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**Sector:** Food industries

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# **Jordan ice & Aerated Water Co. Ltd (Pepsi – Cola)**

## **Collective Employment Agreement under the provisions of the Jordanian Labor law No.8 for the year 1996**

**Amman, 23/12/2012**

**First Party: Jordan ice & Aerated Water Co. Ltd (Pepsi – Cola) .**

Represented by:

1. The General Manager/ Eng. Nidal Hamam.
2. Mr. Hor Hijazi, Director General of Human Resources for Jordan.
3. Mr. Ahmed Naim, Director of Personnel and Salaries.

**Second Party: The General Trade Union of workers in the food industries.**

**Represented By:**

- 1.Mr. Ahmed Abu Khadra / Head of the Union.
2. Mr. Ayed Shehadeh, vice president of the union.

Complement and confirm the continuation of constructive work and the keenness of the two teams to improve living conditions , Based on PepsiCo's vision to be the best Pepsi company in the Asia, Middle East and Africa region By 2013 .To achieve our goal of making the company a great place to work by working hard to improve the advantages of its human resources, Many meetings were held in which the two sides expressed their keenness to improve the conditions of the workers in

recognition of their outstanding efforts in 2012. Which was a difficult year in light of the global economic conditions, which increased the challenges faced by the company, especially with the rise in the price of raw materials. In spite of all the challenges, the company has continued its huge investments to renew and increase the production lines and provide them with the latest international technologies, The modernization of the fleet of distribution vehicles in addition to investment in human resources, public safety and public services, In order to improve working conditions and create a more peaceful and safe environment, which reflected positively on the improvement of operating conditions and distribution of products. The friendly periodic meetings between the two teams over the past years have led to the signing of several agreements, For example, this year's convention includes:

- Increase the salaries of all employees in the functional class (L3) by (33) thirty three dinars.
- Increase the salaries of all employees in the functional class (L2) by (22) twenty-two dinars.
- Increase the salaries of all employees in the functional grade (L1) by (15) fifteen dinars.
- Increase the salaries of all users to levels below the level (L1) for (12) twelve dinars.

In addition, the management of the company responded to the results of the program continued during the past year to launch the process of performance management for all employees of the class (L1-L3), And decided to pay bonuses to employees based on the results of businesses and individuals.

**Based on all the previous achievements which have contributed significantly to improving the living conditions of the workers in general, the two parties agreed again on the following:**

**First:** Annual increases from 1/1/2013

- Increase the salaries of all employees in the functional class (L3) by (30) thirty dinars.
- Increase the salaries of all users in the functional class (L2) for 20 (20) dinars.
- Increase the salaries of all users in the functional class (L1) by (15) fifteen dinars.
- Increase the salaries of all users in grades below the level (L1) (10) ten dinars.

**Second:** It is decided to spend an increase of one JD for each year of service in the company for all employees of the level of (L3) and below 'complete the year and more on 1/1/2013.

**Third:** It shall be decided to pay an additional and extraordinary bonus for one time only by JD 150 (one hundred and fifty dinars) for all employees of L3 and below who will remain on duty until 31.12.2012, Taking into account the calculation of the bonus according to the proportion of the length of their service in months, (PRO-RATED) for those with less than a full year of service, due to the great effort exerted by them and the true affiliation of the company and the preservation of assets and property during 2012.

**Fourth:** A new salary scale has been approved for all employees in the company of a degree (L3) and below, as shown below, as of 1/1/2013

where all users will be increased from the level of L3 and below are below the minimum set Provided that the increase rate shall not exceed (13%), provided that the increase in this item shall be made after the increases prescribed in the item first.

Career Class	<u>Sales Departments</u> Minimum wage with personal allowance	<u>Other department</u> Minimum wage with personal allowance
<b>L3</b>	<b>190</b>	<b>400</b>
<b>L2</b>	<b>220</b>	<b>320</b>
<b>L1</b>	-	<b>250</b>
<b>BELOW L1</b>	<b>190</b>	<b>190</b>

**Fifth:** The management of the company decided for the third year in a row to pay bonuses to employees, Based on the results of the work and individuals, a 'performance program' for all L1-L3 employees in recognition of the efforts of the employees of these categories under the following conditions:

1 - The amount of the bonus is linked to the results of the performance management process and will be paid to employees who will remain in their job until 1/1/2013.

2 - Employees who served less than one full year in 2012 will be calculated according to the proportion of the duration of service in the months (PRO - RATED).

3- Any employee who obtains a result of (i) in any of the results of the business or individuals shall be excluded from the remuneration below.

4- The criteria on which the remuneration is calculated are as follows:

Total (business results + personnel results)	Value of the bonus in dinars
10	200
9	175
8	150
7	125
6	100
5	75
4	50
3and below	ZERO

We hope this reward will be a catalyst for everyone's success and continuity and excellence in achieving the 2013 goals in all respects, (Objectives of sales / market share / profitability / productivity / savings projects / rationalization of expenses / environment control / health organization).

**Sixth:** The company responded to the request of the union to continue to pay my thirteenth and fourteenth salary to all workers who are fixed and

daily (work). The thirteenth salary is paid at the end of June and the 14th salary at the end of December.

**Seventh:** The administrative body of the union appreciated the continuous efforts of the company represented by its general manager Mr. Nidal Hammam, Human Resources Manager, Mr. Hor Hijazi, Director of Personnel and Salaries, Mr. Ahmed Naeem and the directors of all departments, For their efforts to provide security and stability for the employees of the company, which serves the public interest and is reflected positively on the development of production, and qualitatively, despite the global financial crisis and local economic challenges.

**Eighth:** The administrative body of the union demanded all employees of the company to ensure the interest of the company through perseverance and work to improve production and raise productivity ,In addition to reducing waste and rationalization of expenditures, which will reflect positively on the improvement of living conditions in future agreements, God willing.

**Ninth:** This agreement covers all employees of the level of (L3) and below. All the above increases apply to all fixed and current employees and do not include workers subject to the performance appraisal system (PDR) of the degree of L4 and above , So that the employee is entitled to increase and additional bonus in full if the general completion in the company on 1/1/2013, The increase and the additional remuneration for employees who have not completed the year shall be calculated according to the percentage of their period of service in the Company.

**Tenth:** The provisions of this Convention shall apply exclusively to the items included from 1/1/2013 until 31/12/2013 and ending at the end of its date. However, this Agreement shall not affect or modify the

employment contracts in force between the Company and its employees, including the terms and conditions which are binding between the parties.

**Eleven:** This agreement has been edited in three copies. Each party shall keep its copy, and a third copy deposited with the Ministry of Labor.

**First Party: Jordan ice & Aerated Water Co. Ltd (Pepsi – Cola)**

**Second Party: The General Trade Union of workers in the food industry.**

**\*Signatures are seen**