

Annex E: Sample Employment Contract

Employment Contract

This agreement is made on

_____ in _____

between _____, a juristic entity with Registration No. _____,

Registered Address at _____ and Mailing Address at _____

_____ (hereinafter referred to as the “Employer”); and

_____,

a _____ national with official Passport/National ID Card No. _____

and Home Address at _____ (hereinafter referred to as the “Employee”).

Both parties agree to the following:

1. Job Assignment and Wages

- 1.1 The Employer hereby engages the Employee and the Employee agrees to work for the Employer in the capacity of _____, at the _____ Department, under the supervision of _____, with responsibilities of _____ per Job Description _____.
- 1.2 Wages will be paid at the rate of _____ per/hour/day/month in _____ currency. Wages shall not be lower than the mandated current daily minimum wage of THB _____ for the province where the factory is located and will be adjusted accordingly when official changes occur.
- 1.3 The wage shall be paid on the _____ day of each month by cash, or through deposit to an account with ATM card at the following bank _____.
- 1.4 Receipt of wages shall be acknowledged by the Employee through signing or presenting evidence based on the Employer’s standard payroll and pay slip management procedures and records.
- 1.5 If the Employee receives any special allowances or incentives, the amount and date (s) for which these allowances or incentives are paid must be stated and recorded clearly, separate from regular wages, but included in the total monthly amount paid.
- 1.6 For wages earned on an hourly or piece-work basis, a Hire-for-Work Contract applies instead of this regular Employment Contract. Minimum wage equivalent compensation and prompt payment according to quantity / units delivered or hours worked shall be clearly defined in a written agreement.

2. Duration of Contract and Worksite

- 2.1 The duration of this Contract is for _____ month (s) / year (s) s from the day of arrival of the Employee in Thailand on _____ until _____.

- 2.2 The worksite shall be at _____. Change in worksite or transfer to an affiliated company's worksite shall have documented consent from the Employee beforehand.
- 2.3 Any change in job responsibilities, work hours, working conditions, reporting hierarchy, or any other terms and conditions shall be mutually agreed in writing between Employer and Employee.
- 2.4 The extension of this Employment Contract shall be mutually agreed upon in writing between the Employer and the Employee.

3. Probation Period and Contract Cancellation

- 3.1 **The Employer requires a probation period of _____ days, not exceeding the 90 days legal requirement. The probation period will be from _____ to _____.**
- 3.2 The Employee agrees to the probation period stipulated under item 3.1 and will be paid, from the first working day, throughout the probation period wages of THB _____ per _____ (hour/day/two weeks/month), in accordance with the minimum wage requirements of Thai Labor Laws.
- 3.3 During the probation period, the Employee shall be entitled to _____ rest days off per week, days off on Thai official public holidays as well as _____ days off for private or sick leave only. Annual and other leaves will not apply during the probation period.
- 3.4 **The Employer agrees to waive a probation period and hire the Employee full-time. Therefore, items 3.2 and 3.3 above do not apply. However, all terms pertinent to performance evaluation and contract cancellation apply in accordance with this Contract, Company Rules and Thai Labor Laws.**
- 3.5 At any time during the probation period or contract period, if the Employer should find that the Employee is not qualified for the job assigned, the Employer may either offer the Employee other appropriate job or position with the consent of the Employee; or terminate this Employment Contract by giving the Employee prior written notice upon or prior to any schedule of wage payment so that the Contract cancellation becomes effective at the next schedule of wage payment. Similarly, the Employee has the right to cancel or terminate the Contract per item 15.2 of this Employment Contract.
- 3.6 The Employer shall ensure that wages for the Employee's actual working days prior to cancellation of the Employment Contract are paid in full.
- 3.7 Upon cancellation of the Employment Contract, the Employer shall, if requested, arrange for the Employee's repatriation to a domicile in Thailand and allow a change of Employer or arrange for return to the Employee's home country, at the expense of the Employee, if the Employee requests such return. For full-time Employees returning upon completion of their Contract, item 15.1 applies.

4. Working Hours

- 4.1 The working hours shall not exceed _____ hours a day, _____ days per week, with total working hours, including overtime, not exceeding what is mandated by current Thai Labor Laws.
- 4.2 Regular work hours shall be from _____ a.m. to _____ p.m., Monday to _____ with a rest hour period from _____ to _____ daily.

4.3 Shift work hours shall be documented clearly and ensure that shift workers get adequate rest periods similar to regular workers through management of total working hours, days of work per week, breaks, rest hour periods and a 24-hr day off per week.

4.4 The Employee shall not receive compensation for gross tardiness; or absences not covered by holidays and leave, under the “no work, no pay” general principle of labor laws.

5. Holidays and Leave

5.1 The Employer shall arrange for the Employee to have _____ day(s) off weekly with regular pay.

5.2 The Employer shall arrange for the Employee _____ days off per year on Thai official public holidays with regular pay.

5.3 Annual leave of _____ days shall be allowed by the Employer for the Employee when the Employee has completed one year of continuous employment with regular pay.

5.4 The Employee shall be informed of the various categories of leave that apply to them under Thai Labor Laws, i.e. errand/business, sick, maternity, training, military/monkhood and sterilization. The Employer’s Human Resources (HR) Department shall provide the Employee with details of the number of days allowed and the number of days paid with regular pay, based on the most up-to-date version of the Thai Labor Laws.

5.5 The Employee will not get any compensation for any absences beyond the allowed level for leave or for leave without the requisite documentation (e.g., physician’s certificate) in compliance with Thai Labor Laws.

6. Overtime

6.1 If the Employee works more than the usual hours on a regular working day, the Employee shall be paid extra for overtime by the Employer at the rate of THB _____ per hour, equivalent to _____ times the regular rate per hour per day, in compliance with Thai Labor Laws.

6.2 If the Employee works on holidays, the Employee shall be paid extra for overtime by the Employer at the rate of THB _____ per hour, equivalent to _____ times the regular rate per hour per day, in compliance with Thai Labor Laws.

6.3 Overtime shall be exceptional and voluntary. The Employee is free to refuse overtime. Those who agree shall provide written consent to the Employer at the time of request.

6.4 Overtime hours shall not exceed those mandated by Thai Labor Laws during a one-week period.

6.5 Both the Employer and Employee will ensure that tracking and calculation of working hours and overtime hours shall be transparent and verifiable.

7. Deductions from Wages

7.1 As applicable, the Employer shall deduct an amount equivalent to that required by the Thai Taxation Code on Withholding Tax – Payroll. This shall be credited to the Employee’s year-end personal income tax. It is the Employee’s responsibility to pay on his/her own any other additional taxes at the end of the year.

- 7.2 The Company shall deduct the Employee's contribution to the Social Security Fund in compliance with the rate and amount stipulated in relevant Thai Labor Laws, ordinances and announcements.
- 7.3 The Employer shall NOT deduct any other amounts from the Employee's wages apart from the two above-mentioned items. There shall be no deductions for cost of work uniforms, personal protective equipment, training related to the Employee's job, time spent attending Welfare Committee meetings, subsidized meals and accommodation, and others prohibited by Thai Labor Laws.
- 7.4 Similarly, any wage advances; transportation, accommodation or personal document processing fee advances; or personal loans requested by the Employee of the Employer, shall not be deducted from the Employee's wages. Such advances shall be covered by separate mutual agreements between Employer and Employee with assurance that the Employer shall not charge interest and that repayment timelines and amounts are reasonable for the Employee, who will remit the amounts directly to the Employer.

8. Food

The Employer may provide the Employee three meals a day per working day or food expense allowance or subsidized low-cost meal options at work depending on the agreement of the Employer and the Employee and at the Employers discretion and depending on conditions at the factory

9. Accommodation

The Employer may provide the Employee safe and hygienic accommodation or accommodation expenses allowance or referrals for low-cost housing options depending on the agreement of the Employer and the Employee, at the Employer's discretion and depending on conditions at work

10. Medical Treatment

- 10.1 In the event of the Employee's illness or accident or injury or disability caused by work and occurring at work hours during the period of the Employment Contract, the Employer shall both provide all necessary medical treatment free of charge to the Employee, and in the meantime, pay regular wage and compensation on terms not less than those stipulated by current Thai Labor Laws.
- 10.2 In the event of death of the Employee, at work and under the supervision of the Employer or the Employer's authorized representative, all expenses of managing the body will be under the responsibility of the Employer.

11. Travel and Transportation

- 11.1 For new hires, the Employer shall pay for the cost of the Employee's travel to Thailand from the central processing center in the main city of the Employee's home country, as well as pay the arrangement for transportation from the Thai central processing center to the Employee's assigned Employer's factory. Arrangements for housing and transportation to the Employee's housing should be clarified beforehand and defined in an attachment to the Employment Contract
- 11.2 The Employer shall also pay for the cost of travel of the Employee returning to her/his country after she/he finishes her/his Employment Contract, except when the Employee

is at fault for the contract cancellation or the Employee terminates the contract before the end of the contract period.

12. Employee's Obligations

- 12.1 The Employee shall abide by the policies, rules and regulations of the Employer's Company stipulated in conformity with Thai Labor Laws, international standards and conventions on fundamental human and labor rights; as well as respect Thai traditions and customs.
- 12.3 The Employee shall work only for the s Employer's company and give her/his best effort to uphold the Employer's name and reputation with the Employer's clients, suppliers and contactors.
- 12.4 The Employee shall not engage in any unlawful activities such as those related to human trafficking, drugs, prostitution, gambling; and other actions involving graft, corruption, fraud or crime.
- 12.5 The Employee agrees to cooperate in internal investigations, evaluations or studies that involve her/his job, workplace, peers or supervisors for the purpose of evaluating workplace productivity and safety; job performance; or potential improvements to working conditions and work environment.

13. Disciplinary Action

- 13.1 If the Employee breaks the policies, rules and regulations of the Employer's Company, the Employer's Company will consider disciplinary action for the Employee in accordance with the Company's Rules and Regulations which are aligned with Thai Labor Laws.
- 13.2 The Employer's Company may use one or more of the following disciplinary actions without chronological order: verbal warning for the first time the rules are broken, followed by a warning letter or a written warning; then suspension from work or termination of employment depending on the severity of the infraction. Timelines, process and forms shall comply with Thai Labor Laws.

14. Grievance and Appeals

- 14.1. The Employee can let the Employer know of suggestions, complaints or grievances, without fear of reprisal, anonymously through a suggestion box or a hotline; or directly through her/his supervisor; the HR Manager or a designated Management Representative or the owner of the Company.
- 14.2 The Employer shall develop appropriate investigation and settlement mechanisms for each case and give the Employee timely response on decisions taken as well as her/his right to appeal.

15. Termination of the Contract

- 15.1 In case the Employer terminates the contract, the Employer shall give one month notice to the Employee, or pay one-month wage in lieu of giving notice, or otherwise act in conformity with Thai Labor Laws. The Employer shall thereby pay for the cost of the return travel of the Employee to her/his home country.
- 15.2 In case the Employee terminates the contract, the Employee shall give a one month notice to the Employer and shall pay for her/his own expenses for return travel to her/his home country.

16. Others

16.1. The Employer or any recruiter representing the Employer shall not charge recruitment or guarantee fees in return for a promise of a job with the Employer. The Employer shall pay for all necessary fees and expenses incurred for the Employee to obtain a work permit in accordance with Thai labor laws or pre-agreed terms and conditions between Employer and Employee that are more beneficial to the Employee. As, If and when the requirements of Thai Labor Laws are upgraded to stipulate specific legal responsibilities for fees and expenses for Employers that promote the “Zero Recruitment Fees” principle, those shall take precedence over the terms and conditions agreed upon by the Employer and Employee.

16.2 In the event of natural disaster, riot, fighting or war the Employer shall evacuate the Employee to a safe area. If the situation is no longer conducive for the continuity of work, the Employer shall repatriate the Employee and shall pay for all the expenses of the repatriation

16.3 Other conditions not mentioned in this Contract shall be in accordance with the stipulations of Thai Labor Laws, and other relevant laws, including pre-work orientation and training requirements.

16.4. In case the Employer fails to implement any of the conditions agreed in this Contract, in full or in part, the Employer shall be responsible for all the losses the Employee incurs. Similarly, if the Employee causes considerable damage to the Employer, the Employer may consider legal action.

This Employment Contract is made out in duplicate, one in Thai and one in the language of the Employee migrant worker, each being the same in content, equally authentic and compliant with Thai Labor Laws. Each Party shall hold one original in their working language.

In witness whereof, the undersigned, having fully understood the contents of the Employment Contract stated herein, affix their signatures to this document, in the presence of witnesses, to affirm their agreement to the terms and conditions.

Signed on the _____ day of ____ (month) __ (year) ____ in ____ (district, province) _____, Thailand.

Signature _____ Employer
(_____)

Signature _____ Employer
(_____)

Signature _____ Employer
(_____)

Signature _____ Employer
(_____)