

SUBSTANTIVE AGREEMENT
ON WAGES AND OTHER CONDITIONS OF EMPLOYMENT
FOR THE
GROUPING OF EMPLOYERS FROM THE SAWMILLING INDUSTRY
within the
NATIONAL BARGAINING COUNCIL FOR THE WOOD AND PAPER SECTOR.

This Agreement is between

THE EMPLOYERS

Consisting of

Merensky Timber, Sappi, Tekwani, Timrite and York

on the one hand

and

CHEMICAL, ENERGY, PAPER, PRINTING, WOOD AND ALLIED

**WORKERS' UNION
(CEPPWAWU)**

*"THE UNION"
on the other hand*

The bottom right of the document features two handwritten signatures. The signature on the left is written in dark ink and appears to be 'AL...'. The signature on the right is also in dark ink and appears to be 'M. Laka'. Between these two signatures, there is a small, faint number '1'.

1. Preamble

WHEREAS the Employers and the Trade Union have, after mutual agreement been engaged in collective bargaining to review the terms and conditions of employment.

WHEREAS the Parties have now reached an agreement on wages and conditions of employment.

NOW the parties wish to record this agreement in the following terms:

2. The Scope of the Agreement

This agreement shall apply to all wage-earning employees of the Employers. The scope can be extended to other job categories where organized labour can prove to have at least 40% representation of the employees in that category across all the Employers.

3. The Duration of the agreement

This agreement will commence on **1 July 2025** and endure to **30 June 2026**.

4. Wage Increase

The Parties agree to an increase of not less than **4.5%** on the current actual basic wage effective **1 July 2025** for all employees who did not receive a National Minimum Wage adjustment.

5. Minimum wage

The parties agree that the Industry Minimum Wage will increase to **R5650** effective **1 July 2025**. Employees that have not yet received a NMW adjustment effective 1 March 2025 will also receive backpay from that date on the difference between their actual rate of pay and the NMW of R5614 for the period of 1 March 2025 to 30 June 2025.

The bottom right of the document features several handwritten signatures and initials. There is a large, stylized signature that appears to be 'Afe' or 'Afe' with a flourish. Below it, there are smaller initials, possibly 'Shube'. To the right of these, there is a signature that looks like 'L. P. Paka'. There is also a small number '2' written near the bottom of the 'Afe' signature.

From 2026 Employers will have the option to implement the NMW when it is promulgated alternatively when Agreement is reached. The last option will then require backdating.

6. Maternity leave

The Parties agree that the maternity benefits payable to female employees on the birth of a child will be equal to **65%** of monthly basic wage payable for a maximum period of four (4) months.

7. Shift allowance

The Parties agree that the shift allowances payable for night work only, will be not less than **12.5%** of basic wage from 1st July 2025.

8. Annual leave

Parties agreed that annual leave payable to employees will be **17 working days** per annum from 1st July 2025. Employers who are currently providing more leave days, should continue to do so at no less favorable conditions than what is currently being provided.

9. Hours of work

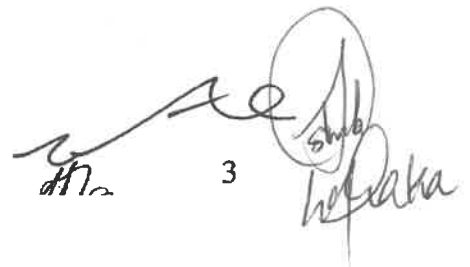
The normal working week shall comprise of 45 hours of work. The matter is referred to a Task Team for further investigation.

10. Housing allowance

Employers who are currently providing accommodation or an allowance in lieu of accommodation, should continue to provide such at no less favorable conditions than currently being provided. The matter is referred to a Task Team for further investigation.

11. Medical aid

Employers who are currently providing medical aid, should continue to provide such at no less favorable conditions that currently being provided. The matter is referred to a Task Team for further investigation.

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12. Disaster leave

Parties agreed to five (5) days paid disaster leave per annum. Such an event should be declared a disaster by the relevant National Minister of Government.

13. Annual bonus

An annual bonus equivalent to a standard months basic pay will be payable to all employees in the bargaining unit who have been employed for a period of 12 months. For employees employed for shorter periods the bonus will be prorated for full months completed.

14. Long Service Award

As all employers are currently paying the long service award, they will continue with such payment at the rate no less than the existing value. The matter is referred to a Task Team for further investigation.

15. Job grading

The parties agreed that standardised Sector grading would be discussed in a Task Team.

16. Short time

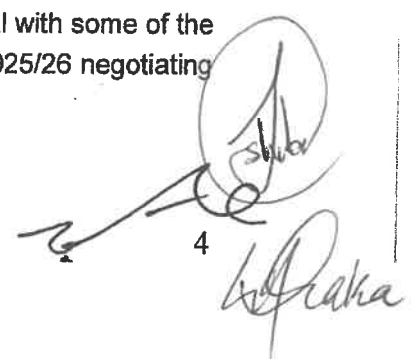
The matter relates to the management of time or its recovery as a result of business interruptions due to external electricity supply interruptions and the unavailability or short supply of raw material. The parties agreed that the matter should be discussed at Company level.

17. Overtime

The parties agreed that the request to make changes to payment cycles for overtime should be discussed at Company level.

18. Task team

The parties agreed to the establishment of a task team to deal with some of the originally tabled matters in a separate forum outside of the 2025/26 negotiating process.

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- The task team will comprise of 4 representatives from Labour and 4 representatives from Employers.
Labour's team will consist of 1 Union official, Evans Maake, Lucky Mokoena and Sallon Ngubeni.
The Employers team will consist of one representative from Merensky, Timrite, Tekwane and York.
- Task team meetings will be conducted electronically via Teams meetings.
- A first progress report should be submitted to the parties by 28 February 2026.
- A final report with recommendations should be submitted to Labour and Employers by the Task team by 30 March 2026 to enable the parties to consider the submissions and recommendations and where applicable to seek mandates from their Principals before the commencement of the 2026/2027 Annual wage negotiations.
- The Scope of the Task team will deal with:
 - Hours of work.
 - Housing allowance.
 - Medical aid.
 - Long service award.
 - Job grading.

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19. Full and Final Settlement

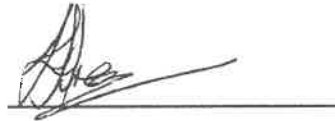
The undersigned Parties agree that the afore-going constitute the final Agreement between the parties emanating from the 2025 wage negotiations.

This document constitutes the entire Agreement between the Parties for the 2024/25 wage year and no other variation to this Agreement shall be binding to the parties unless such variation is reduced to writing and signed by all Parties to this Agreement.

Thus, done and signed at Johannesburg on this 9th day of July 2025.



**For and on behalf of Employers,
and duly authorized thereto**



Witness



**For and on behalf of CEPPWAWU,
and duly authorized thereto**



Witness