

THIS COLLECTIVE AGREEMENT is made pursuant to the Industrial Relations Act this 10th day of December 2010 between the **SL GLOBAL PTE LTD**, having its registered office at 30, Marsiling Lane Singapore 739149 (hereinafter called the “Company”) of the one part and the **SINGAPORE INDUSTRIAL & SERVICES EMPLOYEES UNION**, a trade union registered under the Trade Unions Act, and having its registered office at No. 3 Bukit Pasoh Road, #05-00, Singapore 089817 (hereinafter referred to as the “Union”) of the other part in full and final settlement of all claims submitted by the Union.

IT IS HEREBY AGREED AND DECLARED between the parties hereto as follows:

(I) GENERAL PROVISIONS

CLAUSE 1 TITLE

This Agreement shall be known as the “**SL GLOBAL EMPLOYEES' AGREEMENT OF 2010**”.

CLAUSE 2 SCOPE OF AGREEMENT

This Agreement shall cover all locally engaged employees of the Company with the exception of managerial, executive, confidential staff and probationary employees.

CLAUSE 3 DURATION OF AGREEMENT

- (1) This Agreement shall take effect on 1st August 2010 and shall remain in force for a period of three years up to 31st July 2013.
- (2) During the currency of this Agreement, neither the Company nor the Union shall seek to vary, modify or annul any of its terms in

any way whatsoever, save as is provided herein or by operation of law.

- (3) Negotiations for a new collective agreement may commence not earlier than three (3) months before the expiry of this Agreement.

CLAUSE 4 INTERPRETATION OF WORDS

In this Agreement, unless the context otherwise requires, words importing the masculine gender include the feminine and words importing the singular include the plural.

CLAUSE 5 RECOGNITION

- (1) The Company recognises the Union as the sole collective negotiating body in respect of all terms and conditions of service of the employees coming within the scope of this Agreement.
- (2) All relevant correspondence from the Company to employees covered by this Agreement and relating to matters within the scope of this Agreement shall be copied to the Union and its Branch.

CLAUSE 6 NON-UNION MEMBERS

Bargainable employees who are not members of the Union shall not receive benefits more favourable than those conferred on the union members under this Agreement.

CLAUSE 7 GRIEVANCE PROCEDURE

- (1) The Union and the Company agree that an employee's grievance shall be dealt with as expeditiously as possible. In accordance therewith, the procedure set out in sub-clause (2) of this clause shall be adopted to deal with an employee's grievance.
- (2) The procedure referred to in sub-clause (1) of this clause shall be as follows:

- (a) Step One - Any employee having a grievance shall, within three (3) working days of its arising, bring the matter to the attention of his immediate supervisor who shall give his decision within three (3) working days from the date of notification to him.
- (b) Step Two - If the employee concerned is aggrieved by the decision given at paragraph (a) above, he shall within three working days thereof, bring the matter to the attention through the Branch committee to the attention of the officer appointed by the Company to deal with such matters, who shall give his decision within three (3) working days from the date the matter was referred to him.
- (c) Step Three - If the employee is dissatisfied with the decision given at paragraph (b) above, the matter shall be discussed at the Company management and Union level, failing which either party may invoke clause 8 of this Agreement.

CLAUSE 8 REFEREE

Any dispute between the parties to this Agreement while it is in force and arising out of its operation shall be referred by either party to the President of the Industrial Arbitration Court who shall have the discretion to select a referee appointed in accordance with section 43 of the Industrial Relations Act to hear and determine the dispute.

(II) GENERAL TERMS AND CONDITIONS OF EMPLOYMENT

CLAUSE 9 PROBATION

- (1) A newly engaged employee shall, in the first instance, serve a probationary period of three (3) months and, if necessary, the probationary period may be extended for a further period of not exceeding three (3) months.

- (2) Upon completion of his probationary period, the employee shall be informed in writing whether his service is confirmed, extended or terminated.

CLAUSE 10 WORKING HOURS AND OVERTIME

The working hours and overtime shall be regulated in accordance with the Employment Act.

CLAUSE 11 WORK ON REST DAYS AND PUBLIC HOLIDAYS

If and when an employee is required to work on a rest day or public holiday, he shall be paid in accordance with the provisions of the Employment Act.

CLAUSE 12 PUBLIC HOLIDAYS

In accordance with the provisions of the Employment Act, every employee shall be entitled to all gazetted public holidays with full pay.

CLAUSE 13 RETIREMENT AND RE-EMPLOYMENT

- (1) The retirement age of employees shall be in accordance with the Retirement Age Act.
- (2) The Company shall provide pre-retirement planning for its retiring staff at least 6 months in advance. The re-employment policy is as set out in Appendix I.

(III) TERMS AND BENEFITS ON TERMINATION OF EMPLOYMENT

CLAUSE 14 RETRENCHMENT BENEFIT

- (1) In the event of retrenchment, the Company shall inform the Union in writing one (1) month in advance of impending retrenchment before the redundancy notice is given to so affected employees.

- (2) The notice of retrenchment to any employee so affected shall be one month or one month's pay in lieu of notice.
- (3) The quantum of retrenchment benefit shall be negotiated between the Company and the Union.
- (4) For the purpose of this clause, salary means last drawn basic salary and one (1) month's salary shall be computed as follows:
 - (a) Monthly-rated employees - monthly basic salary.
 - (b) Daily-rated employees - daily basic pay x 24 days.
 - (c) Piece-rated employees - average monthly earnings plus accumulative NWC wage increases.
- (5) The benefits payable to retrenched employees shall include the following:
 - (a) Unconsumed annual leave;
 - (b) Pro-rated annual wage supplement;
 - (c) Payment in lieu of maternity leave in accordance with clause 23 of this Agreement for female employees who are certified by a registered medical practitioner or a Government owned maternity hospital as being pregnant on the day of retrenchment.

CLAUSE 15 FUNERAL GRANT

In the event an employee dies whilst in the service of the Company, the Company shall grant a lump sum payment of S\$500.00 to the employee's family.

(IV) SALARY AND OTHER MONETARY ITEMS

CLAUSE 16 SALARY AND ANNUAL WAGE INCREASE

- (1) The starting salary for the various categories of employees shall be as set out in the Appendix II to this Agreement.

- (2) The incremental date shall be the first day of July of each year.
- (3) The quantum of annual wage increase shall be negotiated annually.

CLAUSE 17 ANNUAL WAGE SUPPLEMENT

- (1) Every employee who has completed twelve (12) months' continuous service with the Company, shall be entitled to an annual wage supplement to be paid two (2) weeks before Chinese New Year (with the exception when Chinese New Year falls in January) on the following basis:
 - (a) Monthly-rated employees - one (1) month's basic salary.
 - (b) Daily-rated employees - twenty-four (24) days' basic wage.
 - (c) Piece-rated employees - average monthly earnings plus accumulative NWC wage increases.
- (2) Confirmed employees who have not completed twelve months' service shall be paid the annual wage supplement on a pro-rata basis.
- (3) Any incomplete month of service of fifteen (15) days and more shall be calculated as a full month for the purpose of this clause.

CLAUSE 18 VARIABLE BONUS

- (1) A variable bonus shall be paid to employees on a yearly basis subject to the Company's profitability and viability. The payment of variable bonus shall be made in accordance with individual performance.
- (2) Any confirmed employee who has not completed twelve (12) months' service as at 31st December shall not be eligible for a variable bonus.

CLAUSE 19 ATTENDANCE INCENTIVE

The Company agrees to pay an attendance incentive of S\$20.00 per month, provided the employee has completed a perfect attendance during that month.

CLAUSE 20 TRANSPORT ALLOWANCE

The Company shall provide transport to all piece-rated and daily-rated production workers. Only piece-rated and daily-rated production workers who are not provided with Company transport shall be paid a transport allowance of S\$1.70 per full day. In the event that the piece-rated or daily-rated production worker works for half a day, he shall be paid a paid transport allowance of S\$0.85 only.

CLAUSE 21 MEAL ALLOWANCE

The Company shall provide a meal allowance of S\$2.00 per day to all piece-rated and daily-rated production workers. In the event that the piece-rated or daily-rated production worker works for half a day, he shall be paid a meal allowance of S\$1.00 only.

(V) LEAVE ITEMS

CLAUSE 22 ANNUAL LEAVE

(1) Every confirmed employee or employee with not less than three (3) months' continuous service with the Company shall be granted paid annual leave as follows:

- (a) 1st year of service - seven (7) working days.
- (b) Thereafter, an addition of one (1) working day per year of service for up to a maximum of fourteen (14) working days.

An employee shall be entitled to proportionate annual leave in respect of an incomplete year of service.

- (2) If an employee terminates his service for reasons other than resignation to avoid dismissal or has his service terminated, the Company shall pay for earned leave not taken.
- (3) Except in cases of emergency, an employee shall apply for annual leave one (1) week in advance for leave of more than three (3) days and three (3) days in advance for leave of not more than three (3) days. The Company shall inform the employee within two (2) days of the receipt of the application whether the leave has been approved.

CLAUSE 23 MATERNITY LEAVE

- (1) Every female employee shall be entitled to paid maternity leave in accordance with the Children Development Co-Savings Act or the Employment Act, as applicable.
- (2) An application for maternity leave shall, as far as possible, be submitted at least one (1) week in advance and be supported by a certificate from a registered medical practitioner or a Government maternity hospital.
- (3) If at the expiry of the maternity leave, the employee is medically certified as unfit for duty, her absence shall be treated as normal sick leave in accordance with clause 28 of this Agreement.
- (4) For the purpose of calculating one (1) month's salary for the piece-rated employees in respect of maternity leave with full pay, reference shall be made to the Third Schedule of the Employment Act.
- (5) Any absence from work due to miscarriage or from any other illness due to pregnancy during the first seven months of pregnancy shall not be considered as maternity leave but as normal sick leave.

CLAUSE 24 CHILD CARE LEAVE

Every eligible employee who has served the Company for at least 3 months and who has a child below the age of 7 years shall be entitled to the prescribed number of days of paid childcare leave in a year in accordance with the relevant provisions in the Children Development Co-Savings Act or the Employment Act, as the case may be.

CLAUSE 25 MARRIAGE LEAVE

The Company shall grant four (4) working days' leave with full pay to a confirmed employee who has completed six (6) months of service on the occasion of the first marriage provided that the employee's first marriage is contracted or solemnised whilst he or she is employed in the Company and a properly authenticated certificate or any other evidence of such marriage shall be provided by the employee.

CLAUSE 26 INFANT CARE LEAVE

Every eligible employee who has served the Company for at least three (3) months shall be granted the prescribed number of days of unpaid infant-care leave in a year in accordance with the relevant provisions in the Children Development Co-Savings Act.

CLAUSE 27 COMPASSIONATE LEAVE

- (1) An employee who has completed six (6) months' service shall be granted paid compassionate leave in the event of the following circumstances:
 - (a) Death of spouse - four (4) working days
 - (b) Death of parent or child - three (3) working days
 - (c) Death of grandparent/ parent-in-law/brother/sister - two (2) working days
- (2) The employee shall provide documentary evidence to substantiate the leave application.

(VI) MEDICAL BENEFITS AND INSURANCE

CLAUSE 28 SICK LEAVE, MEDICAL BENEFITS AND HOSPITALISATION

- (1) Every employee with not less than three (3) months' service shall be entitled to paid sick leave on the certification of a Company appointed medical practitioner or a Government medical officer. Sick leave shall be granted in accordance with the terms and conditions provided by Section 89 of the Employment Act.
- (2) An employee who has served an employer for a period of at least 3 months but less than 6 months, shall be entitled on the certification of a Company appointed medical practitioner or a Government medical officer, to the following number of days of paid sick leave:

Number of Months of Service Completed of a New Employee	Paid Outpatient Non-Hospitalisation Leave (Days)	Paid Hospitalisation Leave (Days)
3 months	5	15
4 months	8	30
5 months	11	45
6 months	14	60
thereafter	14	60

- (3) The employee must inform the Company or Line Superior at the earliest possible time of his inability to report to work.
- (4) Every employee shall enjoy the privilege of medical attention, treatment and medicine from the Company doctor. The Company shall also designate one or more doctors in areas where majority of the employees reside in, and in cases where an employee consults such a designated doctor, the Company shall reimburse the employee the medical expenses up to a

maximum of S\$17.00 per visit. In the case of an emergency, the Company shall only reimburse the employee the medical consultation fee incurred from a Government medical officer.

- (5) Every employee shall be eligible for the benefits of "C" class ward accommodation in a Government hospital or in any other Government owned restructured hospitals up to an aggregate of sixty (60) days in any calendar year.

In the event that the "C" class ward accommodation is not available at the time of admission, the employee shall be given "B2" class ward accommodation until such time when "C" class ward accommodation is available.

- (6) The Company shall reimburse employees the costs of all in-patient treatment in government/government restructured hospitals, inclusive of surgical, ward, x-ray, pre-hospitalisation specialist consultation prior to admission, laboratory test and post-hospitalisation follow-up charges immediately after discharge up to a maximum of S\$15,000.00 per year, but excluding any treatment relating to dental, ophthalmology, gynaecological or obstetrics cases.

CLAUSE 29 LONG TERM SICK LEAVE

- (1) In the event of an employee contracting tuberculosis or other illnesses of a prolonged nature and found unfit for work based upon the prognosis of a registered medical practitioner, the Company shall grant leave as follows:
 - (a) First six (6) months - full basic pay.
 - (b) Next six (6) months - half-basic pay.
 - (c) A further six (6) months - no pay.
- (2) At the expiry of the period if he is still unfit for employment, he shall be medically boarded out and the quantum to be negotiated with the union.

- (3) The employee shall forfeit his right to the above if he fails to follow the prescribed treatment of the registered medical practitioner.
- (4) The long term illness leave will be effective only after the employee had utilised all his medical leave, hospitalisation leave and annual leave for that calendar year.

CLAUSE 30 WORK INJURY COMPENSATION

Every employee shall be insured in accordance with the provisions of the Work Injury Compensation Act.

(VII) MISCELLANEOUS ITEMS

CLAUSE 31 SAFETY COMMITTEE

The Company shall establish a Safety Committee in accordance with the Workplace Safety and Health Act.

CLAUSE 32 EMPLOYEES' LIST

The Company shall on signing this Agreement submit to the Union a list of the employees coming within the scope hereof showing the following information:

- (a) Employees' names.
- (b) Employees' identification numbers.
- (c) Employees' grades/classes.
- (d) Employees' new rates of pay.
- (e) Employees' sex, race, dates of birth and citizenship.

CLAUSE 33 TRAINING

The Company shall undertake the training of its employees and shall sponsor the employees who wish to attend education courses organised by any recognised institute/organisation to up-grade his/her

skills or provide additional knowledge to them. Prior approval from the Company must be sought.

CLAUSE 34 EQUAL REMUNERATION

- (1) Both parties accept that the principle of equal remuneration for men and women for work of equal value shall apply. "Remuneration" means salary (as defined in the Employment Act) and any other consideration, whether in cash or in kind, which the employee receives directly or indirectly, in respect of employment.
- (2) The employer shall ensure that the principles of equal remuneration for men and women for work of equal value are adhered to. Regardless of their gender, employees will be paid and rewarded based on the value of job, performance and contribution.

IN WITNESS WHEREOF the parties hereto have hereunto set their hands the day and year first above written:

Signed for and on behalf of:

SL GLOBAL PTE LTD

**SINGAPORE INDUSTRIAL &
SERVICES EMPLOYEES UNION**

PHILIP TAN
Chief Financial Officer

SYLVIA CHOO
Deputy Executive Secretary

ANG SIEW KIOK
Branch Chairman

In the presence of:

KAREN PANG
Human Resource Manager

KAREN GOH
Senior Industrial Relations Officer

SL GLOBAL EMPLOYEES' AGREEMENT OF 2010

RE-EMPLOYMENT POLICY

1. DEFINITION

The retirement age shall be in accordance with the Retirement Age Act.

2. SCOPE

This policy shall be applicable to all employees of the Company.

3. CRITERIA FOR RE-EMPLOYMENT

The Company shall provide re-employment to retiring employees subject to the following:

- (a) Employees must be medically fit to continue working; and
- (b) Employees must have satisfactory or better work performance;
- (c) The employee's willingness to accept an alternative position where required by the Company;
- (d) The employee agreeing to enter into a new employment contract with the Company;
- (e) The revised terms and conditions for re-employment are equitable to the employee without compromising the cost competitiveness and the business plan of the Company.

4. CONTRACT PERIOD

- (1) Employees who are eligible for re-employment with the Company shall be offered re-employment in one of the following job arrangements:
 - (a) Re-employed in the same job; or
 - (b) Re-employed with modifications to the existing job or re-deployed to a different job; or
 - (c) Re-employed on flexible work arrangements, such as part-time or job-sharing
- (2) The duration of re-employment can take a few forms:
 - (a) Re-employment year by year, for three years up to the point when the staff reaches the age of 65; or
 - (b) Re-employment for three years till age 65, but subject to a review of the staff's performance and fitness for the job at the end of every year.

5. SALARY

There will be no change to the employee's salary unless he is undertaking a different job. In the event that he is undertaking a different job, the salary will be negotiated between the Company and the Employee on a case-by-case basis, taking into consideration the principle where salary should commensurate with the job undertaken, the employee's experience and other attributes.

6. OUTPATIENT MEDICAL BENEFIT

The employee shall continue to enjoy the outpatient medical benefit as provided for in clause 28 of this collective agreement, subject to a cap of S\$300 per calendar year for outpatient treatment at the company appointed doctor.

7. INPATIENT MEDICAL BENEFIT

The Company shall provide additional Medisave contribution of S\$200 per calendar year for employees to pay Medishield premium in lieu of providing in-patient medical benefits.

8. ANNUAL LEAVE

The employee will be entitled to 7 days of annual leave upon re-employment.

9. SICK / HOSPITALIZATION LEAVE

Every employee shall continue to enjoy the number of sick leave/hospitalization leave as provided for in this Collective Agreement.

10. LENGTH OF SERVICE

Upon re-employment, the employee's service period prior to re-employment shall cease to be effective.

11. TERMINATION WITH NOTICE

Employers and employees may exercise normal termination with notice in accordance with their employment contracts. Re-employed employees who feel that they were unfairly dismissed may appeal to the Minister for Manpower for reinstatement or compensation.

12. RECOGNISING THE CONTRIBUTIONS OF RE-EMPLOYED EMPLOYEES

Employers should recognise that re-employed employees are an integral part of the organisation. They should, where appropriate, continue to reward re-employed employees based on company and individual performance in the form of performance bonuses, gain-sharing incentives or one-off bonuses. This recognition will help to incentivise and motivate these employees to perform well.

13. ALTERNATE EMPLOYMENT ASSISTANCE

In the event that the company is not able to offer re-employment to eligible employees, the company will provide employment assistance to the employee as follows:

- (1) A one-off Employment Assistance Payment (EAP) to the affected worker as prescribed in the guidelines.
- (2) Assist employee with employment assistance with a job placement agency such as the Employment and Employability Institute (e2i) or the Community Development Councils (CDCs).

SL GLOBAL EMPLOYEES' AGREEMENT OF 2010

JOB TITLES	STARTING SALARY	
	<u>GRADE A</u>	<u>GRADE B</u>
Seamstress	S\$18.00/pd	S\$17.00/pd
Ironer	S\$18.00/pd	S\$17.00/pd
Packer	S\$18.00/pd	S\$16.00/pd
QC Checker	S\$24.00/pd	S\$22.00/pd
General Worker	S\$24.00/pd	S\$22.00/pd
Storeman	S\$28.00/pd	S\$25.00/pd
Sample Seamstress/Marker Maker	S\$850.00/pm	S\$700.00/pm
Driver/Clerk	S\$850.00/pm	S\$700.00/pm

pd : per day
pm : per month