                                                                                  |
|-----------------------------|------------------------------------------------------------------------------------------------------------------|
| Normal retirement           | Retirement on NRD                                                                                                |
| Early retirement            | Age 50 and 5 years of Continuous Service, and at least 65 age plus service points.                               |
| Postponed retirement        | Retirement after NRD                                                                                             |
| Vested termination          | Five years of Continuous Service or active at December 31, 2006.                                                 |
| Disability                  | Participants who are eligible for total and permanent disability benefits under the Federal Social Security Act. |
| Preretirement death benefit | Beneficiaries of vested participants who die prior to commencement of benefit payments.                          |

#### Benefits Paid Upon the Following Events

|                      |                                                                                                                                                                                                                                                                                                                                                |
|----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Normal retirement    | Monthly pension benefit determined as of NRD.                                                                                                                                                                                                                                                                                                  |
| Early retirement     | <p>The FAE Normal Retirement benefit is reduced by 3% for each year that payment begins prior to age 65.</p> <p>The PEP benefit is determined by reducing the actuarial equivalent of the PEP lump sum, determined as of the early retirement date, with the reduction factors described in the vested termination benefits section below.</p> |
| Postponed retirement | Monthly pension benefits continue to accrue based on service and earnings after Normal Retirement Date to the earlier of termination date and December 31, 2006. Benefit is not less than Accrued Benefit at Normal Retirement Age, actuarially increased from Normal Retirement Age to age at benefit commencement.                           |

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Vested termination

The FAE benefit is actuarially reduced.

The PEP benefit is the actuarial equivalent, as of the actual commencement date, of the PEP lump sum as calculated based on the age at termination, increased at 3% per annum until commencement, and reduced according to the following table (using linear interpolation between ages):

| Age at<br>Commencement | Factor Applied to<br>PEP Lump Sum |
|------------------------|-----------------------------------|
| 25                     | 40%                               |
| 30                     | 45%                               |
| 35                     | 50%                               |
| 40                     | 55%                               |
| 45                     | 65%                               |
| 50                     | 80%                               |
| 55 and above           | 100%                              |

Disability Benefits

Benefit based on PEP formula and, if applicable, the FAE formula, with the appropriate reductions as specified in the Early Retirement and Vested termination sections.

Preretirement death benefit

Single life annuity benefit, based on beneficiary's life expectancy, actuarially equivalent to the participant's PEP lump sum, but not less than half of the amount of the reduced annuity payable to the participant under the 50% Contingent Annuitant Option. The beneficiary can elect to receive the benefit as a lump sum.

Spouses can defer until participant's age 65, however, non-spouse beneficiaries must commence immediately. There is no charge for this coverage.

Forms of payment

Normal Form: Actuarially equivalent 50% contingent annuity if married on date benefits commence; life annuity if single.

Optional forms are also available. Refer to the Assumptions and Methods section for a list of all available forms. See Appendix I for actuarial equivalence basis used to adjust benefit amount for optional forms of payment.

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**Future Plan Changes**

No future plan changes were recognized in determining pension cost or funding requirements.

**Changes in Benefits Valued Since Prior Year**

There have been no changes in benefits valued since the prior year.

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# Special Provisions

| ■ Former Allied Colloids participants     | Special provisions apply for early retirement and actuarial equivalence for the portion of the benefit earned under the Allied Colloids Plan through December 31, 1998.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                    |                         |                        |      |                        |      |                        |      |                        |      |                        |      |                         |      |                        |      |                        |      |                        |      |                         |      |
|-------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|-------------------------|------------------------|------|------------------------|------|------------------------|------|------------------------|------|------------------------|------|-------------------------|------|------------------------|------|------------------------|------|------------------------|------|-------------------------|------|
| ■ Former Geigy participants               | <p>FAE benefit is not less than if the Grandfathered FAE formula above (prior to the Social Security offset benefits) were replaced with 2% for each of the first 25 years of Credited Service.</p> <p>The lump sum equivalent of the FAE formula incorporates early retirement subsidies.</p> <p>An additional minimum actuarial equivalent basis applies for calculation of the lump sum of the FAE formula.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                    |                         |                        |      |                        |      |                        |      |                        |      |                        |      |                         |      |                        |      |                        |      |                        |      |                         |      |
| Tom's River PACE Local 2-562 Participants | <p>The Accrued Benefit is a monthly benefit equal to years of Credited Service times the applicable benefit rate shown in the table below:</p> <table> <tr> <th>Determination Date</th><th>Applicable Benefit Rate</th></tr> <tr> <td>10/1/1988 to 9/30/1990</td><td>\$24</td></tr> <tr> <td>10/1/1990 to 9/30/1991</td><td>\$25</td></tr> <tr> <td>10/1/1991 to 9/30/1992</td><td>\$27</td></tr> <tr> <td>10/1/1992 to 9/30/1993</td><td>\$28</td></tr> <tr> <td>10/1/1993 to 9/30/1994</td><td>\$29</td></tr> <tr> <td>10/1/1994 to 12/31/1997</td><td>\$31</td></tr> <tr> <td>1/1/1998 to 12/31/1998</td><td>\$32</td></tr> <tr> <td>1/1/1999 to 12/31/1999</td><td>\$33</td></tr> <tr> <td>1/1/2000 to 12/31/2004</td><td>\$34</td></tr> <tr> <td>1/1/2005 and thereafter</td><td>\$40</td></tr> </table> <p>The disability benefit, payable on the Disability Retirement Date, is subject to a minimum of \$600 per month for participants with at least 5 years of Continuous Service.</p> <p>Special provisions apply for Actuarial Equivalence.</p> | Determination Date | Applicable Benefit Rate | 10/1/1988 to 9/30/1990 | \$24 | 10/1/1990 to 9/30/1991 | \$25 | 10/1/1991 to 9/30/1992 | \$27 | 10/1/1992 to 9/30/1993 | \$28 | 10/1/1993 to 9/30/1994 | \$29 | 10/1/1994 to 12/31/1997 | \$31 | 1/1/1998 to 12/31/1998 | \$32 | 1/1/1999 to 12/31/1999 | \$33 | 1/1/2000 to 12/31/2004 | \$34 | 1/1/2005 and thereafter | \$40 |
| Determination Date                        | Applicable Benefit Rate                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                    |                         |                        |      |                        |      |                        |      |                        |      |                        |      |                         |      |                        |      |                        |      |                        |      |                         |      |
| 10/1/1988 to 9/30/1990                    | \$24                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                    |                         |                        |      |                        |      |                        |      |                        |      |                        |      |                         |      |                        |      |                        |      |                        |      |                         |      |
| 10/1/1990 to 9/30/1991                    | \$25                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                    |                         |                        |      |                        |      |                        |      |                        |      |                        |      |                         |      |                        |      |                        |      |                        |      |                         |      |
| 10/1/1991 to 9/30/1992                    | \$27                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                    |                         |                        |      |                        |      |                        |      |                        |      |                        |      |                         |      |                        |      |                        |      |                        |      |                         |      |
| 10/1/1992 to 9/30/1993                    | \$28                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                    |                         |                        |      |                        |      |                        |      |                        |      |                        |      |                         |      |                        |      |                        |      |                        |      |                         |      |
| 10/1/1993 to 9/30/1994                    | \$29                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                    |                         |                        |      |                        |      |                        |      |                        |      |                        |      |                         |      |                        |      |                        |      |                        |      |                         |      |
| 10/1/1994 to 12/31/1997                   | \$31                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                    |                         |                        |      |                        |      |                        |      |                        |      |                        |      |                         |      |                        |      |                        |      |                        |      |                         |      |
| 1/1/1998 to 12/31/1998                    | \$32                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                    |                         |                        |      |                        |      |                        |      |                        |      |                        |      |                         |      |                        |      |                        |      |                        |      |                         |      |
| 1/1/1999 to 12/31/1999                    | \$33                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                    |                         |                        |      |                        |      |                        |      |                        |      |                        |      |                         |      |                        |      |                        |      |                        |      |                         |      |
| 1/1/2000 to 12/31/2004                    | \$34                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                    |                         |                        |      |                        |      |                        |      |                        |      |                        |      |                         |      |                        |      |                        |      |                        |      |                         |      |
| 1/1/2005 and thereafter                   | \$40                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                    |                         |                        |      |                        |      |                        |      |                        |      |                        |      |                         |      |                        |      |                        |      |                        |      |                         |      |

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**Plan Provisions – BASF Cognis Salaried Formula**

|                   |                                                                                                                                                        |
|-------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------|
| Effective Date    | October 1, 1999 (last amended July 1, 2011). Effective January 1, 2011, the plan was merged into the BASF Corporation Salaried Employees' Pension Plan |
| Covered Employees | Employees of BASF's Cognis business unit excluding employees covered by collective bargaining units that do not provide coverage under the plan.       |
| Eligibility Date  | First day of employment.                                                                                                                               |

**Definitions**

|                              |                                                                                                                                                                                                                                                                                    |
|------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Credited service             | Credited in years and months with credit for one month if one hour of service is credited in that month. Measured from date of covered employment or date specified if prior member of an acquired company's plan.                                                                 |
| Vesting service              | Five years of service.                                                                                                                                                                                                                                                             |
| Considered Compensation      | Remuneration actually paid during any calendar year for base gross wages (including 401(k) deferrals), overtime, bonuses, commissions, incentive payments and foreign service allowances. Earnings are limited in accordance with Section 401(a)(17) of the Internal Revenue Code. |
| Career average earnings      | Average of all years of Pensionable Earnings after December 31, 2003 (after December 31, 2006 for former Cognis Hourly Plan participants).                                                                                                                                         |
| Normal retirement date (NRD) | Last day of the month age 65 attained.                                                                                                                                                                                                                                             |

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|                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Monthly pension benefit | <p>For former Cognis Hourly Plan participants, (1) + (2), where</p> <p>(1) December 31, 2006 accrued benefit under Cognis Hourly Plan</p> <p>(2) 1.00% of Career Average Earnings x Service after December 31, 2006</p> <p>For all others, (1) + (2) + (3), where</p> <p>(1) December 31, 2003 accrued benefit under prior plan</p> <p>(2) 1.00% of Career Average Earnings x Service after December 31, 2003</p> <p>(3) If age + service on December 31, 2003 is greater than or equal to 80:<br/>0.50% of Career Average Earnings x Service after December 31, 2003, maximum 10 years<br/>OR<br/>If age + service on December 31, 2003 is less than 80 but greater than or equal to 75:<br/>0.25% of Career Average Earnings x Service after December 31, 2003, maximum 10 years.</p> <p>As of July 1, 2011, BASF prospectively eliminated all benefit accruals.</p> |
|-------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

#### Eligibility for Benefits

|                             |                                                                                                                                     |
|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------------|
| Normal retirement           | Retirement on NRD                                                                                                                   |
| Early retirement            | Age 55 and 5 years of Service.                                                                                                      |
| Postponed retirement        | Retirement after NRD                                                                                                                |
| Vested termination          | Five years of Service.                                                                                                              |
| Disability                  | Participants who are eligible for total and permanent disability benefits under the Federal Social Security Act.                    |
| Preretirement death benefit | Beneficiaries of vested participants who have been married at least one year and who die prior to commencement of benefit payments. |

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**Benefits Paid Upon the Following Events**

|                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Normal retirement    | Monthly pension benefit determined as of NRD.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| Early retirement     | <p>Monthly pension benefit calculated at early retirement. Benefit reduced as follows:</p> <ul style="list-style-type: none"><li>■ The accrued benefit as of December 31, 2003 (as of December 31, 2006 for former Cognis Hourly Plan participants) is reduced 2% for each of the first three years retirement precedes age 62 and 4% for each of the next four years.</li><li>■ For all former Cognis Hourly Plan participants and for Salaried participants whose age plus service as of December 31, 2003 is less than 70, the benefit accrued after December 31, 2003 (after December 31, 2006 for former Cognis Hourly Plan participants) is reduced 6% per year from age 65.</li><li>■ For Salaried participants whose age plus service as of December 31, 2003 is greater than or equal to 70, the benefit accrued after December 31, 2003 is reduced by 2% for each of the first three years retirement precedes age 62 and 4% for each of the next four years.</li></ul> |
| Postponed retirement | Monthly pension benefits continue to accrue based on service and earnings after Normal Retirement Date.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Vested termination   | <p>For Cognis Salaried participants, the accrued benefit as of December 31, 2003 is reduced 6% for each of the first five years retirement precedes age 65 and 4% for each of the next five years.</p> <p>For former Cognis Hourly Plan participants, the accrued benefit as of December 31, 2006 is reduced 2% for each of the first three years retirement precedes age 62 and 4% for each of the next four years.</p> <p>The benefit accrued after December 31, 2003 (after December 31, 2006 for former Cognis Hourly Plan participants) is reduced 6% from age 65.</p>                                                                                                                                                                                                                                                                                                                                                                                                       |
| Disability Benefits  | <p>Participant continues to accrue benefit service; Pensionable Earnings are deemed to be the amount of regular base salary in effect at the time of disability.</p> <p>Former Cognis Hourly Plan participants who were employed on February 1, 2001 and have at least 10 years of service at the time of disability will receive a monthly benefit of \$1,225 less state Worker's Compensation or occupation disease benefits until the earlier of (i) recovery from disability, (ii) election of early retirement on or after age 62, and (iii) age 65. Then the Accrued Benefit is calculated including accruals earned while disabled.</p>                                                                                                                                                                                                                                                                                                                                    |

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|                             |                                                                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                    |
|-----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Preretirement death benefit | Benefit prior to early retirement eligibility                                                                                                                                                                                                                                                                                                                  | 50% of the Accrued Benefit that would have been paid to the participant from the earliest retirement age, assuming terminated on the day of death, survived to the earliest retirement age, retired and commenced payments under 50% joint and survivor option with the spouse as the survivor, and died the day after retirement. |
|                             | Benefit after early retirement eligibility                                                                                                                                                                                                                                                                                                                     | 50% of the Accrued Benefit that would have been paid to the participant from the first of the month following death, assuming the participant had retired and commenced payments on the first of the month of death under the 50% joint and survivor options with his spouse as the survivor.                                      |
| Forms of payment            | Normal Form: Actuarially equivalent 50% contingent annuity if married on date benefits commence; life annuity if single.<br><br>Optional forms are also available. Refer to the Assumptions and Methods section for a list of all available forms. See Appendix I for actuarial equivalence basis used to adjust benefit amount for optional forms of payment. |                                                                                                                                                                                                                                                                                                                                    |

#### Future Plan Changes

No future plan changes were recognized in determining pension cost or funding requirements

#### Changes in Benefits Valued Since Prior Year

There have been no changes in benefits valued since the prior year.

**BASF Corporation Pension Plans**  
**Optional Forms of Benefit Conversion Bases**

Plan Name

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BASF Corporation Salaried Employees' Pension Plan

- |                                                                          |               |
|--------------------------------------------------------------------------|---------------|
| (a) Provisions for BASF Corporation Traditional participants             | Appendix I(a) |
| (b) Provisions for BASF Corporation Cash Balance participants            | Appendix I(b) |
| (c) Provisions for BASF Catalysts Retirement Income Plan participants    | Appendix I(c) |
| (d) Provisions for BASF Construction Chemicals Cash Balance participants | Appendix I(d) |
| (e) Provisions for BASF Construction Chemicals SKW participants          | Appendix I(e) |
| (f) Provisions for BASF Performance Products LLC participants            | Appendix I(f) |
| (g) Provisions for BASF Cognis Retirement Plan participants              | Appendix I(g) |

Schedule SB Attachments (Form 5500) – 2016 Plan Year  
Schedule SB, Part V – Summary of Plan Provisions  
BASF Corporation Salaried Employees' Pension Plan  
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Appendix I(a) – Provisions for BASF Corporation Traditional Participants

Annuity Conversion Basis:

For any annuity form of payment:

(A) Mortality – The UP-1984 Mortality Table

(B) Interest – 8% per annum.

Lump Sum Conversion Basis:

For any lump sum option, the conversion factor is calculated using the applicable mortality table established by the Internal Revenue Service under Code Section 417(e)(3) and the segment interest rates established by the IRS under 417(e).

Schedule SB Attachments (Form 5500) – 2016 Plan Year  
Schedule SB, Part V – Summary of Plan Provisions  
BASF Corporation Salaried Employees' Pension Plan  
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Appendix I(b) – Provisions for BASF Corporation Cash Balance Participants

Annuity Conversion Basis:

For any annuity form of payment:

- (A) Mortality – Applicable Mortality table established by the Internal Revenue Service under Revenue Ruling 2001-62
- (B) Interest – Average annual effective interest rate on 30-Year US Treasury securities for the third full calendar month preceding the month which contains the annuity starting date for such distribution

Schedule SB Attachments (Form 5500) – 2016 Plan Year  
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BASF Corporation Salaried Employees' Pension Plan  
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Appendix I(c) – Provisions for BASF Catalysts Retirement Income Plan Participants

Annuity Conversion Basis:

For any annuity form of payment:

(A) Mortality – The 1994 GAR Unisex Mortality Table

(B) Interest – 6.5% per annum.

Lump Sum Conversion Basis:

For any lump sum option, the conversion factor is calculated using the applicable mortality table established by the Internal Revenue Service under Code Section 417(e)(3) and the segment interest rates established by the IRS under 417(e).

Schedule SB Attachments (Form 5500) – 2016 Plan Year  
Schedule SB, Part V – Summary of Plan Provisions  
BASF Corporation Salaried Employees' Pension Plan  
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Appendix I(d) – Provisions for BASF Construction Chemicals Cash Balance Participants

Annuity Conversion Basis:

For single life annuity form of payment:

- (A) Mortality – Applicable Mortality table established by the Internal Revenue Service under Revenue Ruling 2001-62
- (B) Interest – Average annual effective interest rate on 30-Year US Treasury securities for the third full calendar month preceding the month which contains the annuity starting date for such distribution

For all other annuity forms of payment:

- (A) Mortality – The 1971 Group Annuity Mortality Table weighted 90% male and 10% female
- (B) Interest – 8.0% per annum

Schedule SB Attachments (Form 5500) – 2016 Plan Year  
Schedule SB, Part V – Summary of Plan Provisions  
BASF Corporation Salaried Employees' Pension Plan  
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Appendix I(e) – Provisions for BASF Construction Chemicals SKW Participants

Sample Factors for Contingent (C.A.) forms of annuity:

| Participant Age/ |          |          |           |
|------------------|----------|----------|-----------|
| Spouse Age       | 50% C.A. | 75% C.A. | 100% C.A. |
| 65/65            | .8498    | .7904    | .7389     |
| 60/60            | .8743    | .8225    | .7709     |
| 55/55            | .8970    | .8530    | .8010     |

Lump Sum Conversion Basis:

For any lump sum option, the conversion factor is calculated using the applicable mortality table established by the Internal Revenue Service under Code Section 417(e)(3) and the segment interest rates established by the IRS under 417(e).

Schedule SB Attachments (Form 5500) – 2016 Plan Year  
Schedule SB, Part V – Summary of Plan Provisions  
BASF Corporation Salaried Employees' Pension Plan  
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Appendix I(f) – Provisions for BASF Performance Products LLC Participants

Annuity Conversion Basis:

For any annuity form of payment:

- (A) Mortality – The 1971 TPF&C Forecast Mortality Table weighted 80% male and 20% female
- (B) Interest – 6% per annum.

Lump Sum Conversion Basis:

For any lump sum option, the conversion factor is calculated using the applicable mortality table established by the Internal Revenue Service under Code Section 417(e)(3) and the segment interest rates established by the IRS under 417(e).

Schedule SB Attachments (Form 5500) – 2016 Plan Year  
Schedule SB, Part V – Summary of Plan Provisions  
BASF Corporation Salaried Employees' Pension Plan  
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Appendix I(g) – Provisions for BASF Cognis Retirement Participants

Annuity Conversion Basis:

For any annuity form of payment:

- (A) Mortality – Mortality: RP-2000 Healthy Annuitant, male participant, female beneficiary projected to 2012 without collar adjustment
- (B) Interest – 6% per annum.

Lump Sum Conversion Basis:

For any lump sum option, the conversion factor is calculated using the applicable mortality table established by the Internal Revenue Service under Code Section 417(e)(3) and the segment interest rates established by the IRS under 417(e).

Schedule SB Attachments (Form 5500) – 2016 Plan Year  
Schedule SB, Line 32 – Schedule of Amortization Bases  
BASF Corporation Salaried Employees' Pension Plan  
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**Amortization Record for the Plan Year**

Plan Year period: 1/1/2016 through 12/31/2016  
Tax Year period: 1/1/2016 through 12/31/2016

|                                      | Date Established | Remaining<br>Period | Outstanding<br>Balance<br>Beginning of<br>Year | Amortization<br>Charge or Credit |
|--------------------------------------|------------------|---------------------|------------------------------------------------|----------------------------------|
| <b>1. Net Shortfall Amortization</b> | 1/1/2016         | 7                   | 108,772,994                                    | 17,971,848                       |
| Total Amortization Charges           |                  |                     | 108,772,994                                    | 17,971,848                       |
| <b>2. Waiver Amortization</b>        |                  |                     |                                                |                                  |
| Total Amortization Credits           |                  |                     | 0                                              | 0                                |

**Schedule SB Attachments (Form 5500) – 2016 Plan Year**

**Schedule SB, Line 25 – Change in Method**

**BASF Corporation Salaried Employees' Pension Plan**

**EIN: 16-1090809    PN: 001**

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The valuation software used to produce the actuarial information submitted on this schedule has been changed and such modification may be considered to be a method change. The percentage changes in funding target, target normal cost and plan assets due to the refinements in the software are each less than 2% (disregarding the effects of any changes that are automatically approved under final IRC 430 regulations), and the modifications to the software were designed to produce results no less accurate than the results produced by the software prior to the change. Therefore the change in funding method due to a change in valuation software receives automatic approval under IRS Announcement 2010-3.

This change in valuation software was prematurely reported as a change in method on the 2015 Form 5500 Schedule SB. The software change is first effective for the actuarial information submitted on the 2016 Form 5500 Schedule SB.

**Schedule SB Attachments (Form 5500) – 2016 Plan Year**  
**Schedule SB, Line 24 — Change in Actuarial Assumptions**  
**BASF Corporation Salaried Employees' Pension Plan**  
**EIN: 16-1090809    PN: 001**

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The administrative expense load increased from 0.40% of the Fair Value of Assets in 2015 to 0.55% of the Fair Value of Assets in 2016 to account for higher expected expenses to be paid from the trust.