

AGREEMENT BETWEEN UNILEVER SRI LANKA LIMITED AND THE COMMERCIAL & INDUSTRIAL WORKERS' UNION

This Agreement made on this 5th day of March, Two Thousand and Eleven under the provisions of the Industrial Dispute Act between Unilever Sri Lanka Limited of 258, M Vincent Perera Mawatha (Grandpass Road) Colombo 14 (hereinafter referred to as the COMPANY) of the one part the Commercial & Industrial Workers' Union of No. 17 Barracks Lane, Colombo 02 (hereinafter referred as the UNION) and the members of the permanent workforce of the company witnesseth as follows:

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| 01. TITLE | This agreement shall be referred to as the Unilever Sri Lanka Limited Grandpass/ Horana Factories Employees' Collective Agreement 2011. |
| 02. PARTIES & EMPLOYEES
TO BE COVERED | This Agreement shall cover and bind the Company, the Union and its members and all tally numbered permanent employees of the Grandpass factory who will relocate to the Horana Factory of the company in terms of this agreement, who are currently engaged on permanent monthly contracts of employment. |
| 03. FINALITY | <p>During the period of its validity, this agreement will be final and conclusive of all the matters covered therein.</p> <p>The minutes of the meetings between the Company and the Union in negotiations which resulted in this Collective Agreement will be used in explaining, and/or interpreting this Agreement.</p> <p>The minutes also record some of the matters that have been agreed between the Company and the Union which have not been included in this Agreement and would form part and parcel of this Collective Agreement, and would be implied terms in the contract of employment.</p> <p>In matters not specifically covered by this Agreement, or the minutes referred to above, the current terms, practices and conditions applicable will continue to apply for the duration of this Agreement.</p> |

The Branch Union may make representations regarding any changes in the present terms, practices and conditions, and management agrees to discuss such representations with the Branch Union. However, the Management's decision will be final.

04. DATE OF OPERATION

This Agreement shall be deemed to have come to effect on the 01st day of February 2011 and shall thereafter continue in force for a minimum period of four years, unless it is terminated by either party with six (6) months notice to the other, provided however, that neither party shall give such notice on or before 31st day of July, 2014.

Each party however may also on any day after the 1st day of August, 2014 give notice in writing, of their intention to enter into a fresh Agreement or modify the existing Agreement consequent to a termination of this Agreement as specified above. Parties shall then commence negotiations to that end.

In the event of the failure of the parties to conclude a fresh Agreement or modify the existing Agreement, within a period of six (6) months from the date of notice of intention to negotiate a fresh Agreement or modify the existing Agreement, the parties agree that either party may request the Commissioner of Labour to summon them to a discussion in an attempt to resolve any difference in reaching agreement.

Parties agree to attend such a discussion that may be scheduled by the Commissioner of Labour.

In the meantime unless otherwise terminated or provided herein the provisions of this Collective Agreement will continue to remain in force.

05. **GENERAL TERMS & CONDITIONS**

- a) The terms and conditions of this Agreement shall be deemed incorporated in all contracts of service between the Company and the employees covered and bound by this Agreement (whether such contract services be written or oral), which are subsisting at the time of signing this Agreement.
- b) All employees of the Company are bound by the Standing Orders of the Company. Nothing in this Agreement shall change vary or otherwise affect the Standing Orders of the Company. In the event of any conflict between this Agreement and the Standing Orders the Standing Orders will prevail.
- c) The Company agrees that during the continuance of this Agreement, the Standing Orders will not be amended so as to over-ride this Agreement unless it is so done with the agreement of the Union.

06. **WORK PATTERNS & SYSTEMS**

- a) All the new work patterns and systems are proposed to ensure round the clock manufacturing on 7 days a week improving asset utilisation, time utilisation and skill utilisation. The Union and its members agree to implement 7 day working pattern in the company in which Saturday and Sunday are considered to be normal working days. In this system an employee will work continuously 6 days a week in 8 hours shifts. After the 6th day the employee will enjoy the weekly off day on the 7th day. Based on the needs of the Company the 6th day week will be arranged on a staggered basis at the discretion of the management.

In this process, if the Union requires to change the weekly off day to a different day, subject to a maximum of once in 3 months in the case of all employees. An employee will be required to work 7 (seven) consecutive days as normal working days. Immediately after the 7th day the weekly off day will be granted.

- b) The Union and its members also agree to consider Sunday as a normal working day for categories of the employees who are covered by the wages board for the Engineering trade. As per the Wages board Engineering employees who work on Sunday need to be remunerated at an enhanced rate of wages and a day off granted in lieu of Sunday. This has been incorporated in the Special Benefit package under Project MORPH granted for accepting the new work patterns and systems. Details of this are described in Clause no 6 Section (a). The day off in lieu of Sunday is granted on a different day as the weekly off day.
- c) Once the shift work roster ensuring what has been described in Clause 6 Section (a) is agreed and implemented the same process will be continued unchanged other than for business reasons.
- d) The Union also agrees depending on the needs of the Company to implement a different work pattern other than what has been described above in section (a), ensuring 48 hours of normal work per week in the entire Company or in a particular department/ section to enable the company to maintain its normal wage levels and other conditions of employment and its competitiveness.
- e) The proposed round the clock shift pattern at the new factory at Horana will be as follows.

	Existing Shift	Agreed New Shift
1 st Shift	6.00 am – 2.00 pm	6.00 am – 2.00 pm
2 nd Shift	2.00 pm – 9.00 pm	2.00 pm – 10.00 pm
3 rd Shift	9.00 pm – 6.00 am	10.00 pm – 6.00 am

The General Shift will be from 7.00 am to 4.30pm.from Monday to Friday. Existing weekly off days will remain unchanged.

Union agreed to enhance the normal working hours per week up to 48 hours from 42.6 hours.

07. TIME & ATTENDANCE

Capturing Time and Attendance for computation of wages will be carried out using an Electronic time capturing system at departmental levels. The Union agrees to wholeheartedly support the implementation of the new concept.

In addition to capturing Time and Attendance at Departmental level employees are required to record their attendance at the time of entering the premises using a separate electronic system for the purpose of a roll call in case of an emergency.

08. NEW WAGE SCALES

Wage scales for different categories of employees covered and bound by this Agreement will be as per their individual Contracts of Employment.

It is hereby agreed to revise the wages of all Employees covered in four stages on the following basis:

a) Stage 1

With effect from 1st February 2011, The consolidated wage of all permanent workforce employees will be increased by 3% based on their individual consolidated wages of 31st January 2011.

b) Stage 2

With effect from 1st February 2012, the consolidated wage of all permanent workforce employees will be increased by 3% based on their individual consolidated wages of 31st January 2012.

c) Stage 3

With effect from 1st February 2013, The consolidated wage of all permanent workforce employees will be increased by 2% based on their individual consolidated wages of 31st January 2013.

d) Stage 4

With effect from 1st February 2014, The consolidated wage of all permanent workforce employees will be increased by 2% based on their individual consolidated wages of 31st January 2014.

Note:- It is to be clearly understood that the wage revisions are not applicable to probationers.

09. **CATEGORISATION AGREEMENT** Employees Annual Increments, Employee categories, performance reviews, upgrading and the other areas agreed will be covered under the Categorisation Agreement as Annexure 01.
10. **SERVICE INCREMENT** Employees who have not registered any unauthorised absence in the preceding year will normally be entitled to an additional increment of 7% of the consolidated wage and employees who have registered “no-pay absence” for the past three (03) years will be entitled to 4% of the consolidated wage on reaching 10, 15, 20 and 25 years service respectively.
11. **ATTENDANCE BONUS** The Company undertakes to pay at the end of each year, an Attendance Bonus of two and a half (2-1/2) months wages in accordance with the formula contained in the Standing Orders.
- The Company also undertakes to make an advance of Rs 15,000/- from the attendance bonus in April each year and to set it off against the final payment made at the end of the year. In case of an employee resigning, retiring or being terminated before end of the year the advance paid will be set off against the final payment or must be settled in full by employee to release final pay.

12. **CONSOLIDATION OF WAGES**

The company shall continue to consolidate salaries of employees covered and bound in terms of the Colombo Consumers' Price Index (Base Year 2002). At the expiry of the 12 month period commencing 1st August 2010, the wages of employees covered and bound shall be further revised depending on the increase of the number of complete points by which the CCPI figure has increased during the 12 month period, multiplied by Rs67/- and will be added to wages as at 31st July 2011.

Thereafter, at the expiry of each 12 month period commencing from the 1st day of August 2011 the scales of consolidated wages revised in the manner prescribed above shall be revised in a like manner from the 1st day of August of each succeeding year during the period of operation of this Agreement.

In the event the Government of Sri Lanka discontinuing the publication of the CCPI figure or changes the constitution of the index, through legislation, parties agreed to meet to discuss the basis on which this payment could be continued.

13. **SHIFT ALLOWANCE**

Shift allowances will be enhanced with effect from 1st March

	From SLR	To SLR
6 am/2 pm	26.00	47.00
2 pm/10 pm	34.50	62.00
10 pm/6 am	86.50	175.00
6 am/6 pm	43.00	77.50
6 pm/6 am	121.00	240.00
7 am/4.30 pm	17.50	31.50
2 pm/ 6 am	139.00	280.00

14. **SHIFT BONUS**

An amount equal to the total shift allowance for the week will be paid to those who report for duty on the normal shift roster on all working days of the week.

Company holidays will be excluded. However, a shift bonus for attendance on a Company holiday will also be paid. An employee absent from work Monday to Sunday will not be entitled to the shift bonus.

All shift allowances and Shift bonuses will be transferred to their respective bank accounts on a weekly basis.

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| 15. | PRODUCTION BONUS SCHEME | The company will continue to work with the existing Production Bonus Scheme. |
| 16. | SPECTACLE ALLOWANCE | With effect from the 01 st March 2011, the Company agrees to pay a maximum of Rupees Eight Thousand (Rs 8,000/-) once in two years to an employee who is required to wear and therefore purchases a pair of spectacles. |
| 17. | EMERGENCY / CURFEW ALLOWANCE | <p>Emergency and curfew allowance will be changed as follows:</p> <p>The Emergency/Curfew allowance paid when employees are required to remain and/or work in the Company during curfew or other such times is as follows:</p> <p>Less than 12 hrs – Rupees Four hundred and eighty (Rs. 480.00)</p> <p>More than 12 hrs – Rupees Six hundred and Forty (Rs. 640.00).</p> |
| 18. | DISTURBANCE ALLOWANCE | The Disturbance Allowance of Rs 600/- will be paid. |
| 19. | PICNIC ALLOWANCE | The Annual Picnic Allowance has been increased to Rupees Four Thousand (Rs 4,000/-) with effect from 1 st January, 2012. |
| 20. | SUPPLEMENTARY RETIREMENT BENEFIT SCHEME | <p>Those employees who complete Ten (10) years continuous service with the Company will be eligible for the benefit of the Supplementary Retirement Benefit Scheme.</p> <p>Such employees will be entitled to receive one (01) month's consolidated wage for each year of service.</p> |

The Company agrees to include the Attendance Bonus to the consolidated wages in the computation of the amount payable under this scheme.

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| 21. | CONTRIBUTIONS TO PROVIDENT FUND | Contributions to Employees Provident Fund will be at the rate of 12% by the Company and 10% by the employees of the consolidated salary. |
| 22. | COMPANY PRODUCTS | The Company agrees to issue every month to each employee a gift parcel of Company products to the value of Rupees One Thousand Five Hundred (Rs 1500.00) each calculated at retail prices as at 1 st February 2011. |
| 23. | FREE ISSUE OF ASTRA | The Company will continue to issue Two (2) packets of Astra 250g twice a year. This will be issued in April and December of each year. |
| 24. | FESTIVAL ADVANCE | With effect from 1 st April 2011, the Company agrees to pay one advance payment against wages up to a maximum of Rupees twenty Thousand (Rs 20,000/-) per annum on the occasion of a recognised festival. This shall be subject to Clause 40 of this Agreement. |
| 25. | EMERGENCY LOANS | The Company agrees to grant emergency loans only in the event of natural disaster or in case of an ill health of the employee or his immediate family members. This shall be subject to Clause 40 of this Agreement. In exceptional cases after investigation, the Company may at its discretion grant emergency loans up to one month's wage. Recovery will be made by ten monthly instalments and from the Attendance Bonus. |

The decision of the Company in granting such loans shall be final.

26. **CANTEEN FACILITIES**

- a) Unless circumstances changes, the Company undertakes to provide meals through a 3rd party Operation in the Company's Canteen with immediate effect. In this operation too the basis of providing nutritious meals will remain unchanged. The Companies intention is to charge an approximate amount of the cost of raw materials used for the meals from each employee. Any changes to the present charges will be informed and discussed prior to the implementation.
- b) When the Canteen operations are outsourced the existing Canteen employees will become redundant. But in order to ensure employment for them they will be transferred to other Departments of the Factory where vacancies exist. If such employees need specific training in order to undertake work in other departments the company agrees to provide such training at appropriate times.
- c) The company also agrees to retain in the canteen employees who were recruited directly to the canteen as cooks/ Asst cooks even with the outsourced operation. At present there are five (5) such employees and after the retirement of them no Company employees will be assigned to the Canteen or new recruitment made. Vacancies due to these retirements will be filled by the 3rd party with their employees.

27. **B M D OPERATION**

At present BMD operations such as Oil storage, Blending and Oil transfers are carried out by Company employees. This operation will be outsourced once the Factory is relocated at the new site at Horana.

When the BMD operations are outsourced the existing BMD jobs by company employees will be redundant. But in order to ensure employment, existing BMD employees will be transferred to other Departments of the Factory where vacancies exist. If such employees need specific training in order to undertake work in other departments the company agrees to provide such training at appropriate times.

28. **UTILITIES**
- At present operations of the Central work shop, Water Pump House, Furnace Oil Boiler House, Compressor Room, Ammonia Plant, Refrigeration plants and Generator are managed by a group of Company employees with required skills. This group of employees are required to obtain competency in the operations of all the plants and be multi skilled in order to undertake operations in any of the plants depending on the needs of the Company.
- When these employees retire/ resign or transferred out of these departments the vacant positions where necessary will be filled with competent 3rd Party personnel.
29. **TEA SERVICE, ETC**
- The Company agrees to provide a free tea service in the morning and the afternoon. In addition, night shift workers will be provided with milk and other workers will be provided soft drinks as recommended by the Company Doctor.
30. **UNIFORMS**
- The Company will continue to provide free uniforms as at present in accordance with the needs of each department.
- The Company will also provide one pair of Safety shoes per year to all Workforce employees based on the needs of each department.
31. **SCHOLARSHIP SCHEME**
- The allowances paid under the scheme will be enhanced by 50%. The qualifying categories will remain unchanged.
32. **DEATH OF AN EMPLOYEE**
- Where an employee dies in service, Management will grant a sum of Rupees Thirty Thousand only (Rs 30,000/-) to be used for the funeral expenses of the deceased.
- During such funerals, the Union will maintain a continuity of production while ensuring symbolic representation at the respective funerals.

33. **MEDICAL INSURANCE**
- The current Medical Insurance Scheme will continue with enhanced benefits. The employees' contribution towards this will be 47.5% of the premium. The Company will continue to pay the balance 52.5% of the above premium. The Company will make full payment of the premium for those employees who have completed Twenty (20) years of service with the Company.
34. **PERSONAL ACCIDENT INSURANCE**
- The Company will continue to cover all factory employees with a 24 hour Personal Accident Insurance Policy of Rupees Two Hundred and Fifty Thousand only (Rs 250,000/-) or 48 times the wage, whichever is higher. The natural Death cover will be a sum of Rupees 350,000/-. 47.5% of the additional premium on account of the Natural Death cover will be paid by the employee concerned. The Company will pay the balance premium.
35. **FACTORY SHUT DOWN**
- Management shall at their discretion shut down the factory up to five (05) days for maintenance repairs or for the lack of raw materials etc. and in this event employees will be required to take Three (03) days of their privilege leave entitlement. The company will give as much notice as possible in such circumstances. Stoppage of work under different circumstances and/or for longer periods is covered by the Standing Orders.
36. **UNION / MANAGEMENT CO-OPERATION**
- The Union agrees to co-operate wholeheartedly with the Company particularly in improving productivity and other measures to enable the Company to maintain its present wage levels, other conditions of employment, and its competitiveness.

37. **UNION SUBSCRIPTION**

Subject to Clause 40 at the written request of an employee, the Company will deduct and remit monthly to the Union the amount stated by the employee to be his subscription and will continue to do so as long as such written request is not revoked.

The Union may with the Agreement of the Company hold committee meetings, and general meetings of the Union within the Company's premises at such places and times as are agreed to by the Management at its discretion. Persons who are not in the employment of the Company shall not attend such meetings without the written Agreement of the Company.

38. **UNION OFFICE**

The Company will continue to provide an office at No. 127, M Vincent Perera Mawatha (Grandpass Road), Colombo 14 for the Union. The Company agrees to provide suitable location for a Union office with in or immediately outside the company premises once the factory is moved to new location at Horana and discontinue with existing office. The Office will be used only for the business of the Branch Union.

39. **UNION'S AGM**

- a) To enable employees to attend and be present throughout the Annual General Meeting, workers will be allowed to stop work at 11.00 am on the day of the Annual General Meeting.
- b) Members of the Working Committee will be granted one day's duty leave each year for the Annual General Meeting of the Parent Union and a further day for the Annual General Meeting of the Federation.

40. **DEDUCTIONS**

In granting loans to an employee or making deductions from his/her wages, the Company will strictly observe the rules relating to the legal limits of authorised deductions.

The Company will take into consideration the actual pay received (after all deductions) during the course of the two years proceeding, to ascertain whether such proposed deductions are likely to exceed the legal limits.

If in the opinion of the Company, such deductions are likely to exceed the legal limits, the Company will not grant such loans or agree to make any deductions.

The Company's decision in this regard shall be final. Deductions will be made in such order of priority as the Company shall decide.

41. **LOANS TO THRIFT &
CREDIT SOCIETY**

The Company agrees to use its good offices to help the Co-operative Thrift & Credit Society to obtain loans from the Peoples Bank, whenever the Company considers it to be necessary.

42. **ABSENCE WITHOUT
DUE AUTHORITY**

It is agreed that the following provisions in relation to absence without due authority will apply.

Where an employee is absent without due authority for more than Ten (10) days cumulatively during any year, his services will be terminated. The Union agrees not to support in any way, a claim by such person for reinstatement or any other relief.

Where the services of an employee are to be terminated under this provision, the Company at its sole discretion may review the employee's record of attendance and conduct for Five (05) years immediately proceeding in order to take a sympathetic view.

The Union shall be notified in each case of the proposed termination. If the Union disagrees with the Management that the absence was without adequate reasons, the Union will be free to take up the matter with the Commissioner of Labour.

Absence on any grounds, other than the following will be considered as without adequate reasons: hospitalisation, prolonged or chronic illness certified by the Company Doctor to be such.

43. **LATENESS WITHOUT
ADEQUATE REASONS**

- a) Where an employee has been late for over Forty Five (45) times during the year, he will lose his annual increment. Disciplinary action will be taken as stated in the Standing Orders.

For those without no-pay absence in the preceding year, the grace period for lateness will be Fifty Five (55) times during the year. Lateness beyond this will result in loss of increment.

- b) The Company agrees to restore the annual increment should the employee's punctuality be restored. Restoration of annual increment will be from 1st January following the year in which improvement is shown and will be at the discretion of the Company.
- c) No arrears due to the loss of increment as stated above, are payable.

44. **NON-UNION
ACTIVITIES**

While the Union agrees to assist and co-operate with Management, it also undertakes not to interfere in respect of the following matters.

- a) Social functions
- b) Welfare services
- c) Activities which are directly or indirectly sponsored by the Company
- d) Matters that do not concern the membership

45. **GRIEVANCE
PROCEDURE**

Individual Grievances:

- a) Wherever a worker wishes to make representations to Management, in respect of an individual grievance, dispute or other matter, such worker shall, in the first instance, discuss the matter with his Departmental Supervisor.
- b) If the matter is not satisfactorily settled by the Departmental Supervisor, the matter may then be discussed with the Manufacturing Manager/ Plant Manager, who may, if he thinks it desirable, discuss or refer the matter to the Industrial Relations Manager.
- c) If the matter is not satisfactorily settled at stage (b) above, such worker may, together with the Branch Union Departmental Representative, if he so desires, discuss the matter further with the Manufacturing Manager/ Plant Manager/Engineer together with the Industrial Relations Manager.
- d) If the matter is not satisfactorily dealt with at the level of the Manufacturing Manager/ Plant Manager/Engineer the worker concerned together with the Branch Union Departmental Representative if he so desires, may discuss the matter with the Factory Manager or his nominee together with the Industrial Relations Manager.
- e) In the event of the matter not being satisfactorily resolved at stage (d) above, the Branch Union Committee may discuss such matter with the Manufacturing Director or his nominee together with the Industrial Relations Manager.
- f) In the event of the matter not being satisfactorily resolved at stage (e) above, the Branch Union Committee may make an appeal to the Board of Directors of the Company.

- g) In the event of the matter not being satisfactorily resolved at stage (f) above, the Branch Union may, through the Parent Union make an appeal to the Board of Directors of the Company.
- h) In the event of the matter not being satisfactorily resolved at stage (g) above, the Parent Union may, on behalf of the Branch Union, make an appeal to the Commissioner of Labour.

46. **GENERAL MATTERS**

The Union may, from time to time, make representations to the Company on general matters concerning its membership. The Company will decide whether such matters should be discussed and if discussion on any matter is thought desirable, the Company may summon a meeting for such purpose.

47. **EXTENSION OF
BENEFITS TO OTHERS**

The Company may, as its absolute discretion extend the benefits accruing under this Agreement to such other employee of the Company as it considers desirable.

48. **TRADE UNION ACTION**

The Union and its members and the employees covered are bound by this Agreement jointly and severally agree with the Company that during the continuance in force of this Agreement that they will not engage in any strike or other form of trade union action against the Company in respect of any dispute between the Company on the one hand and the Union and/or its members and/or any employee covered and bound by this Agreement on the other hand where such dispute relates to a matter covered by this Agreement.

In relation to a dispute not covered by this agreement the Union and its members shall first seek to resolve such dispute through negotiations with the Company and/or under the provisions of the Industrial Disputes Act and shall not resort to any form of trade union action unless attempts at a negotiated settlement have failed and with Fourteen (14) days written notice to the Company and the Commissioner of Labour of whatever proposed trade union action.

49. **WITHDRAWAL OF BENEFITS**

In the event of the Union (or any employee covered and bound by this Agreement), Indulges in any act or acts which are contrary to this Agreement and thereby committing a breach of this Agreement or any part thereof, the Company shall be at liberty to withdraw all or any of the benefits granted under this Agreement or terminate the contract by giving notice of one month.

Where benefits are withdrawn under this section and the matter is referred to an arbitrator for a decision under Clause 53 and such arbitrator determines that such withdrawal of benefits was unjustified in terms of this Agreement, the Company shall pay such benefit in arrears.

50. **LEAVE ENTITLEMENT, HOURS OF WORK AND ATTENDANCE**

Leave entitlements for 3 different categories of employees covered by this agreement will be as per the schedule below.

Category	Annual Leave	Medical Leave	Emergency Leave	Special Leave		
Senior Workforce Employees recruited to Unilever Grandpass Factory	14	21	07	After 10 Years	After 15 Years	After 25 Years
				03	05	08
All Regular Assistants recruited to Unilever Grandpass Factory	14	09	07	- NIL -		
New employees recruited to new Unilever Factory at Horana	14	09	07	-NIL-		

Hours of work and attendance will be governed by the rules framed for the purpose. These rules including leave entitlement may be changed by the Company from time to time in consultation with the Union but not so as to deprive any employee of any rights or benefits conferred upon him by law.

51. **MEDICAL LEAVE FOR
SENIOR WORKFORCE
EMPLOYEES**

The medical leave entitlement will be Twenty One (21) working days and any leave in excess of this entitlement will be considered as no pay absence. The Attendance Bonus will be reduced proportionately for any absence on grounds medical leave beyond the Twenty One (21) day entitlement.

The Company will make a payment in January each year for 10 days of Medical Leave at the rate of 2 days wages per day thus limiting the Medical Leave entitlement to 11 days. Availing Medical Leave beyond 11 days will result in a wage cut at the rate of 2 days per day's leave up to 10 days.

Availing medical leave within the entitlement of 11 or 21 days without submitting a medical certificate is limited to 2 days.

The Company will continue to pay One and a half (1-1/2) days wage each for the balance medical leave. This payment will be extended to a maximum of Seven (7) days of balance emergency leave and to any balance special leave. New employees joined after 1st October 2010 will not be entitled for any payment for their balance leave.

52. **SPECIAL BENEFITS PACKAGE
UNDER PROJECT MORPH**

- a) Relocation Allowance
 - i) In order to appreciate the agreement and wholehearted corporation in implementing all new concepts including the new work pattern and location change of the Union and its members the Company agrees to make Relocation Allowance of Rs 400,000/-. The payment of Rs. 400,000/- will be made within the 1st 30 days after signing the Collective Agreement. Additional Rs. 50,000/- will be paid with Rs 400,000/- to compensate all other arrears payments related to Collective Agreement.
(Refer discussion minutes for more details)
 - ii) Employees who resign from the service on the Voluntary Retirement Scheme will not be entitled to the Relocation Allowance of Rs. 400,000/-. Any employee who wish to avail the facility of the existing Voluntary Retirement Scheme or any other (May or may not be introduced in the future) before 31st December 2014 will be required to settle the Relocation Allowance of Rs 400,000/- received from the Company in full. Rs 50,000/- only will be paid to compensate for all other arrears payments related to Collective Agreement.
 - iii) Employees who are due to retire during the period of 1st March 2011 to 31st December 2011 will be entitled only for Rs 100,000/- instead of Relocation allowance of Rs 400,000/-. These two categories of employees have the opportunity of remaining at the Grandpass factory without being relocated. If they do not relocate, benefits associated to working in Horana including the work pattern will not be applicable to them.
- b) Emergency Leave
 - i) This additional 12 days of Emergency Leave for the employees of the Grandpass Unilever Factory who works on round the clock shift system is granted as a special entitlement for them agreeing to accept the new ways of working described in Clause no 6.

- ii) The General shift employees will be entitled only for additional 6 days of Emergency Leave. The General Shift pattern of 7.00am to 4.30pm.
- c) Transport
 - i) Existing employees of Grandpass site who agree to relocate at the new Manufacturing site at Horana will be provided with Company Transport at a fixed times from agreed locations to the new factory.
 - ii) Employees who do not wish to avail the facility of Company Transport will be granted a Monthly Transport Allowance of Rs 8,000/- subject to revision based on fluctuations of Horana - Pettah (Bus route – 120, Present one way bus fare is Rs 43/-) Ceylon Transport Board bus fares in a similar percentage.
- d) Special Allowance

Company agrees to pay a monthly special allowance as follows considering each employee consolidated wage.

 - i) Round the clock shift employees
 - Normal Overtime of 12 hours separately
 - Payment equals to the Normal Overtime of 10 hours and double Overtime of 10 hours including for the EPF and ETF payments.
 - ii) General Shift employees
 - Normal Overtime of 22 hours only.
 - iii) Deductions for the Special Allowance

Deductions will be made based on the No Pay days of the each employee on monthly basis.

Clause 52 (Benefits under the MORPH project) will be entitled only for the employees recruited to the Company on or before 01st day of October 2010 on the basis of work at Grandpass Factory.

The eligibility for Clause 52 will apply only after relocation of employees to the new Horana Manufacturing site.

The Special Allowance is made for agreeing for
WORK PATTERNS AND SYSTEMS AT
CLAUSE 6

53. **ARBITRATION**

It is hereby agreed that during the continuance in force of this Agreement, any dispute whatsoever, which has not been settled by negotiations between the Company and the Union, whether such dispute concerns the terms of this Agreement or otherwise, shall be referred to arbitration. The Union and Management shall agree on a clear statement of the matter in dispute, if necessary with the assistance of the Commissioner of Labour.

If the choice of the statement of the matter in dispute cannot be agreed on, either party may make an application to the Commissioner of Labour to determine the statement of the matter in dispute and refer such matter to such Arbitrator as he may nominate.

If for any reason, the Commissioner of Labour fails to refer such dispute to arbitration, it is hereby agreed that the Minister of Labour may, on the application of either party, refer such dispute to compulsory arbitration.

Any dispute regarding the interpretation of this Agreement shall also be referred in like manner to arbitration.

Both parties agree to accept and be bound by the verdict of the Arbitrator.

54. **INTERPRETATION**

In the event of any discrepancy, inconsistency or other matter that may arise in there being a translation of this Agreement to Sinhala, the English version shall be authoritative and taken to have fully expressed the intentions of the Company and the Union.

IN WITNESS WHEREOF THE parties aforesaid have hereunto set their hands at Colombo SANDAMALI PERERA, Director - Human Resource of Unilever Sri Lanka Limited and SANJEEV GUPTA, Manufacturing Director of Unilever Sri Lanka Limited, have set their hands for and on behalf of the said Company on this 5th day of MARCH TWO THOUSAND AND ELEVEN.

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SANDAMALI PERERA

.....
SANJEEV GUPTA

Witnesses to the signatures of the
said SANDAMALI PERERA
and SANJEEV GUPTA

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IN WITNESS WHEREOF the parties aforesaid have hereunto set their hands at Colombo, LINUS JAYATILAKA, President, of the Commercial & Industrial Workers' Union (CIWU) and NUGEGODAGE SARANAPALA SILVA, General Secretary, of the Commercial & Industrial Workers' Union (CIWU) have set their hands for and on behalf of the said Union on this 5TH day of MARCH TWO THOUSAND AND ELEVEN ONLY.

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LINUS JAYATILAKA

.....
NUGEGODAGE SARANAPALA
SILVA

Witnesses to the signatures of said
LINUS JAYATILAKA and
NUGEGODAGE SARANAPALA SILVA

1.
2.

IN WITNESS WHEREOF the parties aforesaid have hereunto set their hands at Colombo, PALITHA SIRIMEVAN President, Unilever Branch of the Commercial & Industrial Workers' Union (CIWU) of Unilever Sri Lanka Limited Grandpass Site and SISIRA NISHANTHA Secretary, Unilever Branch of the Commercial & Industrial Workers' Union (CIWU) - of Unilever Sri Lanka Limited., have set their hands for and on behalf of the said Branch Union on the 5th day of MARCH TWO THOUSAND AND ELEVEN.

.....
PALITHA SIRIMEVAN

.....
SISIRA NISHANTHA

Witnesses to the signatures of the
said PALITHA SIRIMEVAN and
SISIRA NISHANTHA

1.
2.

Date : 05th Day of March, 2011