

**THIS COLLECTIVE AGREEMENT** is made this 30<sup>th</sup> day of XXX 2017 pursuant to the provisions of the Industrial Relations Act, between the **L COMPANY PTE LTD**, a company incorporated in the Republic of Singapore and having its place of business at \_\_\_\_\_ (hereinafter referred to as the "Company") of the one part and the **CHEMICAL INDUSTRIES EMPLOYEES UNION**, a trade union registered under the Trade Unions Act and having its registered office at Bukit Pasoh Building, No 3, Bukit Pasoh Road, #06-00, Singapore 089817 (hereinafter referred to as the "Union") of the other part, on behalf of the employees of the Company employed in Singapore who are members of the Union.

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

## (I) GENERAL PROVISIONS

### **CLAUSE 1 TITLE**

This Agreement shall be known as the "**L COMPANY PTE LTD EMPLOYEES' AGREEMENT OF 2017**".

### **CLAUSE 2 SCOPE OF AGREEMENT**

- (1) This Agreement shall cover all confirmed employees of the Company in Singapore with the exception of -
  - (a) Managerial, executive and confidential (administrative and non-administrative) employees;
  - (b) Probationers, contract employees and any temporary employees engaged for a period not exceeding the aggregate of three (3) months in a year.
- (2) Notwithstanding sub-clause (1) of this clause, both parties shall extend the five (5) areas of representation; retrenchment, unfair

dismissal, breach of individual contract of employment, victimization and re-employment or as prescribed in section 30(A) of the Industrial Relations Act, to all executives of the Company.

### **CLAUSE 3 DURATION OF AGREEMENT**

- (1) This Agreement shall take effect from 1<sup>st</sup> XXX 2017 and shall remain in force until 31<sup>st</sup> XXX 2020, both dates inclusive.
- (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 anyway whatsoever, save as is provided herein or by operation of law.
- (3) Negotiations for a new collective agreement may commence three (3) months before the expiry of this Agreement.

### **CLAUSE 4 RECOGNITION**

- (1) The Company recognizes 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 formal disciplinary correspondence from the Company to unionized 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 5 OBJECTIVES**

- (1) The objectives of this Agreement are to ensure continued efficiency and high productivity in order to promote and improve the industrial and economic relations of the Company and the Union; to clarify the rights and responsibilities of the above-mentioned parties; to set forth the full and complete agreement between the parties to which this Agreement applies concerning terms and conditions of the employment for all the employees represented by the Union for the

duration of this Agreement, and to provide peaceful and orderly means of resolving any misunderstanding or grievances.

- (2) It is under such a relationship of mutual respect and sincerity that the Company and the Union shall work together with the closest co-operation.
- (3) It is the function of the Union to make representations regarding the Company's action which, in the opinion of the Union, is contrary to or which diminishes the value of the provisions of this Agreement and to negotiate collectively on behalf of its members.

#### **CLAUSE 6 OBLIGATIONS IMPOSED BY AGREEMENT AND LAW**

- (1) The parties to which this Agreement applies agree that if any parts of this Agreement are, or become contrary to any Government legislation of Singapore, such part shall be amended to comply with such applicable law without in any way affecting any other part of this Agreement.
- (2) The effective date of any such amendments shall be coincident with the date of enactment of the law.
- (3) If this Agreement requires an employee or a party to do anything, which is prohibited by law, the obligation is invalid, and it shall not prejudice any party to this Agreement from applying the law on matters not contained herein.

#### **CLAUSE 7 NON UNION MEMBERS**

Employees within the scope of this Agreement who are not members of the Union shall not receive benefits more favourable than those granted to the union members under this Agreement.

## **CLAUSE 8      GRIEVANCE PROCEDURE**

- (1) The Union and the Company agree that an employee's grievance shall be resolved at the earliest opportunity and lowest possible level. The member may discuss with his immediate supervisor to try resolve the grievance. If the grievance cannot be resolved, the employee may bring up the matter in the following manner:
  - Step 1      A Branch committee member or any Union official authorized by the General Secretary of the Union, may discuss minor grievances of employees with the immediate superior.
  - Step 2      If grievance is still not resolved after seven (7) working days under Step 1, the Chairman or Branch Secretary or such Union official authorized by the General Secretary of the Union may take up the matter with the Department/ Section Manager.
  - Step 3      If the grievance is still not resolved after seven (7) working days under Step 2, the matter may be brought up to the Line Director.
  - Step 4      If no settlement is reached after seven (7) working days under Step 3, the Union may request a Union/Company meeting to discuss the matter.
  - Step 5      If the grievance remains unresolved after Step 4, the, grievance may be referred to the Ministry of Manpower for conciliation before such grievance is referred in accordance with clause 9 of this Agreement.
- (2) A grievance of a general nature involving a dispute between the Union and the Company affecting all or substantial number of employees, shall be referred by the Union to the Managing Director. The Company appointed representative shall discuss the grievance between the Union and the Company as expeditiously as possible

and reference shall be made to the relevant management representative(s) where necessary to resolve the grievance.

## **CLAUSE 9 REFEREE**

Any dispute or disputes 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 may select a referee appointed under the provisions of section 43 of the Industrial Relations Act, to determine such dispute or disputes.

## **(II) GENERAL TERMS AND CONDITIONS OF EMPLOYMENT**

### **CLAUSE 10 PROBATION AND CONFIRMATION**

- (1) All newly engaged employees shall be placed on probation for up to six (6) months.
- (2) Where the Company does not inform any employee in writing of the termination of his employment at the expiry of the probationary period, he shall be deemed to be confirmed in service and his probationary period shall be deemed to form part of his length of service with the Company.

### **CLAUSE 11 WORKING HOURS AND OVERTIME**

- (1) The working hours shall be as follows:
  - (a) Normal Shift

Monday – Friday	: 8.30am to 5.30pm
Alternate Saturdays (Team 1)	: 8.30am to 12.30pm
First Saturday of the month (Factory & Warehouse Team 2)	: 8.30am to 5.30pm
Lunch break (Sales Office)	: 12.15pm to 1.15pm
Lunch break (Factory)	: 12.30pm to 1.30pm

(b) Shift Work

1<sup>st</sup> Shift : 7.00am to 4.00pm

2<sup>nd</sup> Shift : 10.30am to 7.30pm

- (2) Working hours and overtime shall be regulated in accordance with the Employment Act.

**CLAUSE 12 PUBLIC HOLIDAY**

- (1) In accordance with the provisions of the Employment Act, all employees shall be entitled to all gazetted public holidays at the gross rate of pay.
- (2) If a public holiday falls on a non-working day, the Company shall grant a day off in substitution therefor or one (1) day's pay in lieu thereof.

**(III) TERMS AND BENEFITS ON TERMINATION OF EMPLOYMENT**

**CLAUSE 13 NOTICE OF TERMINATION**

Either the Company or the confirmed employee may terminate the contract of service between the Company and the employee. Such notice must be in writing and must state the reason for termination. The termination notice of confirmed employees shall be one month or payment in lieu.

**CLAUSE 14 RETIREMENT AND RE-EMPLOYMENT**

- (1) In accordance with the Retirement and Re-employment Act and the gazetted Tripartite Guidelines on Re-employment of Older Employees, the Company shall provide re-employment to employees as set out in Appendix I to this Agreement.
- (2) The company will strive to re-employ eligible retired staff up to the age of 67 from 1<sup>st</sup> July 2017.

## **CLAUSE 15 RETRENCHMENT BENEFIT**

- (1) In the event of a situation of redundancy, the Company shall inform the Union, in writing, one (1) month in advance before retrenchment notice is given to the affected employees.
- (2) The notice of termination of service to any employee so affected shall not be less than one (1) month or one (1) month's pay in lieu of notice.
- (3) The quantum of retrenchment benefit shall be one (1) month's salary for each completed year of service and pro-rated thereof for any incomplete year of service subject to the employee having completed a minimum period of two (2) years' continuous service or such minimum length of service as prescribed by the Employment Act, at the date of termination of employment.
- (4) For those with less than two (2) years' continuous service, they will receive an ex-gratia payment of two (2) weeks per year of service and pro-rated thereof for any incomplete year of service.
- (5) The Company shall pay retrenchment benefit as spelt out in sub-clause (3) and (4) of this clause upon termination of an employee's service due to:
  - (a) Cessation of the Company's business
  - (b) Placement of the Company under receivership or liquidator
  - (c) Discontinuance of the employee's service as a result of the Company transferring the whole or part of its undertaking or property
- (6) For the purpose of this clause "salary" means last drawn basic salary.
- (7) Unutilised annual leave shall be encashed by the affected employees.

## **(IV) SALARY AND OTHER MONETARY ITEMS**

### **CLAUSE 16 SALARY**

Salaries shall be paid in accordance with the salary ranges as set out in Appendix II to this Agreement.

**CLAUSE 17 ANNUAL WAGE INCREASE**

- (1) Salary increases shall be negotiated on a yearly basis.
- (2) Annual increment (if any) shall be effective from 27<sup>th</sup> April of each year.
- (3) Employees who have not completed twelve (12) months' service shall be paid an annual wage increase on a pro-rata basis.

**CLAUSE 18 VARIABLE BONUS**

- (1) The Company shall pay the employees the variable bonus in December of each year.
- (2) The bonus shall be determined by a formula based on performance target to be advised by the Company and jointly agreed with the Union.
- (3) The Company shall advise the Union on the computation of the variable bonus taking into consideration the performance of the Company in relative to the performance target set.
- (4) The example of the bonus formula matrix is as stated in Appendix III.

**CLAUSE 19 SHIFT ALLOWANCE**

- (1) Employees working on either of the following shifts shall receive a shift allowance of \$5.00 per day:
  - (a) 7.00 am to 4.00 pm
  - (b) 10.30 am to 7.30 pm

**(V) LEAVE ITEMS**



## **CLAUSE 20 ANNUAL LEAVE**

- (1) Every employee shall be eligible for fourteen (14) days of annual leave.
- (2) An employee shall be entitled to proportionate annual leave in respect of an incomplete year of service.
- (3) If an employee terminates his service or has his service terminated before he has taken his annual leave, the Company shall pay for leave not taken up to and including the day of termination.
- (4) If an employee who is on annual leave falls ill during the period of such leave, he shall be deemed to be on sick leave on the day(s) he is duly certified to be sick in accordance with the provisions of Clause 21 of this Agreement. The Company shall accordingly adjust the employee's record of his annual leave entitlement.
- (5) In the event Annual Leave is not consumed in the respective year of entitlement, they can be carried over and used in the following year. Any annual leave that is unconsumed twelve (12) months after the end of every twelve (12) months of continuous service shall be forfeited.

## **CLAUSE 21 SICK & HOSPITALISATION LEAVE**

- (1) An employee, who has completed not less than three (3) months of service with the Company, where required through illness and covered by a medical certificate issued by a registered medical practitioner, shall be entitled to the following:
  - (a) Fourteen (14) working days in each calendar year if no hospitalization is necessary; or

(b) Sixty (60) working days in each calendar year if hospitalization is necessary as may be certified by the Company doctor or a Government medical officer or a registered medical practitioner: Provided that if an employee is hospitalized for less than forty-six (46) working days in any calendar year, his entitlement to paid sick leave for that year shall not exceed the aggregate of fourteen (14) working days plus the number of days on which he is hospitalized.

#### **CLAUSE 22 MATERNITY LEAVE**

The Company shall provide paid maternity leave in accordance with the Employment Act and/or the Child Development Co-Savings Act.

#### **CLAUSE 23 PATERNITY LEAVE**

- (1) The Company shall provide government paid paternity leave of two (2) weeks in accordance to the provisions of the Child Development Co-Savings Act.
- (2) Male employees who are not eligible for the government paid paternity leave as prescribed in sub-clause (1) above, shall instead be eligible for company paid paternity leave of one (1) working day in the event of the birth of his own child by his legally married spouse.

#### **CLAUSE 24 SHARED PARENTAL LEAVE**

- (1) A male employee shall be entitled to share one (1) week of the sixteen (16) weeks of paid maternity leave of his wife, subject to the conditions of the Child Development Co-Savings Act.
- (2) From 1<sup>st</sup> July 2017, a male employee shall be able to share up to four (4) weeks of paid maternity of his wife, subject to the conditions of the Child Development Co-Savings Act.
- (3) The leave shall be taken as a continuous block of one (1) week. Where mutually agreed between the company and the employee, the

leave may be taken flexibly within twelve (12) months of the birth of the child.

**CLAUSE 25 CHILDCARE LEAVE & UNPAID INFANT CARE LEAVE**

All eligible employees shall be entitled to the paid childcare and unpaid infant care leave in accordance with the Employment Act and/or the Child Development Co-Savings Act.

**CLAUSE 26 COMPASSIONATE LEAVE**

- (1) Employees shall be granted paid compassionate leave as follows:
- (a) death of parents, spouse or child - five (5) days
  - (b) death of brother/sister or parent-in-laws - three (3) days
  - (c) death of grandparents - one (1) day

**CLAUSE 27 MARRIAGE LEAVE**

The Company shall grant paid marriage leave of three (3) working days to an employee on the occasion of his first legal marriage.

**CLAUSE 28 EDUCATION LEAVE**

The Company may grant paid leave to Union Branch officials who are selected to attend trade union education courses organized by the Union or NTUC, subject to the exigency of the Company's business.

**(VI) MEDICAL AND DENTAL BENEFITS AND INSURANCE**

**CLAUSE 29 GROUP HOSPITALISATION AND SURGICAL INSURANCE**

All confirmed employees shall be covered under the Company's Group Hospitalisation and Surgical Insurance Scheme, subject to the provisions for room and board benefit and limitations stipulated under the plan.

### **CLAUSE 30 WORK INJURY COMPENSATION**

All employees of the Company shall be insured in accordance with the provisions of the Work Injury Compensation Act.

### **CLAUSE 31 OUTPATIENT MEDICAL BENEFITS**

- (1) All employees shall be entitled to claim up to \$400 per year for outpatient medical expenses incurred as a result of consulting the Company doctor or Government medical officer for General Practitioner visits.
- (2) The amount claimable per visit is as follows:
  - (a) Maximum of \$40 for each visit to Company doctor or Government medical officer.
  - (b) Maximum of \$35 for each visit to Private Doctors, Traditional physicians or Malaysian clinics.
- (3) Any expense incurred in excess of the amount stated in sub-clause (2), shall be borne by the employee.
- (4) Every confirmed employee shall be entitled to free medical attention, treatment and medicines for illnesses resulting from work.

## **(VII) MISCELLANEOUS ITEMS**

### **CLAUSE 32 UNIFORM**

The Company shall provide adequate trousers and T-shirts to each supervisory, male and female factory employee per year. If it is deemed necessary for an employee to wear safety shoes, the Company shall provide them accordingly, and the employee shall wear them.

### **CLAUSE 33 NATIONAL SERVICE**

The Company shall comply with the Enlistment Act where the provisions therein apply to employees who are National Servicemen.

### **CLAUSE 34 SAFETY COMMITTEE**

- (1) There shall be a Safety Committee set up by the Company to further the objective of good industrial safety and health in the Company.
- (2) All employees are also required to adhere closely to all industrial health and safety regulations laid down from time to time by the Company or any Government legislation.

### **CLAUSE 35 PROGRESSIVE WAGE MODEL**

It is the mutual and expressed desire of the Company and Union to work in collaboration to bring about a clearer skills ladder, career progression, and productivity improvement to enable employees to enjoy higher rewards through salary progression. Both parties shall work towards the implementation of the progressive wage model for the Company.

### **CLAUSE 36 WORK-LIFE BALANCE**

- (1) The company recognizes the need for and places priority on pursuing the introduction of conditions of work that assist employees with family responsibilities to effectively discharge responsibilities.
- (2) The company shall whenever practicable, provide flexible working arrangements which balance service requirements with the employees' family needs.
- (3) In support of work-life balance, the company shall promote work-life integration by organizing family-oriented programmes and encouraging employees' participation with their families in such events.

**CLAUSE 37 NOTICE OF VACANCY**

The company shall, as far as circumstances permit, put up a suitable reasonable advance notice to inform employees of any vacancy it intends to fill.

**CLAUSE 38 OTHER CONDITIONS OF EMPLOYMENT**

Any other conditions of employment not mentioned herein shall be governed by the Employment Act and the Industrial Relations Act.

**IN WITNESS WHEREOF** the parties hereto have hereunto set their hands the day and year first hereinbefore mentioned.

Signed for and on behalf of:

**L COMPANY PTE LTD**

**CHEMICAL INDUSTRIES  
EMPLOYEES' UNION**

Managing Director

President

Director, Factory Manager

Branch Chairman

Finance Manager

Branch Secretary

In the presence of:

HR & Admin Executive

Senior Officer, Industrial Relations

**L COMPANY PTE LTD EMPLOYEES' AGREEMENT OF 2017**

**RE-EMPLOYMENT POLICY**

**1. DEFINITION**

The retirement age shall be in accordance to the Retirement and Re-employment Act and the Updated Tripartite Guidelines on Re-employment of Older Employees.

**2. SCOPE**

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

**3. PRE-RETIREMENT PLANNING**

- (1) The Company shall provide pre-retirement planning for retiring employees at least six (6) months before retirement.
- (2) Eligible employees shall be offered a re-employment contract or the Employment Assistance Payment (EAP) at least three (3) months before retirement.
- (3) Employees not eligible for re-employment shall not be offered re-employment nor paid the EAP. Appeal cases shall be considered on a case-by-case basis.

**4. CRITERIA FOR RE-EMPLOYMENT**

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

- (1) Medically fit to continue working; and
  - (a) Employees, including those who have existing medical conditions, shall be considered medically fit for re-employment as long as their health does not affect their ability to meet the requirements of their job during re-employment.
  - (b) In the event of a dispute over the employee's medical fitness, the company may subject the employee to a medical review that is paid for by the company.
- (2) Satisfactory or above work performance over the last three (3) calendar years
  - (a) Satisfactory performance refers to at least 'Grade C' performance grade, which is the minimal level of performance that the majority of the employees are expected to maintain in discharging their duties.

**5. 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 the re-employment contract shall be as below:
  - (a) Re-employment year-by-year; or
  - (b) Re-employment for three (3) years, but subject to a review of the employee's performance and medical fitness for the job at the end of every year.

**6. EMPLOYMENT ASSISTANCE PAYMENT**

- (1) In the event the Company is unable to offer re-employment to eligible employees, the Company shall pay EAP as follows:

Age 62 to Age 65	Three and a half (3.5) months of last drawn gross or minimum \$5,500, whichever is higher, up to a maximum of \$13,000
Age 65 and beyond	Two (2) months of last drawn gross or \$3,500, whichever is higher, up to a maximum of \$7,500

- (2) For the purpose of this clause, the definition of gross shall be in accordance with the Employment Act - basic salary and all regular allowances, excluding travel, food and housing allowances.

**7. REPRESENTATION**

Employees on re-employment contract shall continue to be fully represented by the Union.

**8. SALARY**

- (1) The Company will not cut the employee's salary at the age of 60 years old.
- (2) When the employee is offered the same job, the salary shall be negotiated between the Union and the Company, taking into account reasonable factors such as productivity, performance, duties and responsibilities and wage system.
- (3) When the employee is offered a different job, the salary shall be negotiated between the Union and the Company, taking into account the value of the job, the employee's relevant experience and other attributes.

**9. LENGTH OF SERVICE**

Upon re-employment, the employee's length of service prior to re-employment shall continue to be recognised.

**10. ANNUAL INCREMENT**

The Company shall extend the same terms and benefits of existing employees, as per the Collective Agreement, to re-employed employees.

**11. VARIABLE PERFORMANCE BONUS**

The Company shall extend the same terms and benefits of existing employees, as per the Collective Agreement, to re-employed employees.

**12. OTHER EMPLOYMENT TERMS AND BENEFITS**

The Company shall continue to extend the same employment terms and benefits of existing employees as per the Collective Agreement to re-employed employees.

**L COMPANY PTE LTD EMPLOYEES' AGREEMENT OF 2017**

**JOB TITLE AND SALARY STRUCTURE**

<b>Classification</b>	<b>Minimum (\$)</b>	<b>Maximum (\$)</b>
Chemist		
Clerk		
Display Assistant		
Driver		
Maintenance Staff		
Planning Assistant		
Production Worker - unskilled		
Production Worker - skilled		
Warehouse Assistant		
Warehouse Storekeeper		
Warehouse Senior Storekeeper		
Warehouse Supervisor		

**L COMPANY PTE LTD EMPLOYEES' AGREEMENT OF 2017**

**EXAMPLE OF THE BONUS FORMULA MATRIX\***

<b>Performance Marks</b>	<b>Bonus (month)</b>	<b>No. of Staff</b>
85.1 and above	2.5	
82.6 – 85.0	2.4	
80.1 – 82.5	2.3	
77.6 – 80.0	2.2	
75.1 – 77.5	2.1	
72.6 – 75.0	2.0	
70.1 – 72.5	1.9	
67.6 – 70.0	1.8	
65.1 – 67.5	1.7	
62.6 – 65.0	1.6	
60.1 – 62.5	1.5	
57.6 – 60.0	1.4	
55.1 – 57.5	1.3	
52.6 – 55.0	1.2	
50.1 – 52.5	1.1	
47.5 – 50.0	1	
47.5 and below	0.9	

\* The above Bonus Formula matrix is subject to changes (+/-) depending on the company's annual profit & loss and market situation.