

All correspondence should be addressed to
the Permanent Secretary.
Telephone: +260 211 222617
E-mail: labour.commissioner@mlss.gov.zm



REPUBLIC OF ZAMBIA

In reply please quote:

No.:.....

DL/101/6/1232

File
15/2/18
1404hrs.

MINISTRY OF LABOUR AND SOCIAL SECURITY

DEPARTMENT OF LABOUR
OFFICE OF THE COMMISSIONER
NEW GOVERNMENT COMPLEX
INDEPENDENCE AVENUE
KAMWALA
P. O. BOX 32186
LUSAKA

12th February ,2018

The Chief Executive Officer
Sanlam Life Insurance
LUSAKA

The General Secretary
Zambia Union of Financial Institute
LUSAKA

Dear Sir/Madam,

RE: APPROVAL OF RECOGNITION AGREEMENT

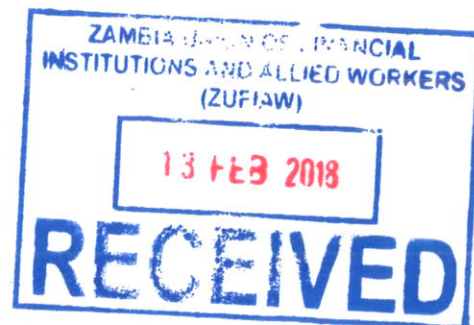
Reference is made to the above captioned matter.

I am pleased to inform you that your Recognition Agreement has been approved and dully registered.

Enclosed herewith are copies of the said document for your records and necessary action.

Yours faithfully,

Mwanza Nachilombe Mpande (Mrs.)
LABOUR INSPECTOR
For/LABOUR COMMISSIONER



RECOGNITION AGREEMENT

BETWEEN



Life Insurance

(Hereinafter referred to as "The Company")

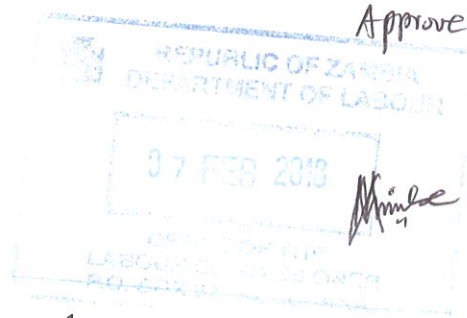
AND



ZUFIAW

Zambia Union of Financial
Institutions and Allied
Workers

(Hereinafter referred to as "The Union")



Several handwritten signatures in blue ink are present in the bottom right corner of the page, including a large stylized signature and another signature that appears to be "Sm".

1. THE PARTIES AND PREAMBLE

.The Parties to this agreement are:-

a) Sanlam Life Insurance Zambia Limited (hereinafter referred to as **"the Company"**)

and

b) The Zambia Union of Financial Institutions and Allied Workers
(Hereinafter referred to as **"the Union"**)

1.2 The Parties agree to:

1.2.1 maintain a harmonious working relationship based on mutual cooperation which is essential to ensure that the company and all its stakeholders achieve optimum results through the working relationship.

1.2.2 seek reasonable and satisfactory solutions to disputes, which may arise between them and shall pursue the most expeditious approach to resolving disputes.

1.2.3 do everything in their power to promote good industrial relations.

1.2.4 early consultation between them where the Company is considering the introduction of significant new technology or major change in working methods which will affect the staff.

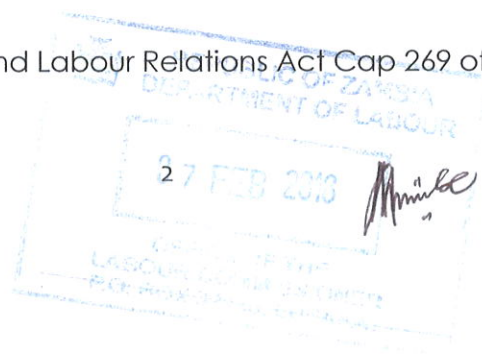
1.2.5 be committed to the continued promotion of equal opportunities in employment regardless of employee's gender, age, marital status, ethnic origins, religion or political affiliation.

1.2.6 bind themselves to the terms and conditions below, which shall be enforceable by law.

2. DEFINITIONS

In this agreement:-

"Act" means the Industrial and Labour Relations Act Cap 269 of the Laws of Zambia.



“Bargaining Unit” shall have the same meaning as that contained in the Act which is:

(a) the management of the Company and the most representative trade union representing employees in the Company where collective bargaining is at the level of an undertaking, other than an industry.

“Collective Agreement” shall have the same meaning as that contained in the Act. This shall also be applicable in case of any amendments to the Act.

“Collective Dispute” shall be construed in accordance with the Act. This shall also be applicable in case of amendments to the Act.

“Committee” means a committee appointed by the Bargaining Unit to deal with specific issues or matters.

“Consultative Forum” shall mean a forum where the company and the Union meet for purposes of consultation.

“Day” means a working day from Monday to Friday on which company is open for business in the Republic of Zambia.

“Dispute” means a disagreement on any matter pertaining to employment relationship by the parties to this Recognition or Collective Agreement.

“Eligible Employee” means a unionisable employee other than a member of the Management of the Company.

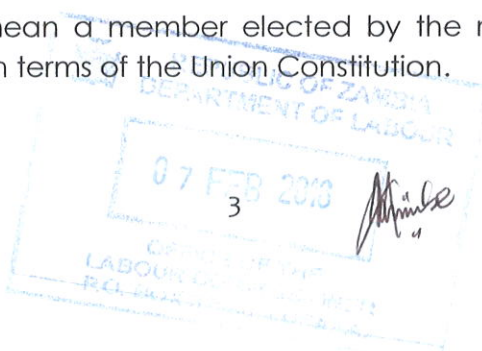
“Employee” means any person who has entered into, or works under, a contract of employment with the Company whether such contract is express or implied, oral or written, or serving a probationary period of employment, a casual employee, an employee specifically engaged on a temporary basis for work of an intermittent or seasonal nature.

“Legitimate activities” shall mean activities authorised by the Union in writing in accordance with the Union Constitution.

“Manager” or “Management” as provided by the Act. This shall also be applicable in case of any amendments to the act.

“Member” means an employee who is a paid up member of the Union in accordance with the Union Constitution.

“Union Official” shall mean a member elected by the members to serve on the structures of the Union in terms of the Union Constitution.



Handwritten signatures and initials in blue ink, including a large stylized signature at the top, a signature 'me' in the middle, and initials 'Sm' at the bottom right.

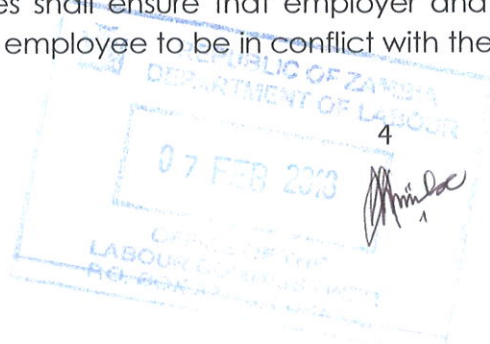
"Officer of the Trade Union" shall mean a duly elected or appointed office holder of a trade union.

"Parties" shall mean the parties to this agreement.

"Workplace" shall be interpreted collectively and shall mean all premises of the Company where the Company carries on business.

3. RECOGNITION

- a) The Company agrees to recognise the Union as the bargaining agent for eligible employees represented by the Union for so long as the Union remains registered in accordance with the Laws of Zambia (Industrial and Labour Relations Act Cap 269) in force from time to time affecting industrial and labour relations, and for so long as both parties continue to observe the terms of this agreement and this agreement remains in force.
- b) The Company recognises that the Union has the right to conduct its affairs in accordance with the Union Constitution and the Act.
- c) The Union recognises the Company's responsibility to manage and direct its operations in order to achieve the organisation's goals with due regard to the employee's growth, development and employment needs.
- d) The Company shall have the right to recognise any other Union to enjoy organisational rights, represent its members and participate in collective bargaining with the Company in recognised negotiation and consultation forum in accordance with the Act.
- e) It is the spirit and intention of this agreement to further the best possible relations between the Parties. In accordance with this principle and the terms of this agreement, the Parties agree to do everything in their power to promote good industrial relations and the members will respect the rights of other employees.
- f) The parties share a common aim in promoting and maintaining good Industrial relations in order to contribute to the efficiency and prosperity of the Company and its staff.
- g) The parties shall ensure that employer and employee-union activities shall not cause an employee to be in conflict with the expected conduct.



[Handwritten signature]

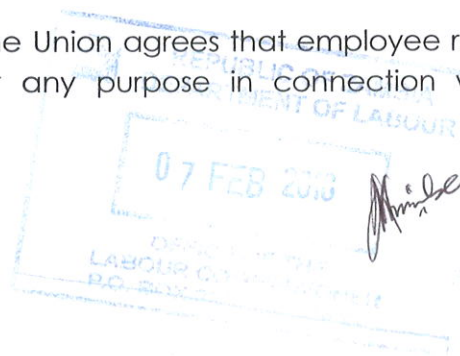
[Handwritten signature]
[Handwritten signature]
[Handwritten signature]

SCOPE OF THIS AGREEMENT

This agreement does not apply to employees performing human resource functions and staff on the management development programmes (MDPs). For the avoidance of doubt, this agreement does not apply to managers or management and only covers eligible employees, in non-management roles or equivalent corporate grades, who are members of the Union. Further, this agreement does not cover consultants, agents, independent contractors or partners of the Company.

4. FREEDOM OF ASSOCIATION

- a) The Company shall endorse and respect the entitlement of its employees and persons seeking employment freedom of association as contained in the Act and in the event of any infringement pertaining to this entitlement, the Union may invoke its rights accordingly.
- b) The Union agrees that it will not initiate or support any action or proceedings designed or calculated to compel any employee in the Company to be or to become a member against his or her will.
- c) The Company agrees that it will not take any disciplinary action against a Union Official on account of any legitimate activities in his or her capacity as Union Official. The Company acknowledges that it is the prerogative of the Union to discipline its officials for any unconstitutional or improper acts committed by them in their capacity as Union Officials.
- d) The Company undertakes not to discriminate against, penalize, victimise or disadvantage any employee on account of his or her Union membership and will not interfere with the affairs of the Union. The Union likewise undertakes not to interfere with the normal functions of management and undertakes not to intimidate non Members.
- e) The parties to this agreement recognise that their officers and elected representatives shall accept responsibility for compliance by their members with the conditions and procedures laid down in this Agreement and agree to take all possible steps to prevent or bring to an end as speedily as possible any action taken by their members which is at variance with the agreement or any other agreement subsequently negotiated between the Company and the Union.
- f) The Company undertakes to afford such facilities to Union officials as are mutually agreed as being necessary for the latter to carry out their duties as representatives of eligible employees at workplaces.
- g) The Union agrees that employee representatives will not leave their workplaces for any purpose in connection with their duties as representatives without



[Handwritten signatures and initials]

permission of their appropriate Company officers. Such permission shall not be unreasonably withheld.

- h) The Union recognises that it is the prerogative of the Company to discipline its employees for any improper acts done by them in their capacity as employees provided that in the case of eligible employees who are members of the Union, the Union is informed within two (2) working days of the disciplinary hearing. Such action shall be in accordance with the Company's Disciplinary and Grievance Procedure.

5. ELECTIONS AND NOTIFICATION

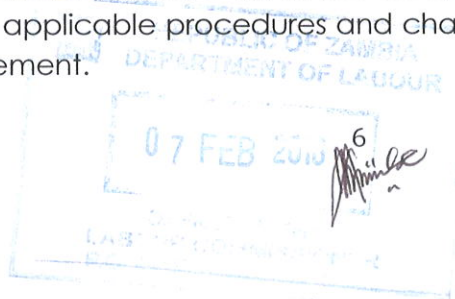
- a) Both parties recognise the Union's right to duly elect Union Officials or to appoint Union officials as representatives of its members, to act on their behalf in terms of the Union Constitution.

i) Notification

- a. Disciplinary action against a Union Official shall not be taken without prior notice with the Union. The Company undertakes to notify the General Secretary of the Union in writing the names and designation of the Union Officials in Human Resources Department and the Executive and to advise the changes thereof within 30 days of such change being effected.
- b. The Union undertakes to notify the Company through the Head of Human Resources the names and designation of Union Officials within 30 days of the date of any changes.

ii) Rights and Duties of Union Officials

- a) Union officials, management and members shall, in order to maintain sound employee relations ensure that they are conversant with and observe the provisions of this agreement and other applicable policies and procedures.
- b) The Company undertakes to ensure that a copy of this agreement is accessible to all members and managers at each workplace in hard or soft copy format whichever is more accessible.
- c) Union officials and management shall endeavour to settle problems, which they or any members may have within the Company and shall perform their duties by utilising the applicable procedures and channels provided for and or referred to in this agreement.



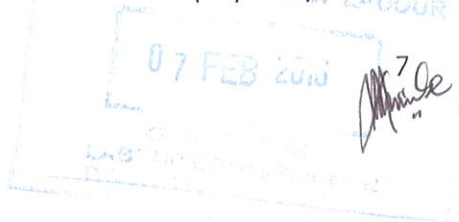
Handwritten signatures and initials, including 'SM' and 'MCA', and a large handwritten mark resembling a stylized 'J' or 'G'.

6. THE BARGAINING UNIT

- a) The Bargaining Unit will undertake collective bargaining by considering and negotiating proposals which may be initiated by the Company or by the Union relating to matters which are of common interest to the Parties.
- b) The parties agree that the negotiations will be undertaken in accordance with the provisions of the Laws of Zambia and this agreement.
- c) The Unit may delegate any of its powers to a committee or committees consisting of such of its number as it deems fit.
- d) A committee to which any powers have been so delegated shall exercise the powers delegated in accordance with any direction of the Unit and a power so exercised shall be deemed to have been exercised by the Unit.
- e) The members of such a committee may elect one of their number as Chairperson of their meeting.
- f) It is hereby agreed that the subjects listed in Appendix "A" hereto are for negotiation between the Parties.
- g) It is hereby agreed that the subjects listed in Appendix "B" hereto shall not be for the negotiation.
- h) It is hereby agreed that the subjects listed in Appendix "C" hereto shall be for consultation between the Parties.

9. COLLECTIVE BARGAINING CLAIMS/DEMANDS PROCEDURE

- a) These shall mean all claims/demands for alterations to matters specified in Appendix 'A' of the agreement which may affect eligible employees represented by the Union or any group of eligible employees of the Company who are represented by the Union.
- b) Such claims/demands shall be raised in writing by either party. If raised with the Company, by the Union's General Secretary and if raised with the Union, by the Head of Human Resources. Full details of the claims/demands will be given.
- c) On receipt of such claims/demands either party shall, as soon as possible and within fourteen (14) days from the date of such claim, indicate in writing their acceptance or otherwise. In the event of either party expressing itself in writing of the dissatisfaction, the matter shall be referred to a meeting at the Bargaining Unit within fourteen (14) days from the date of the communication. If no



Sm MB

Handwritten signature and initials. The signature 'Sm' is written in blue ink. To its right, the initials 'MB' are written in black ink. Above the initials, there is a large, stylized handwritten mark that resembles a '7' or a similar character.

settlement is reached at Bargaining Unit level, either party can refer the dispute to conciliation in accordance with the Act.

10. CONSULTATIVE FORUM

- a) The parties hereby establish a Consultative Forum through which all formal engagement shall take place. The terms of reference for the forum are at Appendix D.
- b) The parties agree that there shall be early consultation between them where the Company is considering the introduction of significant new technology or major change in working methods or other matters of mutual interest which will affect the eligible employees who are represented by the Union.
- c) The parties agree to meet in a Consultative Forum as and when required for the purpose of consultation, notification and discussion of any matter specifically outlined as requiring consultation under this agreement or as the parties may mutually agree as appropriate for consultation.
- d) A reasonable prior period of notification to convene a Consultative Forum shall be given by either Party.
- e) The Company retains the responsibility ultimately to decide and manage the affairs of the Company to the satisfaction of its stakeholders, and employees.

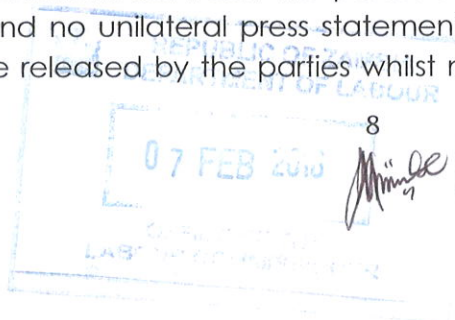
11. SETTLEMENT OF COLLECTIVE DISPUTES/ DISPUTE RESOLUTION

- a) If at any meeting the Unit is unable to reach agreement upon any claim or demand referred to it under clause 9, then the provisions of Part IX of the industrial and Labour Relations Act Cap 269 shall apply as read with Appendix E.
- b) Disputes and grievances arising from the interpretation or implementation of this agreement shall be handled in accordance with the procedure set out in Appendix E of this agreement.

12. COMMUNICATION AND DISCLOSURE OF INFORMATION

a) Press Statements:

- i. All negotiations between the parties shall be conducted on a confidential basis and no unilateral press statements on the subject of any negotiations shall be released by the parties whilst negotiations are in progress, provided



Sm
M.B.
J

that this shall not prevent the Union from consulting with its members and provided that either party may publish reports on progress made at the negotiation in its own internal communication media.

- ii. Any press statement, electronic media or radio and television coverage on any agreement reached shall, prior to release, be agreed to by the parties concerned.
- iii. Any internal publication of the Union may only be distributed through the Company's network of facsimile machines, electronic mailing system and/ or internal mail system, or be posted to the branches for distribution to members, with the specific permission of the Head of Human Resource.
- iv. The parties agree that any statement or any publication on any matter whatsoever shall reflect and honour the spirit of this agreement.

b) Disclosure of Information:

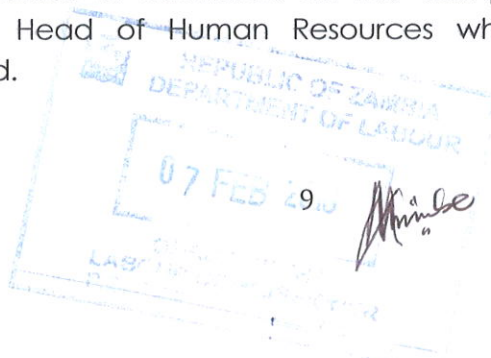
i. The Company will continue to provide employees and their representatives, in convenient form, the information published in the annual report. Such other information without which the Union would be materially handicapped in the collective bargaining process will also be furnished.

ii. Any such information so provided shall not be disclosed to any third party without the express permission of the Company. Similarly, information given in confidence, by the Union, to the Company shall not be disclosed to any third party by the Company without the express permission of the Union.

c) General Communications, Notices and use of Notice Boards:

i. The Union agrees that the Company shall maintain uninterrupted communications with its employees in addition to the provision of procedural rights to the Union. The Company similarly recognises the Union's rights to maintain uninterrupted communications with its members and in normal circumstances the Company also agrees to provide the Union with facilities for the distribution of material which is not in the opinion of the Company, either inaccurate in its content or harmful to labour relations.

ii. The Union shall not display or distribute any notices, pamphlets or publications on the Company's notice boards or elsewhere on the Company's premises without prior permission from the Head of Human Resources which permission shall not be unreasonably withheld.



iv. Union notices, pamphlets or publications on the Company's notices boards shall be treated with respect and not be removed or damaged in any manner.

13. PAID LEAVE/ LEAVE OF ABSENCE FOR UNION OFFICIALS

- a) Eligible employees who are Union Officials shall normally be granted leave of absence with pay by the Company on formal request and with reasonable notice to the Company to attend meetings. Such leave of absence shall not be unreasonably withheld.
- b) Union Officials who are part of the Bargaining Unit or Consultative Forum shall be afforded a reasonable amount of paid time off to attend sittings and activities of the Bargaining Unit or Consultative Forum between the Company and the Union, which paid time off will be for the purposes of preparation for (directly prior to Bargaining Unit meetings) and participation in the said meetings. Such paid time off shall be controlled and be granted within context of the provisions of this paragraph.
- c) Whenever the Union requests paid leave of absence for its members to attend meetings of the Union, the Company agrees not to unreasonably withhold permission of such absence . Notice of such absence shall be given at least 14 calendar days before the date on which a meeting is to be held whenever practicable. Request for leave of absence must be addressed to Head Office to Human Resources Department of the Company clearly marked for the attention of the Head of Human Resources.
- d) All leave in terms of this clause shall be subject to the discretion of the Company Manager of the Union Official, but may not be unreasonably withheld.
- e) Leave granted in terms of this clause cannot be accumulated or converted into cash and any leave not taken during the period which it is granted shall be forfeited.

14. AMENDMENT TO AGREEMENT

- a) This agreement shall be reviewed every two years and in any case not later than every fourth year following its signing. This provision is solely for the purpose of ensuring that the agreement is in line with the Company's policies, international best practice and in accordance with the law. It may not be employed by either party to terminate or amend the agreement.
- b) This agreement may be amended by the Unit by agreement between the parties upon a proposal to do so. A proposal to amend this agreement shall be

07 FEB 2013
10
Mindle

Sm
MB

dealt with under clause 8 except that at least 28 calendar days shall be allowed for consideration of the proposal before the meeting of the Unit.1

15. UNION SUBSCRIPTIONS

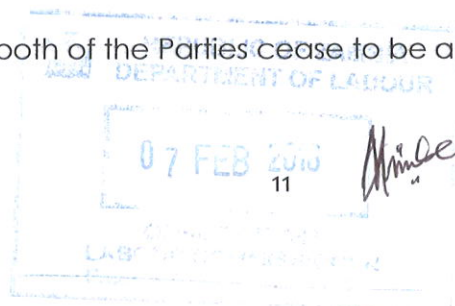
- a. In accordance with section 22 of the Industrial and Labour Relations Act Cap 269, the Company agrees, with the consent of eligible employees who are members of the Union, to recover subscription fees as prescribed from time to time and to remit the same to the Union.
- b. The remittances referred to in (a) above shall be given by closed cheque marked "Not Negotiable" and "Account Payee Only" and sent to the Head Office of the Union or by electronic payment means directly to the Union's designated account.
- c. The Union undertakes to notify the Head of Human Resources at least one month prior to any changes in Union subscriptions.
- d. The Union undertakes to advise the Company's account details to which these monies shall be remitted to in writing.
- e. The Union shall duly inform the Company to stop any deductions by way of stop order when a member ceases to be required to pay subscriptions in accordance with the Union Constitution. The Union agrees to indemnify the Company from any liability due to any failure or delay to do so.
- f. The Company undertakes to remit any Union member subscriptions not later than 7th day of the month after which such deductions have been made.

16. TERMINATION OF AGREEMENT

- a) This agreement may be terminated by either the Company or the Union by not less than three months' notice in writing.

Grounds for termination shall be:

- i) by mutual consent
- ii) on breach of any provision of this agreement, or
- iii) the need to amend or replace the agreement by a new one negotiated by the Parties hereto or
- iv) when one or both of the Parties cease to be a legal entity.



Handwritten signatures and initials: a large stylized signature, a blue horizontal line, 'SM', and 'MB' with an arrow pointing upwards.

- v) when the Union ceases to have sufficient level of membership as required by the Act
- b) As from the date of such notice, the Bargaining Unit shall not be empowered to consider new proposals. Proposals before the Unit shall be dealt with under this agreement during the period of notice only, subject to such other arrangements as the parties may agree for the conclusion of business.

17. UNION CONSTITUTION

The Union shall provide the Company with a copy of its constitution and shall send the Company a copy of any amendments, which may be made to its constitution from time to time within one month of the enactment of such amendment.

18. WHOLE AGREEMENT

This agreement, including the annexures, constitutes the whole Recognition Agreement between the Parties.

19. ADDRESS FOR SERVICE OF NOTICES

The parties choose the following address for the purpose of the giving of any notice, the payment of any sum, the service of any process and for any other purpose arising from this agreement as follows;

The Union:

ZUFIAW

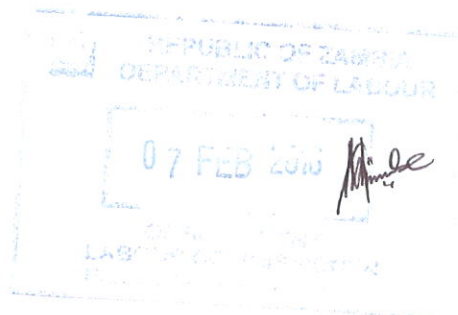
1st Floor, Luangwa House,

P.O.Box 31174

Cairo Road

Lusaka

ATTN: The General Secretary



Handwritten initials and signatures at the bottom right of the page. There are three distinct marks: a large stylized signature, a signature that looks like "Sm", and another signature that looks like "MB" with a long horizontal line extending to the right.

20. GOVERNING LAW

This agreement shall be governed by the laws of the Republic of Zambia.

APPENDIX 'A'

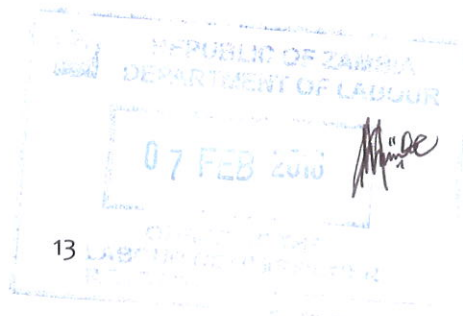
SUBJECTS FOR NEGOTIATION

1. Rates of pay and overtime
2. Allowances
3. Annual leave and attendant conditions
4. Hours of work
5. Redundancy packages
6. Sick leave and benefits
7. Grievances and Disciplinary Code
8. Medical scheme
9. Funeral grant
10. Maternity leave
11. Any other issues as may be deemed appropriate and agreed by both Parties

APPENDIX 'B'

SUBJECTS NOT FOR NEGOTIATION

- 1.
2. All staff Bonuses, incentive schemes, other discretionary payments and performance based payments
3. Management Methods



Handwritten signatures and initials in blue ink, including a large signature at the top right, 'SM' at the bottom left, and 'AB' at the bottom right, with arrows pointing towards the stamp area.

APPENDIX 'C'

SUBJECTS FOR CONSULTATION

1. Occupational Health and Safety
2. Principles of Separation
3. Social and Sports activities
4. Pension Scheme
5. Uniforms and protective clothing
6. Home ownership and mortgage schemes
7. Staff Loans

APPENDIX 'D'

Consultative Forum -Terms of Reference

1. PURPOSE

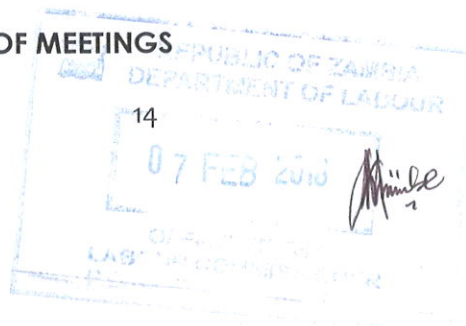
- (a) To act as the principal body for undertaking consultation between the Company and the Union.

2. MEMBERSHIP

- (a) Members of the Forum for the Company shall be:
 - (i) Head of Human Resources
 - (ii) Additional Company participants as necessary depending on the subject under discussion but limited to five participants
- (b) Members of the Forum for the Union shall be:
 - i. The ZUFIAW Branch Chairperson
 - ii. The Branch Secretary
 - iii. Additional Union participants as necessary depending on the subject under discussion but limited to five participants.

- (c) Secretariat to the Forum will be provided by the Company HR.

3. FREQUENCY AND OPERATION OF MEETINGS



[Handwritten signatures and initials]
Sm
me

- (a) Meetings will be quarterly unless a matter arises which requires mutual consultation.
- (b) Quorum shall be a minimum of 3 from each of the Company and the Union.
- (c) Minutes of meetings will be taken by the Secretary and circulated to Forum members within 4 working days of each meeting.
- (d) In the event that the Forum is unable to reach agreement on a particular issue, the Internal Dispute Resolution Procedure will be followed.
- (e) Meetings shall be chaired by Head of HR or Company management in their absence.

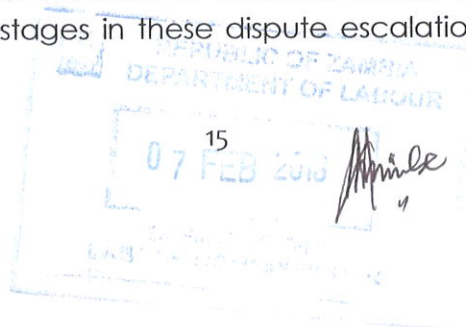
4. SCOPE AND RESPONSIBILITIES OF THE FORUM

- a) Shall operate as a forum for Management to explain changes to policy or major technological changes in the business that affect eligible employees represented by the Union and obtain views from the Union.
- b) Shall operate as a sounding board for any changes being proposed by Management that affect eligible employees represented by the Union
- c) Shall operate as a forum for the Union to seek any clarifications on any policies or Management action which affect employees represented by the Union.
- d) Shall operate as a forum at which matters of mutual interest between the parties are discussed and ideas shared.

APPENDIX 'E'

INTERNAL DISPUTE RESOLUTION PROCEDURE

- i. The Company and the Union will undertake consultations under this agreement as expeditiously as is possible for both parties. To this end there will be a minimum of delay in arranging meetings, conference calls or video conferences at each stage of the procedure and both parties will commit sufficient resource to enable this.
- ii. The parties accept that they have a joint responsibility to discuss potential disputes informally at the earliest stage possible via employee relations.
- iii. It is agreed that no strike or industrial action short of a strike shall take place until all stages in these dispute escalation procedures have been



Handwritten signatures and initials, including "SM" and "AEC", with arrows pointing towards the stamp area.

exhausted and all other means of reaching settlement have been explored.

- iv. If a dispute arises at Consultation Forum level then either Party may within 7 days escalate the issue to a Dispute Resolution Committee comprising the Company's Chief Executive Officer and Head of HR representing the
- v. Company and General Secretary of the Union and Branch Chairperson representing the Union for consideration.
- vi. In the event that the Dispute Resolution Committee is unable to resolve the dispute (whether or not following a referral from the Consultative Forum under sub paragraph (ii) above) either party may register a Final Failure to Agree with the other Party within 5 business days and the procedure will, on such failure being notified in writing to the other party, be deemed to be exhausted (but will not prevent the parties from resuming consultations or negotiations).
- vii. The Company and the Union are in agreement that the time scales defined above do not preclude the use of adjournments to duly consider proposals by either party. During adjournments the time scales for escalation of the process will be suspended pending proposals having been fully considered.

IN WITNESS whereof we have hereunder set our hands this^{23rd}.....day of ~~November~~ ^{January} of the year two thousand and ~~seventeen~~ ^{eighteen}

For and on behalf of **Sanlam**


Simachila M. Makwembo
CHIEF EXECUTIVE OFFICER


Chanda E Mwila
HEAD OF HUMAN RESOURCES


Soi Kaingu
LEGAL

CHIBESAKUNDA & CO
MAANU CENTRE 2ND FLOOR
STAND No. 4647, BEIT ROAD,
ADDIS ABABA ROUNDABOUT
P.O. BOX 30279, LUSAKA
TEL: +260 211 254151/366400/366499
FAX: +260 211 254128
E-mail: cco@cco.co.zm

For and on behalf of **ZUFIAW**


Chingati Msiska
GENERAL SECRETARY


Mutelo Mabenga
DEPUTY GENERAL SECRETARY
Finance & Investments


Morgan Bweupe
TRUSTEE

