2019, 2020 and 2021
Collective Agreement on Minimum Annual Salaries
for University Graduates in the Chemical Industry
December 9th 2019

The following is hereby agreed between the

Federal Employers’ Association for Chemistry (BAVC), Wiesbaden

and the

Association of Employed Academics and Executives in the Chemical Industry (VAA), Cologne.
Section 1

Scope:

1. Geographical:
This Collective Agreement applies to the federal states of Baden-Württemberg, Bavaria, Bremen, Hamburg, Hesse, Lower Saxony, North Rhine-Westphalia, Rhineland-Palatinate, Saarland, Schleswig-Holstein and Berlin (West)

2. Personal:
This Collective Agreement applies to employees as defined in Section 1 (1 a)) of the Framework Collective Agreement for University Graduates in the Chemical Industry of 5 March 1976 as revised on 2 May 2000.

This Collective Agreement does not apply to executive employees. For the purposes of this Collective Agreement, executive employees are employees who are regarded as executive employees in accordance with the provisions of the Works Constitution Act and whose individually agreed conditions of service are at least equivalent in all respects to the provisions in the Framework Collective Agreement for University Graduates in the Chemical Industry.

3. Area of activity:
This Collective Agreement applies to enterprises and sales companies as defined in Section 1 (3) of the Framework Collective Agreement for University Graduates in the Chemical Industry of 5 March 1976 as revised on 2 May 2000.

1) Berlin (West) comprises the area of the German state of Berlin in which the German constitution (Grundgesetz) applied before 3 October 1990.
Section 2

1. The remuneration for the first year of employment shall be freely agreed.

For the second year of employment, the minimum collectively agreed annual remuneration for the 2019 calendar year is:

- for graduate employees and employees with a Master's degree \(^2\) euro 66,750.00
- for employees with a doctorate euro 77,775.00

For the second year of employment, the minimum collectively agreed annual remuneration for the 2020 calendar year is:

- for graduate employees and employees with a Master's degree \(^2\) euro 67,600.00
- for employees with a doctorate euro 78,750.00

For the second year of employment, the minimum collectively agreed annual remuneration for the 2021 calendar year is:

- for graduate employees and employees with a Master's degree \(^2\) euro 68,550.00
- for employees with a doctorate euro 79,875.00

\(^2\) This also includes employees with other qualifications as defined in Section 1 (1a) of the Framework Collective Agreement for University Graduates.

2. After the second year of employment, the salaries of employees are to be periodically reviewed in accordance with company practice and, depending on activity and performance, will continue to rise in comparison with the relevant collectively agreed minimum annual salaries.

3. Within the company, it should be ensured, taking into account previous practice, that the minimum annual salary is allocated appropriately in terms of both the regular monthly salary and any other non-regular benefits such as bonuses, year-end payments and similar remuneration.

4. Regular and other remuneration shall be structured in a way that ensures the minimum annual salary as per the collective bargaining agreement is reached during the current calendar year. Benefits for the first year of employment that are not paid until the second year of employment shall not count towards the minimum annual remuneration for the second year of employment.

Bonuses, year-end payments or similar benefits that can count towards the collectively agreed minimum annual salary may be paid up to 30 June of the following year if this has been agreed with the employee.

5. If the second year of employment begins during the course of a calendar year, the employee is entitled to 1/12 of the agreed minimum annual salary for each month of employment commenced in the second year of employment. Point 4 paragraph 2 shall apply analogously.

6. Part-time employees are entitled to a pro-rata minimum annual salary.

7. In terms of salary, graduate employees and employees with a Master's degree are regarded as employees not covered by collective bargaining agreements (non-tariff employees) after the fifth year of employment at the latest, and employees with a doctorate
after the third year of employment at the latest, unless in either case the employer decides differently and notifies the relevant employees in writing.

The remuneration of employees not covered by collective bargaining agreements shall increase depending on their activities and performance in an appropriate manner as customary for employees not covered by collective bargaining agreements.

The salaries of both graduate employees and those with a Master's degree who are outside the collective bargaining agreement shall be above the higher rate specified in Point 1 after five years of employment at the latest.

8. If a company or enterprise makes use of the ‘opening clause’ in Section 10 of the Federal Collective Bargaining Agreement or of the ‘opening clause’ in Note 1 (2) of the Framework Collective Agreement for Employees in the Chemical Industry, the percentage reduction in the collective rates agreed between the employer and the works council shall also extend to the minimum annual salary amounts under the present Collective Agreement.

The same shall apply if a company or enterprise makes use of an option provided for in district collective wage agreements to postpone the start of a pay increase applicable to the rates of pay set out in the relevant table(s).

9. Contributions to the company pension scheme can be made from the minimum annual salary by means of earnings conversion.

Section 3

This Collective Agreement shall remain in force until December 31st 2021. It replaces the Collective Agreement on Minimum Annual Salaries for the calendar year 2018.

At a suitable time, the parties to the agreement will begin negotiations on the revision of the regulation for 2022. At the request of one of the parties, these negotiations shall begin within a period of six weeks. If negotiations do not begin within this period or if they are inconclusive, the Federal Conciliation Board may be called in. The minimum annual salaries fixed for 2021 shall continue to apply until a new regulation is adopted for 2022.

Cologne, December 9th 2019

<table>
<thead>
<tr>
<th>On behalf of the Federal Employers’ Association for Chemistry (BAVC), Wiesbaden</th>
<th>On behalf of the Association of Employed Academics and Executives in the Chemical Industry (VAA), Cologne</th>
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<tbody>
<tr>
<td>Müller</td>
<td>Dr. Stiller</td>
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<td>Nachtrab</td>
<td>Kronisch</td>
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