

SUBSTANTIVE AGREEMENT
ON
WAGES, SERVICE CONDITIONS AND STANDARDS
BETWEEN
DELRO TRUST
(The Company)
AND
FOOD AND ALLIED WORKERS UNION
(The Union)

1. PREAMBLE

This Substantive Agreement is entered into between the Company and the Union to be down mutually agreed service conditions and standards, which will be observed by both parties for the duration of the Agreement.

Both parties hereby commit themselves to the establishment and maintenance of fair labour relations to ensure uninterrupted work performance of a standard, which will create and maintain a highly competitive image for the Company and its products in the market.

The Company and the Union undertake to promote the highest possible degree of co-operative relationships between their representatives and the employees at all levels. The Company and the Union realise that this goal depends on more than the words contained in this written agreement and accept that it depends on the attitudes which exist between the people in both organisations, which in turn, are based on full understanding of and regard for the respective rights and responsibilities of both parties. These attitudes and approaches can best contribute to the achievement of these goals when it is clear that the Company and the Union officials and indeed all employees, are sincerely concerned with the best interests and well-being of the business and of its employees.

2. SCOPE OF APPLICATION

This agreement is the full-, final- and all-inclusive settlement of all substantive items for annual negotiations as stipulated in the Recognition Agreement. Both parties agree that there shall be no industrial action concerning these substantive issues for the period stipulated herein. The terms of this agreement shall be applicable to and be observed by the Company, the Union and the employees respectively, and shall be incorporated into the terms and conditions of employment of all so-called permanent full time employees who are members of the Union or Delro Trust and who is part of the bargaining unit where the Union has a majority representation.

T.M.C

A.S

BB

BB

SE

G.P. Mabena

3. PERIOD OF OPERATION

This agreement for members of the Union shall come into operation on the 1st of March 2014 and will remain in operation until the 28 February 2015 or the next agreement thereafter. The next agreement is due to be negotiated during February 2015.

4. ITEMS AGREED

4.1 Wages/Housing/Electricity:

It has been agreed that the Company would implement an increase of R400.00 (FOUR HUNDRED RAND) across the board for all employees in the bargaining unit. It is further agreed that the implementation of payment for electricity would start from 1 March 2014 at a rate of R75.00 per month per employee who resides on the premises of the Company.

4.2 Annual Bonus:

It has been agreed that the status quo on the annual bonus would be maintained.

4.3 Showers:

It has been agreed that showers would be provided for female and male employees as soon as possible.

It has also been agreed that employees would keep showers/bathrooms in a clean and tidy state at all times. Towels would be washed on a regular basis by the responsible employee.

4.4 Productivity/Efficiency:

It is understood that due to the high rise in wages and production costs, that productivity and efficiency of all employees must improve as to ensure a sustainable enterprise/business and to prevent retrenchment of employees. Employees and Management will therefore endeavour to improve their current levels of productivity and efficiency in the workplace. Employees would participate in training programs of the Company as part of the effort to achieve the objectives above. Employee would use their skills attained in the training programs and day-to-day training to ensure that the Company reaches its objectives in improving productivity and efficiency.

4.5 Bio Security:

It has been agreed that bio security will be maintained by all employees at all times and that employees would abide by all regulations in this regard. Any breach of bio security regulations would be regarded in an extremely serious light. This is essential to maintain a bio secure herd imposed by Government and also to protect the herd from disease and thereby securing jobs.

4.6 Theft:

All parties have agreed to eradicate all forms of theft on the Company premises. In the light hereof employees would come forward with information where information exist. Any employee who does not report knowledge of theft would be regarded as an accomplice to such theft.

JML

H.S.

BB

Abd

SE

E.P. Mabenza

4.7 **Cruelty to Animals:**

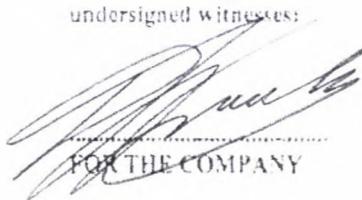
All employees would treat animals according to standard operational procedures. No cruelty to any animals would be tolerated. It is understood that such incidents could result in the closure of the Piggery by the SPCA.

5. BREACH OF AGREEMENT

In the event of breach of this Agreement and in addition to such remedies as may be available in Law, the aggrieved party shall be entitled

- 5.1 to call on the offending party, by notice in writing, stipulating the nature of the breach, to remedy the breach; and
- 5.2 should the offending party fail to remedy the breach within a period of fourteen (14) days after receipt of the said notice, the offended party may declare a dispute in terms of the Recognition Agreement to resolve the dispute.

This Agreement is signed by the duly authorised and mandated representatives of the parties at BRONKHORSTSPRUIT on this 24 day of APRIL, 2014, in the presence of the undersigned witnesses:

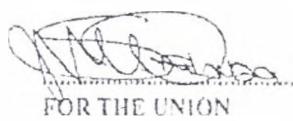


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FOR THE COMPANY



AS WITNESSES:

This Agreement is signed by the duly authorised and mandated representatives of the parties at Bronkhorst, on this 24 day of APRIL, 2014, in the presence of the undersigned witnesses:



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FOR THE UNION



AS WITNESSES: