

The Food Industry

General terms of employment

Salaried employees

1 April 2013 – 31 March 2016

The Swedish Food Federation

Unionen

The Swedish Association of Graduate Engineers

Ledarna (The Swedish Organization for Managers)

Agreements not included in this printed version

Agreement on supplementary pension for salaried employees (ITP)
Agreement on occupational group life insurance (TGL)
Agreement on transition of employment
Agreement on industrial injuries insurance
Development agreements
Agreement on suggestion schemes
Agreement on rights to salaried employees' inventions
Agreement on competition clauses
Main agreement (negotiation procedure) (Unionen/Swedish Association of Graduate Engineers)
Agreement on social security for salaried employees working abroad
Cooperation agreement on industry development and salary formation (Unionen/Swedish Association of Graduate Engineers)
Agreements for employees in management positions (Ledarna)
Agreement on salary formation in companies (Unionen)
Agreement on salary formation in companies (Swedish Association of Graduate Engineers)

A number of other documents also exist, concerning for example cooperation and recommendations.

A dash in the margin indicates a factual change in relation to the 2012-2013 version of the agreement.

This is a translation of the Swedish collective agreement regarding the General terms of employment for salaried employees in the Food Industry. Livsmedelsföretagen can not guarantee that the translation is correct in all aspects. In case of dispute, the original Swedish wording of the agreement, and any other agreements referred to or contained therein, shall take precedence.

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1 Scope of the Agreement

1.1 General

The agreement applies to companies who are members of The Swedish Food Federation.

The agreement applies to all salaried employees with the exceptions and restrictions stated below.

The agreement may constitute a starting point for discussions concerning similar rules for all employees at the company. Local parties may agree on such common rules notwithstanding the provisions of this agreement. The rules must in such cases be approved by all the central parties. If such approval is not obtained the parties to the agreement shall make efforts to bring about central negotiations on the issue between all parties.

1.2 Exceptions

The agreement does not apply to

- salaried employees who for reason of their duties and terms of employment can be considered to hold a company executive or comparable position
- salaried employees whose employment is a secondary job.

Information:

The Sick Pay Act states that an employee who is excepted from the agreement is entitled to sick pay during the sick pay period.

1.3 Salaried employees who have reached retirement age

For salaried employees over the age of 67 or who were employed by the company after having reached the normal retirement age for salaried employees according to the ITP plan or who were employed after having reached the normal retirement age at the company, the agreement applies with the following restrictions:

- Entitlement to sick pay is stated in 8.6.2 and
- The period of notice is stated in 11.3.3

The employer and the salaried employee may agree on terms of employment that deviate from the agreement.

1.4 Work outside Sweden

If the salaried employee is assigned by the employer to work outside Sweden, the terms of employment during the time spent abroad shall be determined either by an agreement between the employer and the employee or by a special set of terms and conditions for service abroad or similar at the company.

When working abroad, the “Agreement on Social Security for Salaried Employees Working Abroad” applies to those salaried employees stated in that agreement.

Contractual insurance and pension benefits refer to ITP, TGL, TFA and benefits according to the transition of employment agreement.

Contractual insurance and pension benefits refer to benefits according to the Occupational Injury Insurance Act and sickness benefit and ATP benefits according to the National Insurance Act.

2 Employment

2.1 Permanent employment

Employment is permanent unless the employer and the salaried employee have agreed that it is to be time-limited.

2.2 Employments limited in time

Agreements on employments limited in time may be entered into for

1. substitute employment,
2. probationary employment,
3. agreed temporary employment,
4. temporary work peaks,
5. work to gain work experience, and
6. employment for a certain time, season or certain work
 - where occasioned by the special nature of the work
 - with students for the periods they are on vacation or take sabbatical periods from their studies and
 - with salaried employees over the age of 67 or who were employed by the company after having reached the normal retirement age for salaried employees according to the ITP plan or who were employed after having reached the normal retirement age at the company.

2.3 Conditions for substitutes

Substitute refers to one salaried employee replacing another during his or her absence or holds a vacant position while waiting for it to be filled. In the latter case the employment may be for a maximum of six months, but with the possibility of extension if the employer and the local union organisation so agree.

Remarks:

According to the 1974 Employment Protection Act, if an employee who has been employed by the employer as a substitute for a total of more than two years out of the previous five, the temporary employment becomes a permanent post.

2.4 Conditions for probationary employment

A probationary appointment may not exceed a period of six months, unless the local parties in individual cases agree on a longer period, however not to exceed 12 months.

If the employee has been sick for more than a month during the probationary period, the probationary employment may be extended by the time that the employee's absence comprised, provided that the employer and the employee so agree.

Agreements on probationary appointment may be entered into

- if the salaried employee's qualifications within the occupational category are untested or
- if there exist special reasons to test the salaried employee's qualifications and prerequisites for the position against the background of the tasks' special requirements.

2.5 Conditions for agreed temporary employment

Agreements on temporary employment may in the case of one and the same employee comprise a maximum of twelve months over a three-year period, in which context no agreement period may be of less than one month's duration. In the case of new companies or operations that have not previously had employees, when employees are employed for the first time and for three years thereafter, agreement on temporary employment may be entered into in the case of one and the same employee for a maximum of 18 months over a three-year period.

An employer may have a maximum of five employees with agreed temporary employment at one and the same time.

2.6 Information to salaried employees' local union association

An employer who employs staff to relieve temporary work peaks or employs staff on a probationary basis should inform the salaried employees' local union association at the company beforehand if this is practicable. The information shall be provided within a week of an employment agreement being entered into.

2.7 Notice to terminate the employers' right to employ staff on a probationary basis or during work peak periods

The local salaried employees' association or the salaried employees' union concerned may give notice of termination of the employer's right to employ staff on a probationary basis or during work peak periods. The period of notice is three months.

An employer who wishes to retain his right shall without delay request that negotiations on this matter be held during the period of notice. The parties may extend the period of notice in order to enable the negotiations to be completed according to the negotiation procedure before the period of notice expires. As a last resort the issue may be taken up for deliberation by SAF-PTK's Salaried Employees' Labour Market Board.

3 General principles

3.1 Loyalty and trust

The relationship between employer and salaried employee is founded upon mutual loyalty and mutual trust.

A salaried employee shall observe discretion regarding the company's affairs, such as pricing, designs, experiments and studies, operating conditions, business matters and similar.

3.2 Secondary employment

A salaried employee may not perform work or directly or indirectly carry on financial activities for a company that competes with his or her employer. Nor may the salaried employee undertake assignments or carry on activities that may have a detrimental effect on the work that his or her main employment entails. An employee intending to undertake assignments or a secondary employment of a more extensive nature should therefore first consult his or her employer.

3.3 Commissions of trust

A salaried employee is entitled to hold government, municipal and union commissions of trust.

4 Salary for part of salary period

Salaried employees who begin or end their employment during the course of a calendar month receive one day's salary for each calendar day that his or her employment comprises during such a month.

For calculation of one day's salary please see 9.3.3.

5 Overtime

5.1 Overtime work

5.1.1 Definition

Overtime work that gives entitlement to overtime compensation refers to work carried out by a full-time employee outside the regular daily work hours that apply for his or her employment if the employer has ordered the overtime work or approved it afterwards.

If the working hours during a certain part of the year are shortened without any corresponding extension during another part of the year, work is not considered overtime until the employee has fulfilled the longer daily working hours that apply during the remainder of the year.

The time taken to perform necessary preparations and finishing-up that are normally included in the employee's duties does not count as overtime.

5.1.2 Calculation of overtime

Only full half-hours are included in overtime calculation. If the overtime work has been carried out before as well as after the regular working hours during a certain day, the overtime periods shall be added together.

5.2 Overtime compensation

5.2.1 Money, time off, salary, holiday

Overtime work is compensated in

- money
- time off
- higher salary
- longer holiday

according to the rules below.

5.2.2 Money or time off

The salaried employee is entitled to overtime compensation either in money (overtime pay) or in the form of time off (compensatory leave) unless otherwise stated in 5.2.3 or 5.2.4 below.

Compensatory leave is granted if the salaried employee so desires and the employer after consultation with the salaried employee finds that this is possible without inconvenience for the company's operations. In the consultation, the employer should as far as possible take into consideration the salaried employee's wishes as to when the compensatory leave shall be taken.

5.2.3 Higher salary, longer holiday

The employer and the salaried employee may agree that the salaried employee shall instead of money or time off receive a higher salary and/or three or five holiday days in addition to the holiday mandated by law (overtime replaced by something else). Such agreements are intended for salaried employees in management positions or whose working hours are difficult to verify or who have the freedom to schedule their working hours

The agreement shall be in writing and refer to one holiday year unless otherwise agreed by the employer and the salaried employee. A new agreement may be negotiated before the commencement of each new calendar year.

5.2.4 Preparations and finishing-up

If the employer and a salaried employee have expressly agreed that the salaried employee will on a daily basis carry out preparatory work and finishing up work of at least 12 minutes' duration and the salary has not been or is not determined taking this into consideration, the salaried employee shall be compensated by 28 days' holiday.

5.2.5 Information to salaried employees' local union association

If an agreement has been entered into according to 5.2.3 or 5.2.4 the employer shall inform the salaried employees' local union association concerned.

If the salaried employees' local union association so requests, the employer shall then provide the motives upon which the agreement is based.

5.3 Calculation of overtime pay and compensatory leave

5.3.1 Overtime pay

Overtime pay per hour is calculated as follows:

Overtime work 6 a.m. – 8 p.m. Monday – Friday, ordinary working days	$\frac{\text{monthly salary}}{94}$
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Overtime work at other times	$\frac{\text{monthly salary}}{72}$
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Monthly salary means the current fixed monthly salary in cash.

Overtime work "at other times" is equated with overtime work on business days that are non-working days for the salaried employee and on Midsummer's Eve, Christmas Eve and New Year's Eve.

Holiday pay is included in the overtime pay.

5.3.2 Compensatory leave

Compensatory leave per overtime hour is granted as follows:

Overtime work 6 a.m. - 8 p.m. Monday - Friday, ordinary working days	1.5 hours
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Overtime work at other times	2 hours
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5.3.3 Overtime work separated from regular working hours *)

If the salaried employee is ordered to carry out overtime work at a time that is not a direct continuation of the regular working hours, overtime pay is paid or compensatory leave granted as if at least three hours' overtime work had been carried out. This does not however apply if the overtime work is separated from regular working hours by only a meal break.

The employer shall reimburse any travelling costs in connection with overtime work in accordance with what is stated above. This also applies to salaried employees who are not entitled to overtime pay or compensatory leave.

**) For Ledarna a local agreement can be entered into to replace the rule in 5.3.3 with the following regulation:*

“If a manager is ordered to carry out overtime work at a time that is not a direct continuation of the regular working hours, extra compensation is paid for reporting for duty (call-out compensation) in the amount of SEK 96.

This does not however apply if the overtime work is separated from regular working hours by only a meal break.

Existing local agreements of this kind shall also apply.

5.4 Part-time employment

5.4.1 Compensation for additional hours

If a part-time employee has carried out work outside regular working hours that apply to the part-time employment (additional hours), compensation shall be paid per additional hour in the amount of:

$$\frac{\text{monthly salary}}{3.5 \times \text{weekly working hours}}$$

Monthly salary means the current fixed monthly salary in cash.

Weekly working hours refers to the part-time employee’s working hours per ordinary week, calculated as an average per month.

Holiday pay is included in the compensation amount.

Only full half-hours are included when calculating additional hours. If the extra work has been carried out before as well as after the regular working hours that apply to the part-time employment, the periods shall be added together.

5.4.2 Overtime compensation

The employee is entitled to overtime compensation if the overtime work is carried out before or after the times that apply to the regular daily working hours for corresponding full-time employment at the company.

When calculating overtime compensation according to 5.3.1, the salaried employee’s salary shall be adjusted to correspond to a full-time salary.

6 Travelling time compensation

6.1 Travelling time

Travel time with entitlement to compensation is that time during an ordered business trip that it takes to travel to the actual point of destination.

Travelling time during the salaried employee's regular daily working hours counts as working time. Only travelling time before and after the salaried employee's regular working hours shall therefore be included when calculating travelling time.

Only full half-hours are included when calculating travelling time. Travelling times both before as well as after the regular working hours during a certain day shall be added together.

If the employer has paid for a sleeping berth on a train or a ship during the trip or part thereof, the time between 10 p.m. and 8 a.m. shall not be included in the calculation.

The normal time when the salaried employee himself drives a car or other vehicle during a business trip is also included in the travelling time, regardless of whether the vehicle belongs to the employer or not.

The journey shall be considered to have begun and concluded according to the regulations that apply to the calculation of subsistence allowance or equivalent at the company in question.

Travelling time should be planned in such a way as to avoid an unreasonable burden on the salaried employee in respect of night rest, daily rest and weekly rest periods.

6.2 Entitlement to travelling time compensation

Salaried employees are entitled to travelling time compensation in accordance with 6.3 with the following exceptions:

- The employer and the salaried employee have agreed that the salaried employee shall not receive travelling time compensation (applies only to salaried employees who are not entitled to overtime pay or compensatory leave).
- The employer and the salaried employee have agreed that the salaried employee shall receive travelling time allowance in some other form. Obligatory travel can for example be taken into consideration when the employee's salary is set.
- The salaried employee holds a position that normally entails a substantial amount of business travel, e.g. travelling sales representatives, service engineers or similar. Such salaried employees are entitled to travelling time compensation only if the employer and the salaried employee have so agreed.

6.3 Compensation

Travelling time compensation is paid per hour as follows:

monthly salary
240

When the journey was undertaken between 6 p., Friday and 6 a.m. Monday or 6 p.m. the day before a non-working public holiday eve or public holiday and 6 a.m. the day after a public holiday, the compensation is instead

monthly salary
190

Monthly salary means the current fixed monthly salary in cash.

Holiday pay is included in the compensation amount.

When calculating travelling time compensation, the salaried employee's salary shall be adjusted to correspond to a full-time salary.

7 Holidays

7.1 General conditions

Holiday is granted according to law with the additions set out in 7.2, 7.3, 7.5.1, 7.5.2, 7.6 and the exceptions set out in 7.4 and 7.5.3. Exceptions have been made only where this is expressly indicated in the relevant sections.

7.2 Shift of holiday year and/or qualification year

The employer may reach agreement with an individual salaried employee or the local salaried employees' association that holiday year and/or qualification year be shifted.

7.3 Length of holiday

7.3.1 Agreement on longer holiday

In accordance with 5.2.3 the employer and the salaried employee may agree that the salaried employee shall receive three or five holiday days in addition to the holiday mandated by law.

Holiday days refer to both paid and unpaid holiday days.

Information:

For salaried employees with more holiday days than those mandated by law, the number of days with holiday pay shall be set according to the principles laid out in Section 5 of the Swedish Holiday Act.

7.3.2 Guarantee rule

If a collective or individual agreement entitles a salaried employee to more holiday days than this agreement, the salaried employee keeps his longer holiday.

This guarantee rule does not however apply when a salaried employee has been granted longer holiday entitlement as overtime compensation or is no longer obliged to carry out preparations or finishing in accordance with 5.2.4.

7.3.3 Previous rules

Previous rules governing the number of holiday days per year shall continue to apply at a company if this agreement would mean a shorter holiday.

If holiday regulations at a company are to be changed, the salaried employees' local representatives shall be informed. Before any agreement is entered into, negotiations shall be held if the salaried employees' local representatives so request.

7.3.4 Same group

A salaried employee who transfers between two companies in the same group may include his or her period of employment with the previous employer when calculating the number of paid holiday days if holiday pay has not been paid in connection with their previous employment.

7.4 Holiday pay, holiday compensation, etc

7.4.1 Holiday pay

Holiday pay is the current monthly salary at the time of the holiday plus a holiday supplement.

The holiday supplement for each paid holiday day is

- 0.8% of the salaried employee's current monthly salary at the time of the holiday.

Current monthly salary in this context refers to the employee's fixed monthly salary plus any fixed monthly salary supplements.

Regarding changed levels of employment please refer to 7.4.4.

- 0.5 % of the sum of the variable part of the salary that has been paid during the qualification year.

Remarks:

The holiday supplement assumes that the salaried employee has qualified for full paid holiday. If this is not the case, the holiday supplement shall be adjusted upwards by multiplying 0.5% by the number of holiday days to which the salaried employee is entitled according to 7.3 and dividing by the number of paid holiday days that the salaried employee has accrued.

Variable salary part in this context refers to

- commission, profit-sharing payment, bonus or similar variable salary parts,
- incentive payments and
- payment for staggered working hours, on-call time, emergency or similar variable salary parts, unless included in the monthly salary.

In this context, profit-sharing payment, bonus or similar refer to such variable salary parts that are directly related to the salaried employee's personal performance.

For each (whole or part of) calendar day with absence accruing holiday pay, one average daily income from variable salary parts shall be added to the "sum of the variable salary part paid during the qualification year. It is calculated as follows:

Average daily income =

$$\frac{\text{Variable salary part paid during the qualification year}}{\text{Number of days of employment, minus holiday days and whole calendar days with absence accruing holiday pay during the qualification year}}$$

Information:

The number of days employed is defined in Section 7 of the Swedish Holiday Act.

Compensation for staggered working hours, on-call time and emergency duty or similar shall not be included in the above-referenced average calculation, if the salaried employee during the qualification year has received such compensation for not more than 60 calendar days.

Information:

Overtime compensation, compensation per additional hour in the case of part-time employment and travelling time compensation are not included when calculating holiday supplements (see 5.3.1 and 5.4.1 and 6.3).

7.4.2 Holiday compensation

Holiday compensation is 5.4% of the current monthly salary per paid holiday day not taken plus any holiday supplement of 0.5% according to 7.4.1. Holiday compensation for saved holiday days is calculated as if the saved day had been taken the holiday year that the employment ended. Regarding changed levels of employment please refer to 7.4.4.

7.4.3 Unpaid holiday

For each unpaid holiday day taken, a deduction of 4,6% of the monthly salary is made from the salaried employee's current monthly salary.

Please refer to 7.4.1 for the definition of monthly salary.

7.4.4 Changed level of employment

If the salaried employee during the qualification year has had a different level of employment than at the time of his or her holiday, the current monthly salary at the time of the holiday shall be proportioned to the salaried employee's percentage of full regular working hours at the workplace during the qualification year.

If the salaried employee's level of employment has changed during a calendar month, the level of employment that he or she had for most calendar days during the month in question shall apply.

Please refer to 7.4.1 for the definition of monthly salary.

7.4.5 Payment

The following applies when holiday pay is paid.

Main rule

The holiday supplement of 0.8% is paid together with the normal salary payment at the time of or immediately after the holiday.

The holiday supplement of 0.5% is paid by the end of the holiday year at the latest.

Exception 1

If the employee's salary to a substantial extent consists of variable salary parts, the salaried employee is entitled to receive a holiday supplement in respect of the variable salary part according to the employer's preliminary calculation together with his or her normal salary payment in connection with his or her holiday. The employer shall pay any remaining holiday supplement after calculation according to 7.4.1 by the end of the holiday year at the latest.

Exception 2

If an agreement has been entered into that holiday year and qualification year shall be concurrent, the employer may pay the remaining holiday pay in respect of variable salary parts after the end of the holiday year. This must then be done at the time of the first normal salary payment during the new holiday year.

7.5 Saving holidays

7.5.1 Number of days

A salaried employee who is entitled to more than 25 holiday days with holiday pay may, after agreement with the employer, also save these additional holiday days provided that he or she does not use previously saved holiday days the same year.

The employer and the salaried employee shall agree on the holiday year when the saved days shall be taken and at what time during the year.

7.5.2 Using saved holidays

Saved holiday days shall be taken in the order in which they were saved.

Holiday days that have been saved according to law are to be taken before holiday days that have been saved according to 7.5.1 during the same year.

7.5.3 Holiday pay for saved holiday days

Holiday pay for saved holiday days is calculated according to 7.4.1 (excluding the remarks). When calculating the holiday supplement of 0.5 %, however, all absence during the qualification year excluding regular holiday shall be treated in the same manner as absence accruing holiday pay.

The holiday pay for saved holiday days shall also be adapted to the salaried employee's percentage of full regular working hours during the qualification year preceding the holiday year when the day was saved.

Please refer to 7.4.4 for calculation of percentage of full regular working hours.

7.6 Holiday for new employees, etc

If a new salaried employee's paid holiday days are insufficient to cover the company's main holiday period or if the new salaried employee otherwise desires a longer holiday than the number of holiday days available to him or her, the employer and the salaried employee may agree that the salaried employee shall receive a leave of absence or time off without salary deduction for the requisite number of days.

Such agreements shall be in writing.

In the case of time off without salary deduction, the following shall apply. If the employment ends within five years from the day it commenced, a deduction shall be made from the accrued salary and/or holiday compensation according to the same regulations as for leave of absence, but calculated on the basis of the salary that applied during the employee's time off. No deduction shall be made if the employment terminates because of No deduction shall be made if the employment ends because the salaried employee

- is ill or
- has left his employment under the circumstances stated in the first sentence of the third paragraph of Section 4 of the Act on Security of Employment, or
- has been given notice of termination of employment due to shortage of work.

Information:

Unless a written agreement has been entered into as described above, the provisions concerning advanced holiday payments set out in Paragraph 3 of Section 29 of the Swedish Holiday Act shall apply to those who have received a greater number of paid holiday days than accrued.

7.7 Proof of holiday taken

The salaried employee is entitled to a certificate stating the amount of holiday taken when his/or employment ends. See further 11.3.8.

7.8 Holiday for intermittent part-time employees

7.8.1 Number of days

For salaried employees who are employed part-time and whose work schedule does not involve work every day every week (intermittent part-time employees) the following applies. The number of holiday days according to 7.3 (gross holiday days) to be scheduled during the holiday year shall be in proportion to the salaried employee’s percentage of the regular working hours that apply for full-time staff in equivalent positions. The number of holiday days thus obtained (net holiday days) shall be taken on those days that would otherwise have been working days for the employee.

If both paid holiday days (normal holiday and saved holiday) and unpaid holiday days are to be scheduled during the holiday, these shall be individually proportioned as follows:

$$\text{Number of working days per week} / 5 \times \text{number of gross holiday days to be scheduled} = \text{number of holiday days to be taken on days that would otherwise have been working days (net holiday days).}$$

Any fractions arising during the calculation are rounded upwards to the nearest whole number.

“Number of working days per week” is the number of days that according to the working hours schedule are working days per ordinary week per four-week period (or other period that comprises a full scheduling period).

If the salaried employee according to the working hours schedule is to work both whole days and parts of days in the same week, the partly worked day shall be counted as a whole day. When holiday is scheduled for such a salaried employee, an entire holiday day will be used up also for the day during which the salaried employee would only have worked during part of the day.

Example

The part-time work is scheduled on average for the following numbers of working days per week	Number of net holiday days (in case of 24 days’ gross holiday)
4	20
3.5	18
3	15
2.5	13
2	10

If the working days schedule is changed so that “the number of working days per week” changes, the number of untaken net holiday days is to be recalculated to correspond to the new schedule.

7.8.2 Payments and deductions

Holiday supplements, holiday compensation and salary deductions (in case of unpaid holidays) are calculated on the basis of the number of gross holiday days.

8 Sick pay etc

8.1 Entitlement to sick pay

A salaried employee is entitled to sick pay according to the rules set out in this chapter. The Swedish Sick Pay Act applies in other respects.

8.2 Notification of illness to the employer

A salaried employee who is unable to work due to illness, accident or work injury shall notify his/her employer thereof as soon as possible. If there are acceptable reasons preventing notification, the employer shall be notified as soon as such hindrance no longer exists. The salaried employee shall also inform the employer of when he or she expects to be able to return to work. The same applies if the salaried employee must stay away from work due to a risk of transmitting an infection.

The employee is not entitled to sick pay for the time before notification is made.

8.3 Written declaration and doctor's certificate

The salaried employee shall provide proof of illness by submitting a written declaration to the employer, stating to what extent he or she has been unable to work due to the illness. The employee is not entitled to sick pay for the time before a declaration has been submitted.

From the eighth calendar day, the salaried employee must always provide proof of illness by means of a doctor's certificate, that shows that the salaried employee is unable to work and that also states the duration of the sick period. The employer may request that the salaried employee also provide a doctor's certificate as proof of illness for the first seven calendar days.

The employer is allowed to appoint a doctor to issue a doctor's certificate.

A salaried employee who provides false or misleading information concerning circumstances of importance for entitlement to sick pay is not entitled to sick pay.

Remarks:

It is of mutual interest to both employer and salaried employee – for the purposes of rehabilitation – that the reason for the illness be determined as early as possible. This applies in particular in case of recurring illness.

8.4 Amount of sick pay

8.4.1 Illness up to and including the 14th calendar day

For each hour a salaried employee is absent as a result of illness, an hourly deduction is made as follows:

for the first day of absence $\frac{\text{monthly salary} \times 12}{52 \times \text{weekly working hours}}$
(qualifying day)

from and including the second day of absence $\frac{20\% \times \text{monthly salary} \times 12}{52 \times \text{weekly working hours}}$

If the salaried employee would have carried out work during scheduled staggered working hours, sick pay at 80% of the compensation that the salaried employee has lost is also paid with the exception of the qualifying day.

8.4.2 New sick period within five calendar days

If a new sick period begins within five calendar days after a previous sick period has ended, this is considered a continuation of the previous sick period.

8.4.3 When deductions have already been made for 10 qualifying days

If the salaried employee has had a total of ten qualifying days over the previous twelve months, a deduction is made for the first day of the next sick period according to what applies from and including the second day of absence of the sick pay period.

8.4.4 Sick pay at 80% during the whole period

For salaried employees who are entitled to sick pay at 80% for the whole sick pay period by decision of the Swedish Social Insurance Agency (Försäkringskassan), deductions are made according to what applies from and including the second day of absence of the sick pay period.

Information:

The content of 8.4.2, 8.4.3 and 8.4.4 is taken from the Swedish Sick Pay Act.

8.4.5 Illness from and including the 15th calendar day

Deduction per day

For each sick day including non-working days, deduction for illness are made as follows:

For salaried employees with monthly salary of at most 7.5 x the base amount/12 $90\% \times \frac{\text{monthly salary} \times 12}{365}$

For salaried employees with monthly salary above 7,5 x the base amount/12 $90\% \times \frac{7.5 \times \text{price base amount}}{365}$

+ $\frac{10\% \times (\text{monthly salary} \times 12 - 7.5 \times \text{the price base amount})}{365}$

If the salaried employee's salary changes, deductions for illness are made on the basis of the old salary until the day the employee is notified of his/her new salary.

Deduction for illness per day

The deduction for illness per day may not exceed

$$\frac{\text{monthly salary} \times 12}{365}$$

For the purposes of calculation of maximum deduction for illness per day the following are equated with monthly salary:

- fixed monthly salary supplements (e.g. compensation for staggered working hours or overtime supplements)
- commission, profit sharing payments, bonuses or similar earned during time off without being directly connected to the salaried employee's personal performance
- guaranteed minimum commission or similar.

8.4.6 Definition of monthly salary and weekly working hours

Monthly salary

For the purposes of 8.4.1 and 8.4.5 monthly salary is defined as follows:

- current fixed monthly salary plus any fixed monthly salary supplements.
- estimated average monthly income from commission, profit sharing payments, bonuses or similar variable salary parts. If a salaried employee's salary consists to a substantial extent of such variable salary parts, the employer and the salaried employee should agree on the salary amount from which the deduction for illness shall be made.

In the case of deduction for illness from and including the 15th calendar day, monthly salary also refers to benefits in the form of board and lodging valued in accordance with the National Tax Agency's directions.

Weekly working hours

Weekly working hours refers to the number of working hours per ordinary week for the individual salaried employee. In the case of irregular working hours, the weekly working hours are calculated as an average per month or other scheduling period.

If different working hours apply during different parts of the year, working hours are calculated per average ordinary week per year.

8.5 Length of sick pay period

Entitlement to sick pay ceases after absence due to illness for 90 consecutive calendar days. For salaried employees who have been employed for a total of less than a year, and have not

transferred directly from employment where they were entitled to sick pay for 90 days, the period is 45 consecutive days.

Entitlement to sick pay also ceases after the salaried employee over the previous twelve months has been absent due to illness for a total of 105 (45 in the second case) calendar days over the period.

When the salaried employee receives a disability pension according to the ITP plan, entitlement to sick pay ceases.

Information:

The regulations in 8.5 do not restrict the legal entitlement to sick pay during the sick pay period.

8.6 Coordination and restriction rules

8.6.1 The salaried employee receives other compensation

If a salaried employee receives compensation from the state, from an insurance policy or from a liable third party, the employer may decide to reduce or cancel sick pay in order to avoid over-compensation for illness in relation to the levels of sick pay set out in this agreement. This does not apply to compensation from the social insurance agency or compensation according to a collective agreement.

8.6.2 Salaried employees over the age of 60

If the salaried employee has reached the age of 60 while employed, the employer and the salaried employee may agree that the salaried employee will not be entitled to sick pay from and including the 15th calendar day of the sick pay period. If such an agreement has been entered into, the employer shall notify the local salaried employees' association.

For pensioners according to 1.3, 8.4.5 applies only if a special agreement is entered into between the employer and the salaried employee.

8.6.3 Failure to disclose illness

Salaried employees who at the time of their employment did not disclose that they suffer from a particular illness are not entitled to sick pay from and including the 15th calendar day of a sick period that is due to that illness. The same applies if the employer at the time of the employment requested a health certificate but the salaried employee has not been able to provide one due to illness.

8.6.4 Reduced sick benefits

If a salaried employee's sickness benefits have been reduced according to the National Social Insurance Act, the employer shall reduce the sick pay to a corresponding extent.

8.6.5 Accidents etc

If a salaried employee has been injured in an accident while working for another employer or in connection with his/her own business, the employer shall only pay sick pay from and including the 15th calendar day of the sick period if the employer has specifically undertaken

to do so. The same applies if the salaried employee has been injured as a result of armed conflict.

If the employee’s incapacity to work is a result of his/her own actions, the salaried employee is not entitled to sick pay from and including the 15th calendar day.

8.7 Parental pay

A salaried employee who is on parental leave with entitlement to parental benefit or who is receiving temporary parental benefits in connection with the birth or adoption of a child (referred to as “daddy days/partner days”) shall be paid parental pay by the employer. The parental pay is calculated by means of a daily deduction as described below. A precondition is that the salaried employee has been continuously employed by the employer for at least one year.

- Parental pay is paid
- for a maximum of 6 months within an 18-month period after the birth or adoption of a child,
 - parental pay is not paid for more calendar days than the leave comprises. Parental pay is only paid for whole calendar days,
 - parental pay is paid at the time the leave is taken.

Parental pay is calculated by means of a deduction from salary for each day of absence as follows:

Deductions per day
 For each day of parental leave, including non-working days, a deduction is made as follows:

For salaried employees with monthly salary of at most 10.0 x the base amount/12	$\frac{90\% \times \text{monthly salary} \times 12}{365}$
For salaried employees with a monthly salary of more than 10.0 x the base amount/12	$\frac{90\% \times 10.0 \times \text{the price base amount}}{365}$
+ $10\% \times (\text{monthly salary} \times 12 - 10.0 \times \text{the price base amount})$	$\frac{\phantom{10\% \times (\text{monthly salary} \times 12 - 10.0 \times \text{the price base amount})}}{365}$

If the salaried employee’s salary changes, deductions are made on the basis of the old salary until the day the employee is notified of his/her new salary.

Maximum deduction per day
 The deduction per day may not exceed $\frac{\text{monthly salary} \times 12}{365}$

For the purposes of calculation of maximum deduction for illness per day the following are equated with monthly salary:

- fixed monthly salary supplements (e.g. compensation for staggered working hours or overtime supplements)
- commission, profit sharing payments, bonuses or similar earned during time off without being directly connected to the salaried employee's personal performance
- guaranteed minimum commission or similar.

8.8 Leave with temporary parental benefit

A deduction is made for each hour of absence of

$$\frac{\text{monthly salary} \times 12}{52 \times \text{weekly working hours}}$$

In the case of absence for a whole calendar month, the employee's whole monthly salary is deducted.

Please refer to 8.4.6 for definitions of monthly salary and weekly working hours.

8.9 Disease carriers

If the salaried employee must stay away from work due to a risk of transmitting a infection, and the salaried employee is entitled to disease carrier's allowance, deductions are made as follows:

Up to and including the 14th calendar day

A deduction is made for each hour of absence of

$$\text{For salaried employees with monthly salary at most } 7.5 \times \text{base amount}/12 \quad 90\% \times \frac{\text{monthly salary} \times 12}{52 \times \text{weekly working hours}}$$

$$\text{For salaried employees with monthly salary above } 7.5 \times \text{the base amount}/12 \quad 90\% \times \frac{7.5 \times \text{the price base amount}}{52 \times \text{weekly working hours}}$$

$$+ \frac{10\% \times (\text{monthly salary} \times 12 - 7.5 \times \text{the price base amount})}{52 \times \text{weekly working hours}}$$

From and including the 15th calendar day

Deductions are made in accordance with 8.4.5.

Please refer to 8.4.6 for definitions of monthly salary and weekly working hours.

9 Leave

9.1 Short leave

Short leave refers to a very short paid absence.

Short leave is as a rule only granted for part of a working day. although in special cases it may be granted for one or more days, e.g. in case of sudden illness of an immediate family member or the death of a close relative.

If Midsummer's Eve, Christmas Eve and New Year's Eve are not customary non-working days, short leave should be granted for these days if this can be done without detriment to the company's operations.

The year that National Day (6th June) falls on a Saturday or Sunday, the salaried employee shall instead be given a different free day without deduction from salary according to local agreement.

9.2 Unpaid leave

Unpaid leave is leave of absence (= leave of at least one day's duration) or other leave (= leave for part of a day).

Leave without pay is granted if the employer finds that this can be done without detriment to the company's operations.

When leave of absence is granted the employer shall state the period for which it has been granted. Leave of absence may not be scheduled so that it begins or ends on a Sunday and/or public holiday that is a non-working day for the salaried employee.

9.3 Deductions in the case of leave without pay

9.3.1 Other leave

In the case of other leave, a deduction is made for each full half-hour. The deduction per hour is

current monthly salary (adjusted to full time salary equivalent)

175

9.3.2 Leave of absence for maximum of five working days

In case of leave of absence for a period of a maximum of five working days a deduction is made for each working day the employee is absent of

current monthly salary

21

Remarks:

For six day weeks the divisor is 25 instead of 21.

9.3.3 Leave of absence for more than five working days

In case of leave of absence for a period longer than five working days a deduction is made for each calendar day the employee is absent of

Daily salary =

$$\frac{\text{Fixed monthly salary} \times 12}{365}$$

Fixed monthly salary is equated with

- fixed monthly salary supplements (e.g. compensation for staggered working hours or overtime supplements),
- commission, profit sharing payments, bonuses or similar earned during time off without being directly connected to the salaried employee's personal performance,
- guaranteed minimum commission or similar.

9.3.4 Intermittent part-time employment

If a salaried employee is employed part-time and only works full regular working hours during some of the week's working days (so-called intermittent part-time work), a deduction is made for each day of leave of absence that would have constituted a working day for the salaried employee as follows:

His or her monthly salary is divided by

$$\frac{\text{the number of working days per ordinary week (average/month)} \times 21}{5}$$

Remarks:

For six day weeks the divisor is 6 instead of 5.

Example of deduction for leave of absence in case of intermittent part-time work

Number of days/week as average/month	Deduction/working day
4	$\frac{\text{monthly salary}}{16.8}$
3,5	$\frac{\text{monthly salary}}{14.7}$
3	$\frac{\text{monthly salary}}{12.6}$
2,5	$\frac{\text{monthly salary}}{10.5}$
2	$\frac{\text{monthly salary}}{8.4}$

9.3.5 Leave for a full month

If the salaried employee is on leave of absence for a full calendar month, the whole monthly salary is deducted. The same applies if the company has another pay period of the same length instead of calendar month.

10 Salaried employees' obligations and entitlements in case of conflict between employer and workers

10.1 Obligation to work

During a conflict (strike, lockout, blockade or boycott) the salaried employee has the following obligations:

- The salaried employee shall carry out his/her duties and the obligations associated therewith as normal.
- The salaried employee shall carry out such work that in other respects falls within the scope of his/her employment.
- The salaried employee shall carry out work that enables or facilitates the resumption of operations after the conclusion of the conflict.
- The salaried employee shall carry out maintenance work and repairs on machinery, tools and other equipment for the company's own use. These tasks shall first and foremost be entrusted to salaried employees who are normally associated with maintenance and repairs or labour management functions at the company in question.

If the employer carries out unloading of goods for the company's own use with his own workforce and deliveries have not been able to be cancelled at the time notice was given of industrial conflict, the salaried employee is also obliged to participate in such work if the employer so orders.

10.2 Protective work

In addition to what is said in 10.1, the salaried employee is obliged to participate in safety work as needed.

Protective work includes

1. Such work that at the time the industrial conflict begins is necessary in order for the company's operation to be concluded in a technically defensible manner and
2. Such work that is necessary in order to avoid
 - danger to people or
 - risk of damage to buildings or other installations, ships, machinery or domestic animals or

- risk of damage to such stock that will be used during the conflict in order to maintain the operation of the company or divested in order to prevent decay or destruction that the goods are subject to by reason of their nature.

Work that must be carried out by reason of special regulations in law or ordinance and work the neglect of which may entail liability for misuse of office is equated with protective work.

10.3 Consultation on certain work

If, during the conflict, the employer should question the carrying out of certain work not mentioned in this chapter, a consultation shall be held with the person or persons assigned to carry out the work or also with representatives appointed by the salaried employees. If the employers' federation and the salaried employees' union jointly make a decision concerning such work, the salaried employees are obliged to abide by this decision. If the organisations cannot agree, the matter shall be referred to the advisory committee at the request of one or other of the parties. The advisory committee's decision is binding.

10.4 Unlawful conflict

In the case of conflict that is not permitted according to law or collective agreement, each salaried employee is obliged to carry out, to a reasonable extent, all work that against the background of the prevailing circumstances may be carried out, if the employer so requests.

10.5 Notice of termination of employment etc

A salaried employee may not be given notice of termination of employment by reason of expected or on-going conflict unless probable grounds exist that changed circumstances will make it impossible to provide the salaried employee with work when operations resume.

If a conflict has been in effect for at least three months and the salaried employees can not be provided with full employment, working hours and salaries may both be reduced by 10%. After a further month, the working hours and salaries may reduced by a further 10% and so on until salaries have fallen to 60% of the original amounts.

Salary reductions may not lead to reductions in contributions to pensions or other insurance relating to the employment.

11 Notice of termination of employment

11.1 Notice on the part of the salaried employee

11.1.1 Period of notice

The salaried employee's period of notice is as follows unless otherwise stated in 11.3.1 - 11.3.4 below.

For a salaried employee employed on or after 1 July 1997:

Total length of employment at the company	Period of notice in months
Less than 2 years	1
Between 2 and 6 years	2
6 years or more	3

For a salaried employee employed before 1 July 1997:

Total length of employment at the company	Age and period of notice in months			
	< 25	≥ 25	≥ 30	≥ 35
Less than 6 months	1	1	1	1
Between 6 months and 6 years	1	1	2	2
6 years or more	1	2	3	3

Remarks:

How the length of employment should be calculated in certain cases is stated in Section 3 of the Employment Protection Act (LAS). See the remarks at 11.2.1.

11.1.2 Written notice

The salaried employee shall give notice in writing in order to avoid disputes as to whether notice has been given. If notice is nonetheless given verbally, the salaried employee should confirm this in writing as soon as possible.

11.2 Notice by the employer

11.2.1 Period of notice

For a salaried employee employed on or after 1 July 1997 the periods of notice stated in the Employment Protection Act apply.

Information:

The following periods of notice as stated in the version of the Employment Protection Act dated 1 May 1998 apply:

Total length of employment at the company	Period of notice in months
Less than 2 years	1
At least 2 years but less than 4 years	2
At least 4 years but less than 6 years	3
At least 6 years but less than 8 years	4
At least 8 years but less than 10 years	5
At least 10 years	6

For a salaried employee employed **before 1 July 1997**:

Total length of employment at the company	Salaried employee's age and period of notice in months					
	< 25	≥ 25	≥ 30	≥ 35	≥ 40	≥ 45
< 6 months	1	1	1	1	1	1
6 months - 6 years	1	2	3	4	5	6
6 years – 9 years	2	3	4	5	5	6
9 years – 12 years	-	3	4	5	6	6
> 12 years	-	3	4	6	6	6

Remarks:

How the length of employment should be calculated in certain cases is stated in Section 3 of the Employment Protection Act (LAS).

Section 3 of the version of the Employment Protection Act dated 1 May 1998 states:

1. An employee who changes employment by transferring from one employer to another may, with respect to the second employment, also be credited with the period of employment with the former employer if, at the time of the transfer, both employers belong to the same group of companies.
2. An employee who changes employment as a result of the transfer of an undertaking or business or part of a business from one employer to another by virtue of such a transfer as is subject to Section 6 b, may include the period of employment with the former employer in the calculation of the period of employment with the subsequent employer. This also applies in connection with change of employment in conjunction with bankruptcy.
3. In the event of several such changes of employment as referred to in items 1 and 2 above, the employee may calculate the total period of employment with all the employers.
4. Section 11 of the version of the Employment Protection Act dated 1 July 2006 states that if an employee who is on parental leave under Section 4 or 5 of the Parental Leave Act is given notice of termination owing to shortage of work, the period of notice shall begin to run when the employee has completely or partially resumed work or, under the notice of parental leave that applies when the notice of termination is given, when the employee would have resumed his or her work.
5. A salaried employee shall not be given a shorter period of notice than that stated in the Employment Protection Act.

11.2.2 Extended period of notice

If a salaried employee has been given notice of termination owing to shortage of work and at the time the notice was given had reached the age of 55 and at that time has been

continuously employed for a period of 10 years, the period of notice shall be extended by 6 months.

Remarks:

Such extension of the period of notice may only be made until the employee's 65th birthday.

11.2.3 Priority in case of redundancy

Should personnel reductions become necessary the local parties shall evaluate the company's staffing requirements and needs as regards personnel. If these needs cannot be met through application of the law, the order of priority list shall be determined by derogating from the regulations in the law.

The local parties shall then select which employees shall be given notice of termination so that the company's needs as regards competent personnel are taken into particular consideration together with the company's possibilities to operate profitably and thereby be able to offer continued employment.

It is assumed that the local parties at the request of one or the other reach agreement on priority regarding termination through application of Section 22 of the Employment Protection Act and the departures from that law that are required.

The local parties may also agree on priority in case of re-employment that deviates from the regulations in Sections 25-27 of the Employment Protection Act. The criteria stated above shall apply in this regard.

The local parties are obliged upon request to hold negotiations on priority in case of re-employment and to confirm agreements reached in writing.

If the local parties cannot agree, the unions involved may enter into agreements according to the above guidelines if one or the other party so requests.

It is assumed that the employer will provide the local and central contracting parties with the relevant facts before taking up the issues concerned in this section.

Information:

Without local or central agreement according to the above, notice of termination owing to shortage of work and re-employment may be examined according to the law with due observance of the negotiation procedure.

11.2.4 Notice

The notice that the employer shall submit to the local employee organisation in accordance with the Employment Protection Act shall be considered to have been submitted when the document has been handed to the local salaried employees' local representatives or two working days after the employer has sent the document to the address of the salaried employees' union by registered post.

Should notice be made while the company is closed for holidays, it shall be considered to have been submitted after the end of the holiday closure.

11.2.5 Pay during period of notice

Supplementary to Section 12 of the Employment Protection Act, the following applies to salaried employees who cannot be provided with work during the period of notice and

- who receive commission, profit-sharing payments, productivity bonuses or similar, that are directly connected to the salaried employee's personal performance or
- who would normally receive compensation for staggered working hours or on-call or emergency service.

For each calendar day that the salaried employee can not be offered work, compensation shall be considered to amount to 1/365 of the corresponding compensation received during the immediately preceding twelve-month period.

11.3 Other regulations in connection with notice

11.3.1 Agreement on different period of notice

The employer and the salaried employee may agree that a different period of notice shall apply. The period of notice of termination by the employee may in such cases not be less than

- the period of notice stated in 11.2.1 - 11.2.2
- two months if the salaried employee at the time of his or her employment is unemployed and 55 or older After three years' employment the period of notice may not be less than what is stated in 11.2.1 - 11.2.2.

11.3.2 Probationary employment

If a probationary employment is to be terminated prematurely, one month's mutual notice applies.

11.3.3 Pensioners

For pensions according to 1.3, one month's mutual notice applies.

11.3.4 Employees of retirement age

Employment ends without notice at the end of the month that the employee turns 67 unless the employer and the employee agree otherwise. The employer need not make official notice in accordance with Section 33 of the Employment Protection Act.

Remarks:

In good time before the beginning of the month in which the salaried employee turns 65, which is the agreed retirement age according to the ITP plan, the employer should obtain the salaried employee's decision as to whether he or she wishes to retire upon reaching

retirement age according to the ITP plan or utilise his or her right to remain in employment until the end of the month he or she turns 67.

11.3.5 Reduction of the salaried employee's period of notice

If a salaried employee due to special circumstances wishes to leave his employment before the end of the period of notice, the employer should examine whether this may be granted.

11.3.6 Damages

If a salaried employee leaves his or her employment before the end of the period of notice, the employer is entitled to damages for the financial harm and inconvenience caused thereby. The damages shall at least be equal to the amount that corresponds to the salaried employee's salary during the part of the period of notice that the salaried employee has failed to observe.

11.3.7 Certificate of Employment

Upon termination by the employer or the salaried employee, the salaried employee is entitled to receive a document showing the salaried employee's length of service and duties (certificate of employment).

If the salaried employee so requests, the employer shall also provide an opinion of how well the salaried employee has carried out his or her work (testimonial).

The certificate or testimonial shall be provided one week after it has been requested.

11.3.8 Proof of holiday taken

When employment has ended, the salaried employee is entitled to within a week receive a certificate showing how many of the holiday days mandated by law he or she has taken during the current holiday year.

If the salaried employee was entitled to more holiday days than those mandated by law, the extra days shall in this context be deemed to have been taken first.

12 Independent category

The employer is entitled to demand that a salaried employee who is a member of the company's management not be a member of a salaried employees' organisation that is a party to this agreement.

The company's management includes

- executives
- executives' secretaries
- salaried employees whose duties include representing the company on issues that concern other salaried employees' working conditions.

Disputes concerning the scope of the independent category shall be settled by the advisory committee.

13 Negotiation procedure, SAF-PTK's Salaried Employees' Labour Market Board, SAF-PTK's Salaried Employees' Labour Market Committee

The regulations governing the negotiation procedure and rules for SAF-PTK's Salaried Employees' Labour Market Board and SAF-PTK's Salaried Employees' Labour Market Committee that shall apply can be found in Section 7 of the negotiated agreement between SAF (the Swedish Employers' Confederation) and PTK (the Federation of Salaried Employees in Industry and Services) of 10 May 1989 and in Sections 9 and 10 of the minutes of the negotiation of the agreement of 21 May 1976 between SAF and PTK. The rules are independently valid regardless of whether corresponding regulations for salaried employees apply between SAF and PTK.

For members of Ledarna, the negotiation procedure set out in Ledaravtalet (Agreements for employees in management positions) applies.

Statement entered in the minutes:

It is assumed that the salaried employees' local union association at the company and specially appointed PTK representatives will agree on a joint body (PTK-L). This body will represent salaried employees as the local salaried employees' party (PTK-L) according to this agreement and the transition of employment agreement and the local employees organisation (PTK-L) according to the Employment Protection Act.

14 Period of validity

The agreements on salary formation at the companies and on general terms of employment apply from and including 1 April 2013 up to and including 31 March 2016.

The parties shall commence negotiations on a new agreement in accordance with the agreement on negotiations of 21 June 2011.

The agreement may be terminated on or before 30 September 2014, effective 31 March 2015.

ANNEX 1 Guidelines on compensation for staggered working hours, on-call time and emergency service

The Swedish Food Federation (Livsmedelsföretagen)

Unionen

The Swedish Association of Graduate Engineers (Sveriges Ingenjörer)

Ledarna

A. General rules

1 The rules apply to salaried employees with the exceptions stated in 1.2 on Exceptions to the agreement on general terms of employment. The term “salaried employees” in this agreement includes “foremen” and “supervisors”.

2 In addition to the employees concerned, notification of staggered working hours, on-call time and emergency service shall also be made to the salaried employees’ representative employed at the company.

Where the agreement involves the participation of the local salaried employees’ organisation, Unionen and the Swedish Association of Graduate Engineers may only speak for a member of Unionen or the Swedish Association of Graduate Engineers, respectively.

3 Issues concerning rescheduling of regular working hours, overtime work to provide for leave on working days between holidays and preparations and finishing-up according to 5.1.1 of the agreement on general terms of employment are not affected by this agreement.

4 According to the agreement’s rules concerning holiday, sick pay, overtime, travelling time and pensions, the following applies:

Remarks:

Compensation for staggered working hours, emergency service and on-call time shall be included in the basis for holiday pay and holiday compensation according to 7.4.1 and 7.4.2 of the agreement on general terms of employment. For salaried employees with regular staggered working hours, on-call time or emergency service, the compensation shall be included in the pensionable salary according to item A 3:1 of the ITP agreement.

Compensation is not granted when other regulations among those listed above are applied.

B. Guidelines concerning compensation for staggered working hours.

1 The following guidelines apply concerning compensation for staggered working hours.

The local parties may enter into an agreement on a different solution if special reasons exist for doing so.

2 *Staggered working hours* refers to the part of the salaried employee’s regular working hours that is scheduled outside the regular daily working hours schedule at the salaried employee’s place of work. Staggered working hours may also apply in the case of shift work.

Staggered working hours are compensated according to item 4 below.

Statement entered in the minutes:

a) The parties are agreed that reasonable grounds should exist for introducing staggered working hours. If the salaried employee party in a specific case claims that no reasonable grounds exist for staggered working hours, the employer is nonetheless entitled to implement staggered working hours while awaiting the outcome of the negotiations that may be requested.

b) *If a flexible working hours system is in operation, no compensation is paid for working hours inside the beginning and ending times of the regular daily working hours schedule, i.e. the so-called bandwidth.*

3 The employer should, as far as is practicable, notify the salaried employee concerned no later than 14 days in advance that the working hours will be staggered. Such notification should also contain details of the estimated duration of the staggered working hours period.

4 Staggered working hours are compensated per hour as follows:

From 6 p.m. until 7 a.m.*	<u>monthly salary</u> 400
From 7 a.m.* on days that according to the regular daily working hours schedule are non-working until 12 midnight on the next working day	<u>monthly salary</u> <u>300</u>
From 6 p.m. on Maundy Thursday and New Year’s Eve and from 7 a.m.* on Whit Saturday, Midsummer’s Eve and Christmas Eve until 12 midnight the day before the first business day after each respective holiday and from 12 midnight on 5 June until 12 midnight on 6 June	<u>monthly salary</u> 150

* In the case of bakeries and the flour milling industry, 6 a.m. instead of 7 a.m.

5 An agreement on exceptions from the compensation rules detailed above may be entered into with a salaried employee concerning what reasonable compensation shall be paid according to other rules.

6 Compensation cannot be received for staggered working hours and overtime at the same time.

C. Guidelines concerning compensation for on-call time

1 The following guidelines apply concerning compensation for on-call time. The local parties may enter into an agreement on a different solution if special reasons exist for doing so.

2 *On-call time* refers to time when the salaried employee is not obliged to work but may be ordered to be at the employer’s disposal at the place of work in order to be able to carry out work if the need arises.

3 Compensation per hour:

On-call time is compensated by	<u>monthly salary</u> 600
From 6 p.m. on days before a non-working day until 7 a.m.* on a non-working day	<u>monthly salary</u> 400
From 7 a.m.* on a non-working day until 12 midnight on the next working day	<u>monthly salary</u> 300
From 6 p.m. on Maundy Thursday and New Year’s Eve and from 7 a.m.* on Whit Saturday, Midsummer’s Eve and Christmas Eve until 12 midnight the day before the first business day after each respective holiday and from 12 midnight on 5 June until 12 midnight on 6 June	<u>monthly salary</u> 150

* In the case of bakeries and the flour milling industry, 6 a.m. instead of 7 a.m.

Compensation for on-call time is paid per work period of at least eight hours, where applicable reduced by the time for which overtime compensation is paid.

4 An agreement on exceptions from the compensation rules detailed above may be entered into with a salaried employee concerning what reasonable compensation shall be paid according to other rules.

5 On-call time shall be scheduled so as not to burden an individual salaried employee unreasonably.

A schedule for on-call time should be drawn up in good time.

D. Guidelines concerning compensation for emergency service

1 The following guidelines apply concerning compensation for emergency service. The local parties may enter into an agreement on a different solution if special reasons exist for doing so.

2 *Emergency service* refers to time when the salaried employee is not obliged to work but is ordered to be available in order to be present at the place of work within the prescribed time after being notified.

3 Compensation per hour:

Emergency service is compensated by	<u>monthly salary</u> 1400
From 6 p.m. on a day before a non-working day until 7 a.m.* on a non-working day	<u>monthly salary</u> 1000
From 7 a.m.* on a non-working day until 12 midnight on the next working day	<u>monthly salary</u> 700
From 6 p.m. on Maundy Thursday and New Year’s Eve and from 7 a.m.*	<u>monthly salary</u>

on Whit Saturday, Midsummer's Eve and Christmas Eve until 12 midnight the day before the first business day after each respective holiday and from 12 midnight on 5 June until 12 midnight on 6 June	350
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* In the case of bakeries and the flour milling industry, 6 a.m. instead of 7 a.m.

Compensation for emergency service is paid per work period of at least eight hours, where applicable reduced by the time for which overtime compensation is paid.

4 When the employee has been called in to work, overtime compensation is paid for time worked, but for not less than 3 hours. Compensation is paid for travelling time when the employee is called in to work.

5 An agreement on exceptions from the compensation rules detailed above may be entered into with a salaried employee concerning what reasonable compensation shall be paid according to other rules.

6 Emergency service shall be scheduled so as not to burden an individual salaried employee unreasonably.

A schedule for emergency service should be drawn up in good time.

These guidelines apply for the same period of validity as the agreement on general terms of employment.

ANNEX 2 Agreement on working hour regulations for salaried employees

Section 1 Scope of the Agreement

Paragraph 1

This agreement applies to all salaried employees employed by employers affiliated to the Swedish Food Federation. The agreement supersedes the Swedish Working Hours Act in its entirety. The terms “salaried employee” and “salaried employees’ local union association” in this agreement include “foremen/supervisors” and “foremens’/supervisors’ local union association” respectively.

The parties agree that this agreement is within the scope of the European Working Hours directive, which aims to provide security and health to employees in the scheduling of the working hours. Special provisions concerning working hours for minors are laid down in the Swedish Work Environment Act.

Paragraph 2

The regulations in sections 2-4 do not apply to

salaried employees in management positions;
work carried out by the salaried employee in his or her home or otherwise under such circumstances that it cannot be deemed to be up to the employer to monitor how the work is arranged.

Paragraph 3

An employer and a salaried employee who enter into an agreement to the effect that entitlement to special overtime compensation shall be replaced by longer holiday or compensated in some other way in accordance with paragraph 5.2.3 of the agreement on general terms of employment, may enter into an agreement that the salaried employee shall be exempted from the provisions of Sections 2-6 of this agreement. Such agreements may only be entered into concerning:

1. Work carried out under such circumstances that it cannot be deemed to be up to the employer to monitor how the work is arranged.
2. Work carried out by an employee who by reason of his or her duties and terms of employment holds a management or comparable position, or by an employee who by reason of his or her duties is allowed to arrange his/her own working hours.

Remarks on Paragraphs 2 and 3:

According to Paragraphs 2 and 3 above, certain salaried employees are exempted from the regulations in Sections 2-4. It is of mutual interest to the employer and the salaried employees’ local union association, however, to have information about the total scope of the working hours of these salaried employees. For some of them, time worked is registered by clocking in or in some other way, e.g. when flexitime is in operation at the company. In these cases bases therefore exist for assessing the working time situation. In other cases

registration can not be made in the same way as for the other salaried employees. If the salaried employees' local union association so requests, the employer and the salaried employees' local union association shall jointly develop suitable documentation to be able to evaluate the total volume of working hours also for these salaried employees.

In respect of salaried employees whose overtime has been replaced by something else pursuant to section 5.2.3 of the Salaried Employees Agreement, the total working hours should be discussed each year between the salaried employee and the employer.

Certain salaried employees exempted from the regulations in Sections 2-4 have in accordance with hitherto applied praxis also had a certain degree of freedom regarding scheduling their own working hours. This freedom is not affected by this agreement.

Paragraph 4

The employer and the salaried employees' local union association may agree in writing that over and above the exceptions stated in Paragraphs 2 and 3 a certain salaried employee or group of salaried employees shall be exempted from the regulations in Sections 2-4 in those cases where salaried employees by reason of their duties hold a special position of trust as regards working hours or other special circumstances exist.

Regarding the period of validity of such agreements, please refer to Section 7.

Section 2 Duration etc

Paragraph 1 Available working hours

The total working hours may not exceed 48 hours per 7-day period on average during a calculation period of 12 months. Regular working hours, overtime, additional hours and on-call time shall be included in the total working hours.

When calculating the total working hours, holiday and absence due to illness during time when the employee would otherwise have worked shall be equated with worked hours.

Paragraph 2 Regular working hours

Regular working hours may not exceed 40 hours per ordinary week on average during a calculation period of 12 months.

For salaried employees performing intermittent three-shift work, regular working hours may not exceed 38 hours on average per ordinary week during a calculation period of 12 months.

In the case of underground work and continuous three-shift work, regular working hours may not exceed 36 hours per ordinary week on average during a calculation period of 12 months.

Remarks:

Three-shift work may be carried on using three or more shift teams.

The local parties may agree on different ways of scheduling working hours in addition to those stated in the agreement, that both promote the company's business and also satisfy individual wishes concerning the scheduling of the working hours.

Remarks:

The parties agree that a different duration of the working hours during different parts of the year may be applied.

Paragraph 3 Breaks, meal breaks and pauses

Unless otherwise agreed by the local parties, breaks shall be so scheduled that the salaried employee does not perform work for longer than five consecutive hours. *Breaks* in this context refer to such interruptions of daily working hours during which the employee is not obliged to remain at the workplace. The employer shall state the duration and arrangement of the breaks in as much detail as circumstances permit.

Breaks may be exchanged for meal breaks at the workplace. Such meal breaks are included in the working hours.

The employer shall schedule the work in such a way that the employee can take the pauses that are needed in addition to the breaks. Where the working conditions so require, special pauses can be scheduled. Pauses are included in the working hours.

Paragraph 4 Daily rest

Paragraph 4:1 Main rule

Salaried employees shall be given at least 11 hours' continuous rest per 24-hour period, calculated from the beginning of the work period according to the salaried employee's current working hours schedule (daily rest).

Paragraph 4:2 Exceptions

1. The local parties may agree on deviations from paragraph 4:1, provided that the salaried employee is compensated with corresponding leave immediately after the work period that interrupted the daily rest.
2. If local agreement can not be reached according to the first item, temporary deviation from paragraph 4:1 may be made if caused by special circumstances not foreseeable by the employer provided that the salaried employee is compensated with corresponding leave immediately after the work period that interrupted the daily rest.
3. If local agreement can not be reached according to the first item, deviation from paragraph 4:1 may be made in an emergency situation provided that the salaried employee is compensated with corresponding leave immediately after the work period that interrupted the daily rest.

Paragraph 4:3 Deviations concerning scheduling of corresponding leave

If for objective reasons it is not possible to schedule the corresponding leave according to paragraph 4:2 immediately after the work period that interrupted the daily rest, the corresponding leave shall be given within 7 calendar days.

Remarks:

In case of emergency service over several consecutive days, the corresponding leave for these days may be added together and scheduled within 7 calendar days of the last period of emergency service. This assumes that the salaried employee has had sufficient rest during the period of emergency service despite the interruption of his or her rest.

If the corresponding leave cannot be given within 7 calendar days, the local parties may agree on other appropriate protection.

Remarks:

Other appropriate protection does not merely mean financial compensation.

Paragraph 4:4 Scheduling of corresponding leave during regular working hours

If the employer schedules the corresponding leave during regular working hours, no deduction is made from the employee's salary.

Paragraph 5 Night work etc

Paragraph 5:1 Night work

Night refers to the period between 10 p.m. and 6 a.m. A local agreement may be made to define night as a different period of at least 7 hours' duration that comprises the period between 12 midnight and 5 a.m. All salaried employees shall be free from work for night rest. The night rest period shall include the period between 12 midnight and 5 a.m.

Deviation from the first item above may be made if the work, by reason of its nature, the public's needs or other special circumstances must be carried on between 12 midnight and 5 a.m.

Local agreements may also be made to deviate from the first item above.

Paragraph 5:2 Night workers

Night worker refers to an employee who normally performs at least three hours of his or her working hours at night and an employee who will probably perform at least half of his or her yearly working hours at night.

Regular working hours for night workers may not exceed 8 hours per 24-hour period on average during a calculation period of 24 months.

Remarks:

1. When calculating the average, the weekly rest shall be deducted from the calculation period for every commenced 7-day period. Holidays and absence due to illness during time when the employee would otherwise have worked shall be equated with worked hours.

2. *It is the parties' intention that the length of the calculation period shall not be applied in such a way that it leads to scheduling of working hours where extremely long work periods are scheduled for long periods of time without intervening rest periods.*

Paragraph 5:3 Night workers whose work involves special risks

Night-working employees, whose work involves special risks or great physical or mental effort, may not work more than eight hours within the 24-hour period in which they perform night work.

Paragraph 6 Weekly rest

Every salaried employee shall be given a rest period of at least 36 continuous hours each 7-day period (weekly rest).

Deviations from this may be made by local agreement, which shall state when and how a deviation may be made and in what way compensation shall be made.

Time when a salaried employee is on emergency service does not constitute weekly rest.

Weekly rest shall as far as possible be scheduled for weekends.

Paragraph 7 Overtime

Paragraph 7:1

In this agreement, *overtime work* refers to work that the salaried employee has carried out in addition to his or her regular daily working hours if

the overtime work has been ordered in advance; or
where the work has not been able to be ordered in advance – the overtime work has been approved by the employer afterwards.

Time taken to carry out preparations and finishing-up that are part of the salaried employee's job, are not classified as overtime in accordance with paragraph 7:2 below.

Only full half-hours are included in overtime calculation.

If the overtime work has been carried out before as well as after the regular working hours during a certain day, the overtime periods shall be added together.

Remarks:

In the case of part-time employed salaried employees, work that is paid according to 5.4.1 of the agreement on general terms of employment shall be deducted from the overtime scope stated in paragraph 7:2 below.

Paragraph 7:2

Where special reasons exist, a maximum of 150 hours' general overtime may be ordered/approved per 12-month period.

Paragraph 7:3

General overtime a maximum of 48 hours' general overtime may be ordered/approved during a 4-week period or 50 hours during a calendar month. These totals may only be exceeded if special reasons exist, e.g. when it is necessary in order for work to be able to be completed that can not be interrupted without considerable inconvenience to the company.

Paragraph 7:4

General overtime, regardless of the form of compensation, shall be deducted from the overtime scope stated in paragraph 7:2 above.

If the overtime is compensated with time off (compensatory leave) according to the agreement on general terms of employment, the "overtime hours" that were compensated with time off are not carried back to the overtime scope according to paragraph 7:2 above.

Example

A salaried employee carries out overtime work for four hours on an ordinary weekday evening. These overtime hours are deducted from the overtime scope according to paragraph 7:2 above. An agreement is reached that the salaried employee shall be compensated with 6 hours' time off (compensatory leave), (4 overtime hours x 1.5 hours = six hours' compensatory leave). When compensatory leave has been taken, the four overtime hours compensated with leave are added to the overtime scope according to paragraph 7:2.

A maximum of 150 hours may be carried back to the overtime scope over the 12-month period, unless the employer and the salaried employees' local union association agree otherwise.

Remarks:

The employer and the salaried employees' local union association may agree that overtime that is compensated with compensatory leave, in order to be carried back to the overtime scope using the technique described above, shall be scheduled for a particular period, e.g. counted from the time that the overtime work was carried out or before a certain specified date.

Regarding the period of validity of such agreements, please refer to Section 7.

Paragraph 7:5

Concerning a certain salaried employee or group of salaried employees, the employer and the salaried employees' local union association may enter into a written agreement on a different way of calculating or the scope of general overtime. Agreements on a different general overtime scope shall be submitted to the union for approval.

Regarding the period of validity of such agreements, please refer to Section 7.

Paragraph 7:6

In addition to what is said above, when special reasons exist, an agreement may be made between the employer and the salaried employees' local union association on extra overtime of a maximum of 150 hours per 12-month period.

Paragraph 7:7

If a natural disaster or accident or other comparable circumstance, that was not foreseeable, causes an interruption of operations or entails an immediate danger of such interruption or damage to life, health or property, overtime that has been worked by occasion thereof shall not be included in the calculation of overtime according to paragraph 7:2 above.

Section 3 On-call time

Paragraph 1

If, due to of the nature of the operations, it is necessary for the salaried employee to be at the employer's disposal at the workplace in order to carry out work when the need arises, on-call time may be taken of not more than 48 hours during a 4-week period or 50 hours during one calendar month. On-call time does not include time during which the salaried employee carries out work for the employer.

Paragraph 2

Concerning a certain salaried employee or group of salaried employees, the employer and the salaried employees' local union association may enter into a written agreement on a different way of calculating or the scope of on-call time.

Regarding the period of validity of such agreements, please refer to Section 7.

Section 3a Emergency service

Emergency service shall be scheduled so as not to burden an individual salaried employee unreasonably. The parties are agreed that emergency service more often than every 4 weeks should occur only where justified for reasons to do with production engineering or temporary personnel needs.

Remarks:

Emergency service does not count as working hours.

Section 4 Recording overtime and on-call time

The employer shall maintain the requisite records for calculation of overtime according to Paragraph 7 of Section 2 and on-call time according to Section 3. The salaried employee, the salaried employees' local union association or a central representative of the union are entitled to read these records.

Section 5 Negotiation procedure

Any dispute concerning the interpretation or application of this agreement shall first be referred for negotiation between the local parties (local negotiation). If the parties cannot agree, the dispute shall be referred for central negotiation at the request of one or the other parties.

A dispute may be referred by a central party to the Working Hours Committee as described in Section 6 for settlement. This shall be done within one month of the conclusion of the negotiations. The Committee's decision is binding for both parties unless the dispute is referred to the Labour Court within two months of the day of the committee's decision at the latest.

Issues concerning deviations from the prohibition of night work and scheduling of additional overtime hours may after central negotiation only be examined by the Working Hours Committee.

The negotiation procedure set out in the main agreement shall apply in other cases.

Section 6 Working Hours Committee

The Working Hours Committee deals with disputes concerning the interpretation and application of this agreement and agreements made on the basis of this agreement.

The committee consists of four members. The Swedish Food Federation appoints two members and the salaried employees' representatives appoint two. One of the members is the chair. The chair is appointed by the parties alternately for one calendar year at a time.

Each member has one vote. Should the voting be even, the committee may take in a further member at any member's request. Such members are appointed jointly by the parties in advance for a period of three years.

Section 7 Period of validity

Paragraph 1

The regulations in this agreement come into force on 1 April 2007 and apply with the same period of validity as the agreement on general terms of employment.

If the agreement on working hours ceases to apply, any agreement entered into on the basis of that agreement also ceases to apply at the end of its period of validity.

Paragraph 2

Local agreements entered into that are founded on Paragraph 4 of Section 1, Paragraphs 7:4-7:6 of Section 2, Paragraph 2 of Section 3 and the right of the employer and the salaried employees' union association to enter into agreement on scheduling of extra time according

to Paragraph 7:6 of Section 2 shall apply until further notice with a period of notice of three months.

Notice of termination of the agreement may be made by the employer, the salaried employees' local union association or a PTK (the Federation of Salaried Employees in Industry and Services) affiliated union.

If one or the other party wishes the local agreement and the right to enter into local agreements mentioned to remain in force, he shall without delay request that negotiations on the issue be held during the period of notice. The parties may extend the period of notice of the local agreement in order to enable negotiations according to the negotiation procedure to be concluded before the agreement expires. As a last resort the issue of whether the agreement is to remain in force or not may be taken up for deliberation by SAF-PTK's Salaried Employees' Labour Market Board.

ANNEX 3 Extract from the minutes of the negotiations dated 22 October 1979 concerning the agreement on working hours regulations for salaried employees.

Section 2

SAF (The Swedish Employers' Confederation) and PTK (The Federation of Salaried Employees in Industry and Services) agree as follows.

The expression "salaried employees' local union association" refers, where an association does not exist at the company, to the salaried employee or salaried employees at the company that the salaried employees have appointed to be their representatives.

ANNEX 4 Agreement on weekly rest and night rest

The Swedish Food Federation (Livsmedelsföretagen)

Ledarna

Section 1

When appropriate schedules are to be drawn up for shift work, on-call time or emergency service and in the case of overtime work, weekly rest shall constitute at least 30 hours per 7-day period.

The local parties may also agree that weekly rest in certain cases be limited to at least 24 hours.

Section 2

Local agreements may be made to deviate from the night work rules.

Section 3

In the case of overtime work at weekends, that is not related to emergency service and that involves foremen/supervisors who do not work shifts being present during both Saturday and Sunday or between 6 p.m. Saturday and 6 a.m. Sunday, a special supplement is paid per weekend as follows: Monthly salary/215.

Section 4

This agreement applies until further notice with a mutual period of notice of three months.

1 Working time account according to the 2007 agreement.

The following rules shall apply unless otherwise agreed by the local parties:

1 Individual working time accounts are to be introduced for all salaried employees.

2 An amount based on salary and payment for regular working hours during the qualifying year (i.e. the period commencing 1 April in one year up to and including 31 March the following year) shall be allocated to every working time account.

The allocation is as follows:

Percentage	Date	Equivalent leave
2.0	31 March 2014	4 days
2.0	31 March 2015	4 days
2.0	31 March 2016	4 days

3 Allocations to a working time account may be withdrawn in the form of paid time off, pension premiums or cash.

4 The salaried employee decides how withdrawals from his or her working time account in accordance with paragraph 3 are to be made. If the salaried employee chooses withdrawal in the form of paid time off, the leave shall be scheduled in agreement with the employer. The withdrawal year runs from 1 July the year directly after the qualification year ends up until 30 June the next year.

5 A salaried employee who chooses paid time off is not entitled to save days from one agreement year to another. Time off work that is not taken during the agreement year is paid out in cash. This also applies to a salaried employee who for any reason does not choose one of the three alternatives.

Remarks, 2013:

Accrued premiums for part-time pension insurance will be introduced in the amount of 0.2% commencing 1 April 2014 and an additional 0.3% commencing 1 April 2015. In addition, 0.6% is to be allocated to part-time pension insurance commencing 1 April 2014.

2. Part-time work for the purposes of retirement agreed under a collective agreement

2.1 Part-time work for the purposes of retirement (Part-time pension)

A salaried employee may apply for the right to receive a part-time pension commencing the month in which the salaried employee turns 62.

Where a part-time pension is granted, from the date of commencement of the part-time pension, the employment constitutes part-time employment with the level of employment associated with the part-time pension.

In conjunction with granting a part-time pension, the employer of a salaried employee who is covered by ITP plan 2 continues to report income based on the previous level of employment of the salaried employee.

Rights of priority to employment with a higher level of employment pursuant to section 25(a) of the Employment Protection Act do not apply to salaried employees who have part-time employment as a result of part-time retirement pursuant to this agreement.

Remarks:

The parties are agreed that the agreement shall be adapted to statutory rules applicable from time to time governing pensions, such as tax rules concerning withdrawals of pension insurance.

2.2 Application and notice

The salaried employee must submit a written application to the employer for a part-time pension six calendar months prior to the date the part-time pension is to take effect. The application must clearly state the applicable level of employment.

At the same time an application is submitted to the employer, the salaried employee must give notice to the salaried employees' local representative at the company.

Not later than two months after the employer has received the application, the employer must provide the salaried employee and the salaried employees' local representative at the company with a response stating whether or not the application has been granted, unless an extension period has been agreed with the salaried employee. Failure to provide a timely response constitutes a breach of an administrative regulation and, consequently, does not result in an application being deemed granted. If the application is not granted at a later date, where applicable the employer must pay the relevant salaried employee SEK 2,000¹ for breaching the administrative regulation.

The employer may reject an application for a part-time pension if, on an objective assessment, granting the application would cause considerable disruption to the employer's business.

2.3 Negotiations and disputes

Where an application for a part-time pension has been rejected and the salaried employee wishes to have the application reviewed in accordance with the negotiation procedure, the salaried employee must inform the local union organization, which will request a local negotiation. The dispute will then be deemed to apply to a part-time pension with a level of employment of 80% and will be dealt with according to the applicable negotiation procedure as follows.

¹ The amount is re-calculated upwards annually commencing in 2014 based on the Consumer Price Index.

The matter of whether a part-time pension will be granted may be considered in local negotiations and subsequently, if the matter is not resolved, ultimately in central negotiations.

If the parties are unable to reach agreement, in either local or central negotiations, on the issue of whether a part-time pension can be granted without causing considerable disruption to the business, and if the salaried employee wishes to pursue the matter further, the local union organization must request a local negotiation concerning the obligation for the employer to pay damages for applying the agreement incorrectly.

3a Working hours according to the 1998 agreement (Unionen/Swedish Association of Graduate Engineers).

Deliberations are to be held between the local parties on working hours issues at the company. Companies may in this regard, among other things, enter into agreements on a reduction of working hours for full-time salaried employees by one day from and including 1 May 1999, a further day from and including 1 May 2000 and 31 March 2001, respectively, and for part-time salaried employees in proportion thereto. Any reduction is to be scheduled as whole days or parts of days. These deliberations may also take up, among other things, flexible scheduling of working hours on the basis of the company's personnel requirements and the individuals' wishes.

If agreement is not entered into as regards reduction of working hours, the concerned salaried employee's monthly salary is to be raised by 0.5% per salary revision each respective year.

3b Working time account according to the 1998 agreement (Ledarna).

Deliberations are to be held between the local parties on working hours issues at the company. Companies may in this regard, among other things, enter into agreements on a reduction of working hours for full-time salaried employees by one day from and including 1 May 1999, a further day from and including 1 May 2000 and 31 March 2001, respectively, and for part-time salaried employees in proportion thereto. Any reduction is to be scheduled as whole days or parts of days. These deliberations may also take up, among other things, flexible scheduling of working hours on the basis of the company's personnel requirements and the individuals' wishes.

If agreement is not entered into as regards reduction of working hours, the concerned salaried employee's monthly salary is to be raised by 0.5% per salary revision each respective year.

At companies where an agreement on "lifetime working time" applies in the case of other employee groups, a corresponding agreement may be entered into for members of the Ledarna union.

ANNEX 6 Competence development in the companies

Prerequisites

The increasingly tougher international competition requires a determined effort to develop the employee's competence. Fast production development requires new competencies on the part of the employees concerned. A greater focus on customers and markets demands increased flexibility. The transition from management by rule to management by objectives and quality assurance requires new forms of work organisation.

A continuous change effort in this regard assumes that both the company's and the employees' development needs are identified. In this respect managers have the important task of translating the company's personnel needs into their own work group and its members.

Needs

All employees should be given the opportunity to develop the competence that is needed for new or changed tasks by different means.

It should also be taken into account that individual employees have ideas based on their own perspective of their own and the company's development needs. These may concern developing skills and abilities that may be advantageous for both the individual and the company in the long term.

Development at work takes place through combinations of actions that concern work content, work methods, work organisation, technical support and competence.

Responsibilities

It is the companies' responsibility to implement development measures concerning personnel, organisation and technology and to make the requisite resources available. At the same time, it is the duty of the individual employee to take initiatives and feel involvement in and responsibility for his or her own competence development.

Dialogue

An important foundation for the development of the employees' and the company's collective competence is the dialogue between managers and co-workers. It is through the dialogue that the company's development programme and its implementation can be made known. The dialogue can also act as a pointer for the individual employee's commitment, reflections and plans. Dialogue can for example be created through the regular planning and appraisal dialogues.

Experience has shown that well-functioning dialogues require action at the company in the form of education of both managers and co-workers in communication, goal formulation, following up results, etc. The dialogue shall be carried on in a positive spirit and aim at good development for both employees and company.

In order to attain desired results it is important that agreed measures, for example education programmes, are documented and followed up. This can for example be done by drawing up personal development plans.

Cooperation

It is the parties' belief that implementation of dialogue and competence development and support for individual employees' initiatives concerning their own personal development should be adapted to each individual company's situation and be based on the company's business mission and long-term visions.

The forms for dialogues with the employees, planning, implementation and follow-up of different development measures should be discussed and agreed between the local parties.

Salary formation

Individual employees' competence development should constitute an important part of the salary formation at the companies. The parties refer to what is said in the salary formation agreement.

ANNEX 7 Working environment – local work

The local parties have a responsibility to work together to attain a good working environment. The employer has responsibility for ensuring that concrete measures are taken to attain set goals.

The employer shall regularly examine the working conditions and assess the risk of anyone suffering ill-health or an accident at work. The risks that can occur shall be identified on a regular basis.

In the case of MBL² negotiations concerning important changes in working hours, manning and work organisation, the consequences of the changes shall be analysed and form a natural part of the negotiation process. It is in the joint interest of both parties to try to solve the issues that arise in a spirit of mutual understanding.

The employer shall ensure that the occupational health service that the working conditions require is available. By occupational health service is understood an expert resource in the areas of working environment and rehabilitation. The occupational health service shall in particular work to prevent and eliminate health risks at the workplace and possess the competence to identify and describe the linkages between working environment, organisation, productivity and health. Should the company lack competence in the areas mentioned, these shall be procured in the form of occupational health service or the equivalent at the company's location. It is very important that the local employee organisation at the company be afforded the opportunity to participate in the procurement of occupational health service and in the content of the assignment.

The employer shall follow up and evaluate the working environment effort at least once a year and in cooperation with the local employee organisation.

The forms for working with the working environment shall be adapted to the local prerequisites.

The parties agree to recommend the following procedure:

1. Regular joint review where working environment objectives are set and working environment issues listed.
2. Prioritisation.
3. Implementation.
4. Follow-up and evaluation at least once a year.
5. New joint review including updating of the prioritisation list.

The parties shall where necessary update the list of prioritised measures in order to achieve a continuous systematic working environment effort.

² MBL = the Act on Codetermination in Industry

It is the duty of the employer to ensure that all employees have knowledge of the risks involved in their own work through education/introduction. The employer shall, through a systematic effort, ensure that employees are given knowledge of the measures taken to prevent risks in their own work.

The local parties shall jointly design the introduction according to the prerequisites at the workplace in question. At the introduction the local union organisation shall be given the opportunity to provide information. In connection with the introduction of new employees, risks at the company in question shall be especially illuminated.

It is necessary to complement this knowledge when tasks, equipment and methods are changed. The same applies in the case of prolonged absence from the tasks. The employees concerned shall then be given the possibility to receive an introduction to working environment issues during working hours.