



COP

2019

**UNITED NATIONS
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**COMMUNICATION ON
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PROGRESS**

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UNGC PRINCIPLES

By incorporating the 10 principles of the UN Global Compact (UNGC) into strategies, policies and procedures, corporates can establish a culture of integrity, upholding responsibilities to people and the planet, and set the stage for long-term success.

HUMAN RIGHTS

P1 Principle 1:
Businesses should support and respect the protection of internationally proclaimed human rights; and

P2 Principle 2:
Make sure that they are not complicit in human rights abuses.

LABOUR

P3 Principle 3:
Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

P4 Principle 4:
the elimination of all forms of forced and compulsory labour;

P5 Principle 5:
the effective abolition of child labour; and

P6 Principle 6:
the elimination of discrimination in respect of employment and occupation.

ENVIRONMENT

P7 Principle 7:
Businesses should support a precautionary approach to environmental challenges;

P8 Principle 8:
undertake initiatives to promote greater environmental responsibility; and

P9 Principle 9:
encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

P10 Principle 10:
Businesses should work against corruption in all its forms, including extortion and bribery.

OTHER UN INITIATIVES

Caring for Climate



Caring for Climate

Having taken part in the Caring for Climate initiative since August 2008, MAS is one of 453 companies from over 65 countries to be a part of this movement. The world's largest global coalition, Caring for Climate is led by UN Global Compact, UNEP and UNFCCC. Based on the consensus that climate change will affect business and society in vital ways, consultants from UNGC, UNEP and WBCSD prepared a statement titled "Caring for Climate: The Business Leadership Platform", which offers participants an opportunity to demonstrate climate leadership.

MAS chose to endorse and implement the Caring for Climate initiative through CEO support, tactical changes within the organization and ongoing public communication.



Women's Empowerment Principles

The Women's Empowerment Principles are the end result of collaboration between UNGC and the United Nations Entity for Gender Equality (UN Women). The principles offer guidance to companies on how to empower women in the workplace, marketplace and community.

The seven principles are as follows:

1. Establish high-level corporate leadership for gender equality.
2. Treat all women and men fairly at work, respecting and supporting human rights and non-discrimination.
3. Ensure the health, safety and well-being of all female and male employees.
4. Promote education, training and professional development for women.
5. Implement enterprise development, supply chain and marketing practices that empower women.
6. Promote equality through community initiatives and advocacy.
7. Measure and publicly report on progress to achieve gender equality.



Business for Peace

After a decade of researching the role of business and its contribution to peace, in September 2013, UN Global Compact launched the Business for Peace initiative. The platform assists companies in implementing responsible business practices in conflict-affected and high-risk areas.

MAS endorsed the initiative in September 2013, and is proud to be one of its founding participants.

MESSAGE OF CONTINUED SUPPORT



Suren Fernando

**Group Chief Executive Officer
MAS Holdings**

MAS is pleased to present its 16th Communication on Progress to the United Nations Global Compact.

The year 2019 was always going to be an exciting time for MAS. Having formulated our MAS 2025 Strategy in 2018, our organization was newly focused on strengthening our core business, furthering new adjacencies and identifying exciting opportunities for future growth. We had also challenged ourselves with a turnaround journey to build a more financially resilient organization. A significant step in this process was aligning our Sustainability Strategy to MAS' 2025 game-plan. Of course, Sri Lanka faced immense challenges during the year due to the devastating Easter Sunday terror attacks on the 21st of April. During this time, MAS rose up to support those most directly affected whilst helping the nation move forward by delivering on our promises to our customers and employees.

Throughout this journey, we remained true to our core values and continued our efforts to enhance environmental and social sustainability, as outlined in this report.

On the environmental front, we continue to invest into renewable energy, while safeguarding water, responsibly managing our chemical usage and transforming our waste to value.

We successfully manufactured the official uniforms worn by our National cricket team during the ICC Cricket World Cup in 2019, using 100% recycled yarn made of PET bottles collected from the coasts of Sri Lanka.

We also continue our commitment to restoring habitat, completing 41 restoration projects across Sri Lanka by the end of the year.

MAS has looked beyond our own boundaries in furthering our sustainability efforts and advocacy, which is clearly reflected in the work we do with the Sustainable Apparel Coalition. MAS colleagues contribute through roles in the Facility Advisory Council, Product Advisory Council, Brand and Retail Advisory Council and Transparency Council, and within teams upgrading the Higg Tools.

For social sustainability, 2019 proved to be an year of consolidation with the development and deployment of the new social sustainability scoring tool. This tool will rate our leadership based on how the Business Units they lead perform on social indicators and parameters such as diversity, work-life balance, health and safety and community engagement.

We were honoured when our colleague Roshan Weerasinghe was recognized by the Global Compact Local Network as the Young SDG Pioneer for Sri Lanka for his work educating communities on the Sustainable Development Goals.

We continue our support for the Local Network through the roles we play on its Board and Steering Committee.

MAS remains committed to the United Nations Global Compact and its guiding principles, and will strive to be a sustainable business, staying relevant and committed to all stakeholders.





MAS HOLDINGS: THE LOCAL-GLOBAL CONGLOMERATE

A leader in apparel and textile manufacturing in South Asia, MAS Holdings was founded under the visionary leadership by Mahesh Amalean, supported by his brothers Sharad and Ajay. The local-global conglomerate has today grown to mammoth proportions, with its apparel division alone evolving into a USD 2 billion business with a continuously growing global eco-system.

Widely commended by customers for its commitment to value creation, product innovation, and sustainable and ethical business practices, the company continues to drive its initiatives aligned under the UN Sustainable Development Goals through its sustainability strategy.

The company's expansion approach of pursuing mutually beneficial partnerships with global leaders has ensured a worldwide integrated supply chain that is growing continuously. Headquartered in



Sri Lanka, MAS Holdings enjoys a global presence across 16 countries, including India, Bangladesh, Hong Kong, Vietnam, Indonesia, Australia, Jordan, Italy, Germany, United Kingdom, USA, Haiti, China, Honduras and Mexico. Its supply chain includes 53 state-of-the-art manufacturing facilities in 9 countries and design houses in 4 countries, in addition to an IT industry presence in 9 and brand presence in 4 countries.

The company's apparel business is broadly categorized into three divisions: Intimate wear, Sports & Activewear and Swimwear. The largest of the three, Intimate wear is renowned for its partnerships with global fashion labels including Victoria's Secret, VSX, Pink, La Senza, Calvin Klein, GAP, H&M and Marks & Spencer, among others.

The Activewear division specializes in products engineered for high performance and improved results. A subsidiary of the division, MAS Kreeda is the company's dedicated arm to produce high-performance sportswear for Nike.

MAS Holdings' Swimwear division is most noteworthy for the production of competitive swimwear for Speedo at the 2004 Olympics and the 2006 Melbourne World Championships, with continued operations via a state-of-the-art manufacturing facility in Vietnam.

Adding to its value proposition for clients, MAS has continued to expand its supply chain over the years, with manufacturing operations ranging from fabric to printing, from elastics to lace, from hooks to other accessories and embellishments through joint ventures with global industry leaders such as Stretchline, Noyon Dentelles and Prym Intimates, Textprint and Trischel.

In addition to its global partnerships, several company-owned brands enjoy market leadership positions around the world, including Amanté, Attune, Become and GT Nexus. In 2013, a strategic business unit, Twinery (Innovations by MAS) was established to innovate and re-engineer garments through an organic process. Through this

innovation arm, the company has introduced several revolutionary products to the local and global markets, such as Spryng and Firefly.

MAS Holdings is also an equal opportunity employer, with a stringent focus on creating an ethical and inclusive work environment, and contributing to the communities in which it operates. In partnership with its people, MAS strives to drive economic and social growth, empower individuals and contribute towards a more sustainable future for the next generation.

In lieu of this, sustainability is a core pillar at MAS Holdings, with a clear commitment to drive sustainable manufacturing for the industry as well as its people. This founding principle has been mapped into the MAS Sustainability Strategy, with an overarching objective of achieving its set sustainability goals for 2025.

OUR SUSTAINABILITY STORY

When our founders, Mahesh, Ajay and Sharad Amalean, started MAS Holdings (Pvt) Ltd in 1987, they may not have anticipated the immense impact the company would have on the apparel industry. Entering the intimate apparel manufacturing space as a pioneer and expanding the business to include sportswear, performance wear and swimwear, MAS is proud to be acknowledged as a globally renowned design-to-delivery apparel and textile solutions provider.

Over 33 years, we have embarked on a journey of growth, innovation, and transformation together with our 99,000-strong family, whom we have always placed at the heart of our business. This journey of continuous improvement has kept us questioning, how and what can we do better? The result of this has been our sustainability story.

Our sustainability journey is the outcome of our drive to continuously do more. From early days, we were known for our best-in-class working conditions within the industry and treating our team members with dignity and respect. For decades, we have worked tirelessly to strengthen our female workforce, giving them every opportunity to achieve more, at work and in life. We are known for re-thinking our strategies and re-evaluating the impacts of our business to ensure a positive impact on our world.

Transforming ourselves with the times to strengthen our business, we appointed a new Chief Executive Officer Suren Fernando, the first non-family CEO to lead the business, signaling our transition to the next level of leaders entrusted with the task of taking the company into the future. Looking ahead, we have aligned the strategy with our key areas of focus, such as people,

innovation and a sustainable business model, which we believe will be key levers of growth for MAS.

These efforts have enabled us to re-define sustainability within our business. The transformation of our sustainable business strategy was the result of this thinking. We have now consolidated our social and environmental sustainability efforts into one central sustainability structure, combining the strengths of our teams and aligning our goals to achieve greater consistency and impact. In a time of uncertainty, we have embraced a new purpose of 'inspiring sustainable change' to help our people find meaning during an incredibly challenging time.

This report examines our work in 2019 and reflects our vision for 2025 in creating sustainable products while contributing positively to our people, communities and environment.



OUR VISION FOR 2025

SUSTAINABLE PRODUCT

- Generate 50% of revenue through sustainable products

Empowered by the driving force within MAS and spearheaded by its Board and the Central Sustainability team, the company's sustainability vision for 2025 is driven by the Sustainability Advisory Council. This decision-making body will provide overall guidance and make decisions on behalf of the board for all areas covered within product, environment, and social sustainability.

Reporting to the Sustainability Advisory Council is the Head of Sustainable Business, whose overarching responsibility will be to drive the main pillars of the group's sustainability strategy. Together with the company's business and sustainability teams, the Head of Sustainable Business will oversee all sustainability initiatives, enable sustainable product, deploy strategy, conduct brand storytelling, ensure transparency and manage partnerships.

In addition, the Sustainability Advisory Council, the Head of Sustainable Business, and heads of each division, business unit and manufacturing facility are responsible to ensure that the group's sustainability strategy and policies are respected and implemented across the organization.

PRODUCTS MADE BETTER

Transform Waste

- Value enhance 100% of non-hazardous waste

Responsible Chemical Use

- Be zero toxic in our products and processes

Safeguard Water

- Achieve zero impact to MAS operations and mitigate negative impact to the community

Limit Emissions

- Reduce our emissions footprint to achieve 20% absolute reduction

Champion Biodiversity

- Enhance eco-system services in 100X the space we occupy

We hope that this improved structure will help better align our many initiatives into one cohesive effort to create an enduring business. However, at the heart of this strategy is our unchanged commitment to create a better world for our customers, our people, our communities and the planet at large.

LIVES MADE BETTER

Empowering Women

- Empower 100% of women on the shop floor
- Achieve 1:1 gender parity in management

Meaningful Employment

- Accelerate employee wellbeing and work-life balance
- Ensure and elevate sustainable compensation for all our employees
- Foster diversity and inclusion, with freedom of expression and identity for all

A workplace beyond compliance

- Be first-in-class for working conditions in our industry

Thriving communities

- Be an enabler for positive impact in all communities that we work in



SUSTAINABLE PRODUCT

Looking ahead to 2025, we understand that the only way to build a truly sustainable business model is by integrating sustainability into everything we make. This is why we are focusing our attention on generating a steady pipeline of sustainable products to generate at least 50% of revenue by 2025. We believe that this is a commitment that will not only challenge us, but also create a meaningful impact within our value chains. With this, we move forward with a renewed focus on our strategy and targets to promote sustainable products and innovation, branding and positioning, while maintaining corporate structure and upholding the MAS culture.





PRODUCTS MADE BETTER

The year 2019 proved to be a remarkable year for MAS with regards to driving new strategic plans and actions that significantly deepened our commitment to sustainability across our manufacturing processes, innovation, operations and infrastructure, ecological spaces and the communities in which we operate.

To achieve these ambitious plans, our focus was on strengthening our investments in waste, energy and chemical management, while delivering on our biodiversity promises across Sri Lanka. While a bulk of our work is currently limited to Sri Lanka, with measurements initiated in India, Haiti, Indonesia, Jordan, Bangladesh, Vietnam, Honduras and the US, we are confident of pushing the agenda for adoption across our global footprint in the near future.

Throughout the year, we strived to make net positive contributions to the environment and human systems, which meant always working to educate our communities and implement our best practices across MAS. We also took these initiatives outside our own facilities to collaborators and peers for projects that can advance shared goals such as developing a zero-waste nation that retains its rich biodiversity well into the future.

In 2019, we found the perfect partners to implement this shared vision. Despite facing significant economic challenges, we are proud of our achievements throughout the year in creating positive ecological impact for all.



FAST FACTS 2019

RENEWABLE ENERGY AND EMISSIONS

52% of MAS runs on renewable energy	50,000 solar panels across 1 million square feet generate 21.85 MWh of electricity, enough to power 22,000 homes.	Helped develop the Food and Agriculture Organization's (FAO) sustainable fuel wood standard for Sri Lanka
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SAFEGUARD WATER WATER

Textiles, knitting and elastics manufacturing achieved an over 37% reduction in water usage per kilo of product	Over 5% of our water used is from rainwater harvesting and recycled from sewage treatment plants	
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TRANSFORM WASTE WASTE

98% of our waste was diverted from landfills	Waste to wearable World Cup Jersey made from Ocean Plastic	36,000 PET bottles from our own ocean waste turned into 35,000 yards of recycled polyester
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TOXIC TACKLE CHEMICALS

73% of MAS chemicals are at ZDHC Level 1 status	All MAS wet processing plants aligned with ZDHC wastewater guidelines	Over 50% of our subcontractors have ZDHC Chemical Gateway Level 1 products or above.
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RESTORING WILD SPACES BIODIVERSITY

41 habitat restoration projects across Sri Lanka	1,703 acres of restored habitats	2nd Aerial Reforestation completed using 67,000 seed bombs across 60 acres.
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TRANSFORMING PARTNERSHIPS



GLOBAL INDUSTRY

We actively continued our collaboration with the Sustainable Apparel Coalition (SAC), of which MAS became a founding member in 2011. We contributed to the SAC's agenda to create a global benchmark for sustainable apparel manufacture and have garnered support for the adoption of the Higg Index by other organizations.



The Higg Index is an apparel and footwear industry self-assessment standard introduced by the Sustainable Apparel Coalition for assessing environmental and social sustainability throughout the supply chain. Our engagement with the SAC has continued since 2011, and we have supported the SAC in its work to help converge to a

single tool to alleviate audit fatigue across the industry, while driving it towards a more ethical sustainable future.

NON-TOXIC BY NATURE



MAS became the first manufacturer to join the Zero Discharge of Hazardous Chemicals (ZDHC) as value chain affiliates in 2017. The partnership has grown with our chemical team being invited to become members of the MRSL Committee, which influences the global standards for ZDHC members.

- MAS has been an active member of the ZDHC foundation since 2017 and contributes to task teams of the ZDHC to implement sustainable chemical management best practices.

- MAS represents the ZDHC MRSL Advisory Council (MAC) and contributed to develop the ZDHC MRSL Version 2.0, which was released in November 2019. The ZDHC MRSL is key to the sustainable chemical management, and MAS outlined practical challenges of implementation in the revision update, which will be beneficial for manufacturers.
- Furthermore, MAS contributed to update the ZDHC Wastewater Guideline and is a part of the ZDHC Sludge task team.
- MAS participated in two panel discussions during the ZDHC annual meeting in 2019, and highlighted challenges and best practices in the implementation of the ZDHC framework.



MAS partnered with ADEC Innovations in 2016 and was the first manufacturer to implement the CleanChain Chemical Management system in 2016. In 2019, MAS continued to represent the CleanChain Customer Advisory Council and support ADEC to develop systems for improvements in sustainable chemical management practices of manufacturers.

Waste to Wearables



In 2019, MAS launched a World Cup jersey for the Sri Lanka Cricket team made by the island's own ocean plastic waste. It was a milestone in the Group's 3-year Oceans Project, which saw MAS bring together its key recycling partner Eco-Spindles, the Sri Lanka Navy and Sri Lanka Cricket for a lesson in turning a waste project into a product innovation story.

Battling for Biodiversity

In 2019, MAS teams expanded and continued our habitat restoration work. Together with the Forest and Wildlife Departments and the Sri Lanka Air Force, we also launched a second aerial reforestation drive using 67,000 seed balls strewn across 60 acres in the east. The collaboration has seen our teams work closely with forestry officials to achieve habitat restoration across 495 acres in 2019 and initiate wider conversations about how businesses should intervene in biodiversity crises.



TRACKING OUR PROGRESS

Since 2010, MAS' environmental teams have used an internally built data collection tool called the Eco Tracker to collect environmental data. Every year, we set key performance indicators for sustainability targets, which cascade down to the divisions and the facilities through a formal goal-setting structure known as "Hoshin Kanri". Each facility is given a long-term target and an annual reduction target to align their activities with the overarching goal. Our Sustainability Management Framework enables us to embed our strategy into corporate practice by providing systematic, step-by-step guidance. A dedicated team of sustainability champions representing each division is in charge of the relevant business units, who in turn manage data entry on a quarterly, semi-annual and annual basis of the Group's sustainability performance.

Function	Energy intensity measurement		Water intensity measurement	
	Numerator	Denominator	Numerator	Denominator
Sri Lanka Apparel	Total energy purchased (MJ)	Standard hours	Total water withdrawn (L)	per 10 hour shift per person
Fabric Processing	Total energy purchased (MJ)	KG produced	Total water withdrawn (L)	KG produced
Apparel Component	Total energy purchased (MJ)	Standard hours	Total water withdrawn (L)	per 10 hour shift per person
Seamless knitted Garments	Total energy purchased (MJ)	KG produced	Total water withdrawn (L)	KG produced
Garment Accessories	Total energy purchased (MJ)	Turnover (USD)	Total water withdrawn (L)	KG produced
Knitting	Under fabric production		Total water withdrawn (L)	per 10 hour shift per person

TOOLS OF CHANGE

Sustaining the work being done inside our growing eco-system requires a multitude of processes, partnerships and tools. Over time, we have invested in these tools and systems, which have helped us standardize and improve our environmental performance with consistency over the years.

As we grow our operation, these tools have become primary weapons in our battle to instill best practices as habits and opportunities across MAS. We have also evolved these same tools to standards that we can openly share with the rest of the industry.

Sustainable Apparel Coalition & Higg Index

SAC – In 2019, MAS devoted time to support SAC, playing key roles within the Facility Advisory Council, Product Advisory Council, Brand and Retail Advisory Council and Transparency Council, the teams associated with launching and upgrading SAC Higg Tools.

Higg Index – A total of 36 MAS facilities have submitted the scores via Higg FEM and 7 facilities verified scores with external third parties. The 36 facilities covered MAS’ operations in Sri Lanka, Indonesia, Bangladesh, Vietnam, Honduras and the United States.

MAS used the Higg FEM tool to closely monitor our subcontractor compliance and requested parts of its supply chain to report FEM scores through the Higg platform. More than 50% of our supply chain partners are now connected with us on the Higg.

Standards & Certification

MAS has also adopted the following external standards and certifications within our facilities.

ISO 14001	OHSAS 18001	ISO 9001	WRAP	ISO 14064	ISO 50001	Oeko Tex 100	SMETA
38	22	14	12	41	5	11	4

MAS Calibration Tool

We continued to implement our internal MAS Calibration Tool V 2.0 with the new modifications added in 2018. The tool acts as a guide for all our manufacturing facilities to assess, benchmark rate and improve their operations by implementing minimum requirements and additional recommended actions. Audits were carried out at over 50% of our facilities throughout 2019.

The Calibration Tool has evolved to the next level with updates to its lighting, electrical, compressed air, boiler sections with the support of internal resources. The changes are openly debated and finalized with all energy managers and sustainability champions within the group.

MAS will next converge other tools to the Calibration Tool, and it will be the sole improvement and minimum baseline for environmental-friendly practices inside all facilities.



AWARDS AND RECOGNITION

The year 2019 was one of appreciation for most of our divisions, with MAS being recognized at many public forums and national awards ceremonies for its contributions to sustainability.

At the Presidential Environmental Awards 2019, MAS received 7 awards for its outstanding commitment to compliance and environmental sustainability. The Presidential Environment Awards is organized by the Central Environmental Authority (CEA) to reward the unique contribution made to the field of environmental conservation and protection.

MAS Active Asialine was presented a Gold Award, MAS Kreedaa Shadeline a Silver Award, Methliya a Bronze Award, Linea AITC a Bronze Award, and MAS Kreedaa Synergy a Merit Award in the apparel industries category. In addition, Textprint was presented a Silver Award and Noyon Lanka a Bronze Award in the textile and textile processing category.



MAS was also recognized for its contribution to ocean conservation and protection at the Galle Dialogue International Maritime Conference 2019 organized by the Sri Lanka Navy under the auspices of the Ministry of Defense. Held under the theme 'Refining Mindset to Address Transnational Maritime Threats; A Review of the Decade', the event hosted maritime partners from 55 countries, 12 international organizations and 3 defense industries.

Eranthi Premaratne, Director of Sustainable Business at MAS KREEDA, was recognized as one of Asia's Top Sustainability Superwomen.

In 2019, 27 outstanding women leaders from 11 countries were selected as Asia's Top Sustainability Superwomen, an annual listing of exceptional female sustainability leaders in the region. They were chosen out of 126 nominations from 20 countries across Asia.



CHAMPION CLIMATE ACTION



Throughout 2019, MAS continued on a path of generating more renewable energy than we consume by supplying the Sri Lankan national grid and actively seeking to power our own operations with renewable alternatives.

Through MAS Photon, we established Sri Lanka largest multi-site rooftop solar installation with over 18 MWp of capacity installed on 25 rooftops. MAS generated over 19 Gigawatt hours (GWh) of solar energy in 2019 and supplied over 16.7 Million kilowatt-hours (kWh) of electricity to the national grid throughout the year.

RENEWABLE RUN

2025 GOAL: Generate more renewable energy than we consume

For years, MAS has pursued its goal to generate more renewable energy than we consume in the belief that it is a more authentic purpose to try and create balance given our large energy footprint. In 2019, we raised this level of ambition to start looking at our emissions footprint more closely and with greater urgency. Our solar run has seen 57,000 solar panels installed across 1 million square feet across 25 sites that now generate enough electricity to power over 22,000 Sri Lankan homes. Approximately 52% of MAS currently runs on renewable energy and we are over the halfway mark of achieving our 2025 goal of generating more renewable energy than we consume in our operations.



2025 TARGET

Generate more renewable energy than we consume

52% of MAS runs on renewable energy

57,000 solar panels across 1 million square feet with **18.1 MWp capacity**, enough to power over 22,000 homes.

Helped develop the Food and Agriculture Organization's (FAO) **sustainable fuel wood standard for Sri Lanka**

Caring for Climate



Sri Lanka's Largest Solar Rooftop Project

In 2017, we set out a roadmap to tackle our emissions footprint by installing and generating more renewable energy than our operations consume. To this end, MAS looked at our own extensive built space and considered using the acres of rooftops on our manufacturing facilities as solar fields.

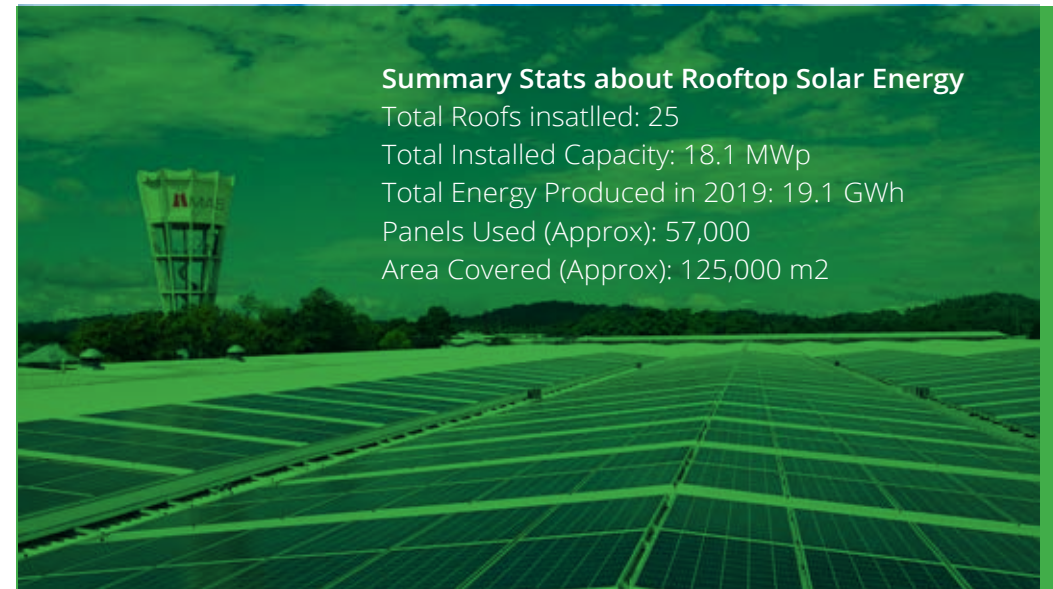
Our solar journey started in 2008, by equipping MAS Intimates Thurulie with 25.6 MWp of solar. In 2014, MAS commissioned 1 MWp at MAS Fabrics Matrix, Thulhiriya, which became South Asia's largest rooftop installation at the time.

With the introduction of the Net Plus Scheme in 2017, MAS Photon was created to boost the development of solar PV on rooftops. By the end of 2019, the teams were able to complete all Phase-1 facilities with just two pending grid connections.

By 2019, MAS was able to use 25 of their rooftops either fully or partially to convert solar energy to electricity.



There were several challenges faced by the Photon team during the execution of the project. First, during site selection, there was huge demand from MAS facilities



Summary Stats about Rooftop Solar Energy

Total Roofs installed: 25
 Total Installed Capacity: 18.1 MWp
 Total Energy Produced in 2019: 19.1 GWh
 Panels Used (Approx): 57,000
 Area Covered (Approx): 125,000 m²

to be on the list of pioneering facilities with solar rooftops. Due to the complexity and scale of the project, MAS decided to break the project into two phases. Considering that most of our facilities have been operating for over 20 years, MAS had to repair most of the roofs to accommodate the fixing of the solar panels. There were several sites that had to be abandoned after structural evaluations regarding the extra loading of solar PV systems. Since MAS entered the Net Plus race from the beginning, some of the facilities were the first of its kind to be commissioned by the regulator of the system. Hence, there was additional scrutiny from both the regulator and the Photon team to ensure the best results.

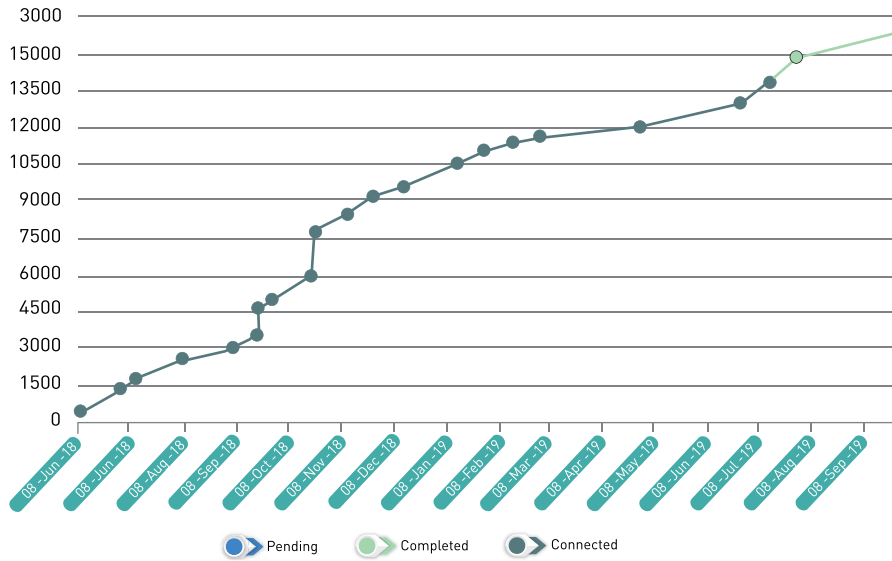
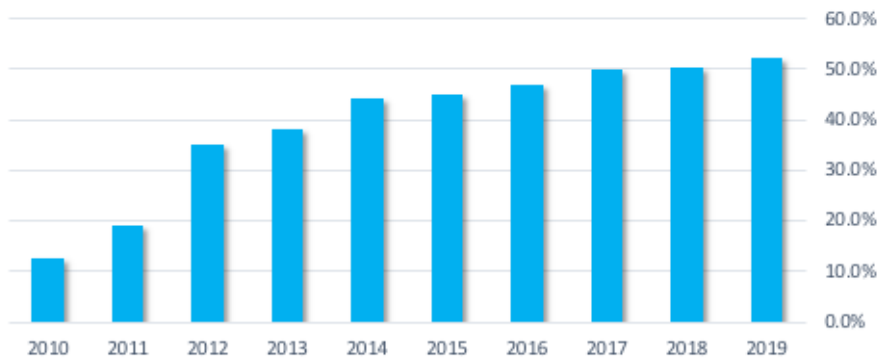


Figure: Solar Capacity Ramp Up through MAS Photon

#	Plant Name	DC Capacity (kWp)	Country	Project	Scheme
1	Thurulie	26	Sri Lanka		Net Metering
2	Linea Aqua -Hanwella	375	Sri Lanka		Net Metering
3	Linea Aqua -Naiwala	5	Sri Lanka		Net Metering
4	Matrix	995	Sri Lanka		Net Metering
5	MDS	328	Sri Lanka		Net Metering
6	LIFI-1	100	India		Net Metering
7	IFI-1	300	India		Net Metering
8	Bodyline I	1,957	Sri Lanka	Photon - Phase 1	Net Plus
9	Bodyline II	351	Sri Lanka	Photon - Phase 1	Net Plus
10	Asialine	393	Sri Lanka	Photon - Phase 1	Net Plus
11	Nirmaana	375	Sri Lanka	Photon - Phase 1	Net Plus
12	UPL Panadura	1,582	Sri Lanka	Photon - Phase 1	Net Plus
13	Shadowline	824	Sri Lanka	Photon - Phase 1	Net Plus
14	Slimline	1,097	Sri Lanka	Photon - Phase 1	Net Plus
15	Slimtex	575	Sri Lanka	Photon - Phase 1	Net Plus
16	Casualline	1,070	Sri Lanka	Photon - Phase 1	Net Plus
17	Linea Clothing*	606	Sri Lanka	Photon - Phase 1	Net Plus
18	Linea Intimates	369	Sri Lanka	Photon - Phase 1	Net Plus
19	Linea Intimo	933	Sri Lanka	Photon - Phase 1	Net Plus
20	Synergy	690	Sri Lanka	Photon - Phase 1	Net Plus
21	Vidiyal	937	Sri Lanka	Photon - Phase 1	Net Plus
22	Vaanavil	1,847	Sri Lanka	Photon - Phase 1	Net Plus
23	UPL Koggala	989	Sri Lanka	Photon - Phase 1	Net Plus
24	Noyon	991	Sri Lanka	Photon - Phase 1	Net Plus
25	Sleekline	351	Sri Lanka	Photon - Phase 1	Net Plus
TOTAL		18,064			

Table : All rooftop Solar PV installations of MAS

Annual % of Renewable Energy Contribution in the MAS Energy Mix



OVERALL EMISSIONS 2018 | ISO 14064:2006

Measured in CO₂e Metric Tons

SCOPE 1 Direct	15,409.00
SCOPE 2 Purchased Electricity	106,928.00
TOTAL	122,337.00

Our greenhouse gas emissions were independently verified by TÜV Nord as per the ISO 14064-3 standard for 2018. The company boundary encompasses Scope 1 and 2 of MAS Capital business operations in Sri Lanka but excludes all Scope 3 emissions.

46 of our facilities in Sri Lanka received ISO 14064-3:2006 certification with a 'Reasonable' level of assurance for 2018. MAS continued to measure its emissions footprint in 2019.

SAVING ENERGY

2025 GOAL: reduce our energy intensities by 50%

ENERGY MANAGEMENT SYSTEM (EMS)

Since 2011, MAS has been deploying the Schneider Energy Management System, which has been connected to measure major electricity usage points stored in a centralised server. The EMS can be addressed through the internet to check the facilities' energy consumption from home for all energy managers who have a valid username and password. The system currently has the capability to measure electricity and water, and will be extended to steam measurement.

Snapshot of Schneider Energy Management System

No. of sites connectd: 45
Gateways connected: 70
No. of metering points connected: 794
No. of routinely subscribed reports: 160

Thanks to the EMS, MAS engineers have access to energy-related information in real time.

- Dashboards of comparative energy usage
- Logical Meter View and Instantaneous Parameter view
- Logging of any trend parameters for a short time including power quality
- Energy statistics for the last 5 years at 5 min or 15 min intervals.
- Custom reports on Time of Use, Shift, Cost, Power usage, etc.
- Alarm view

The most useful aspect of the system is the subscribed reports, which allows users to generate reports at any given time and automatically forward them to their email. An example of this use would be the running of the Cost Report on the 1st day of every month. MAS' energy managers usually generate weekly reports, department-wise, to see that the departments operate within the budgeted costs.

In 2019, we connected MAS Intimates Sumbiri facility as a foreign facility. MAS was also able to capture ultrasonic water meters into the system.

As MAS has been investing in supply chain integration, we are currently measuring the energy intensity ratio based on production activity. The following methodologies are used for each type of production:

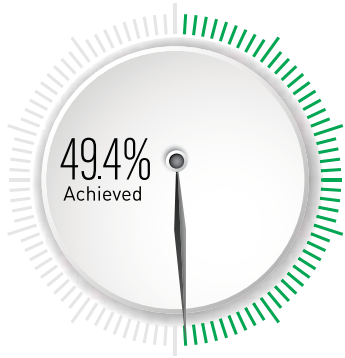
Energy KPI BY ACTIVITY				% Reduction		Measurement method
Activity	2010	2018	2019	2010/2019	2018/2019	
Apparel	10.08	7.53	7.84	22%	-4%	Energy (MJ)/ Standard hours
Fabric processing	110.42	80.16	78.89	29%	2%	Energy (MJ)/Kg produced
Apparel component	81.42	35.56	43.27	47%	-22%	Energy (MJ)/ Standard hours
Apparel Accessory		2.79	2.54	0%	9%	Energy (MJ)/ Turnover
Seamless knitting	145.44	136.29	117.72	19%	14%	Energy (MJ)/Kg produced

Activity	Denominator	Description of product
Apparel	Standard hours	Cutting and sewing of garments
Textile	Kg produced	Fabric mills with a range of outputs: Fabric, Printed fabric, Lace, Elastic
Apparel accessories	Turnover	Fabric accessories such as hook and eye, bows, edging, underwire
Apparel components	Standard hours	Internal components of garments
Seamless garment knitting	Kg produced	Yarn to knitted garment production

Textile sector: Textile, knitting and elastic manufacturing made a combined reduction of 24.7% from the base year, already achieving the 2020 target.

2025 TARGET

Reduction of energy intensity by 50% (from 2010 baseline)

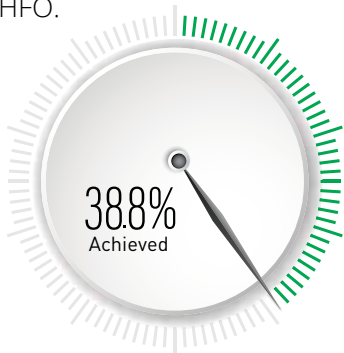


The textile divisions have reduced their usage to 86.7 MJ/kg from the base year energy intensity of 115 MJ used to produce a kilogram of product.

Apparel sector: Apparel and apparel component manufacturing made a combined reduction of 19.4% from the base year.

Apparels have reduced their usage from 11.4 MJ/Standard hours to 9.2 MJ/Standard hours from the base year.

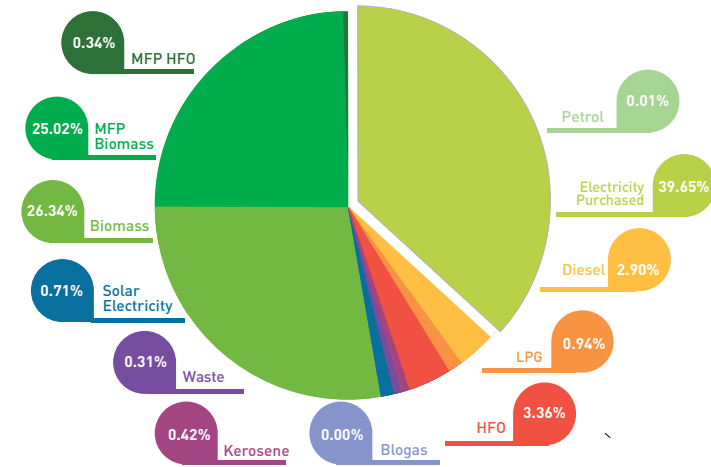
In Sri Lanka, our purchased electricity accounted for 39.65% of our total energy mix. Purchased heat and steam are produced by MAS Fabric Park, and are therefore accounted for under non-renewable and renewable fuel as MFP Biomass and MFP HFO.



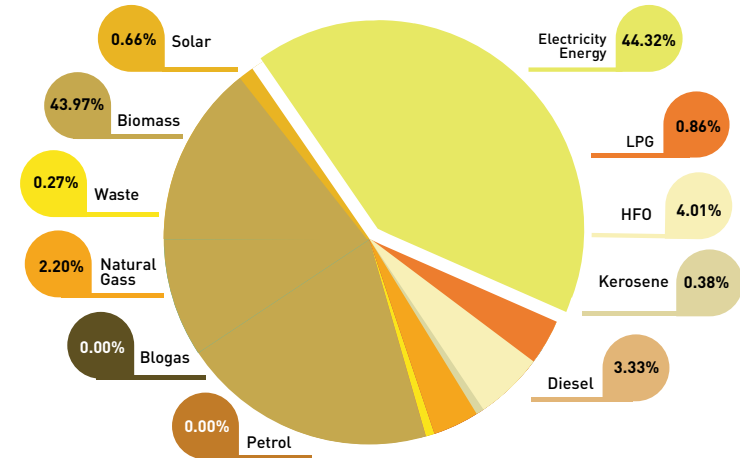
2025 TARGET

Reduction of energy intensity by 50% (2010 baseline)

ENERGY PURCHASED (MJ): SRI LANKA



ENERGY PURCHASED (MJ): MAS GLOBAL FOOTPRINT



Note: All fuel data is based on fuel purchased. Heating and steam purchases from MAS-owned BOI zones are excluded and calculated as part of fuel consumption. All non-manufacturing sites outside of Sri Lanka are excluded in energy calculations. Waste to energy factors are based on an average of published factors. Energy sold to the grid through the Net Plus program is excluded since it is a carbon credit project. Source for conversion factors: <https://ghgprotocol.org/calculation-tools>

Sustainable Biomass

Biomass is a significant source of energy for MAS textile facilities. Biomass is used in our boilers to generate energy and steam, and is a clean alternative to coal, which is still used widely in the industry globally.

The biomass industry in Sri Lanka has always been an informal sector with little regulation. In 2019, MAS was a key proponent of sustainable biomass and drove initiatives to actively engage with our suppliers to incorporate sustainability and transparency within our supply chains.

MAS was one of the industry stakeholders that were consulted by Sri Lanka Standards Institute (SLSI), with the support of Food and Agricultural Organization (FAO) and United Nations Development Plan (UNDP), to develop a sustainable fuel wood standard for Sri Lanka. This was done in the hope that this standard may be adopted by all vendors. As a result, Sri Lanka's first-ever sustainable fuel wood standard "SLS 1551: 2016 Principle criteria and indicator for sustainably produced fuel wood" was formulated in 2016, and prioritized environmental sustainability as well as the health and safety of workers in the fuel wood industry, which is in alignment with MAS policies. While establishing this voluntary standard is a first step in formalizing the fuel wood industry in Sri Lanka, to-date, this industry remains without any formal directive from the government.

In spite of this, MAS has taken a proactive initiative to record and measure the biomass purchases based on wood type, which was used to determine the level of sustainability and traceability within our supply chain. Higher priority was given to utilize invasive fuel wood species, designated fuel wood species such as *Gliricidea* and sustainably sourced rubberwood with replanting commitments from suppliers.

The use of invasive as a fuel food was a particularly interesting initiative, as the invasive plants growing out of control in our national parks were causing a significant negative impact to the biodiversity of the area, and careful removal of these plants ensured a safer habitat with food security for the wildlife residing within the parks.

In 2019, MAS successfully introduced *Prosopis juliflora* (locally known as "Kalapu Andara"), an invasive species that has spread across the southern coastline of Sri Lanka including in key national parks, to be used as a sustainable biomass source in Stretchline's boilers. An unforeseen, but highly welcome, benefit of lower energy intensities was also observed during this period. This was due to the lower moisture content of the wood type, which contributed to better energy efficiencies.

MAS is committed to increase the percentage of verified sustainable biomass sources and explore more environmentally friendly fuel wood alternatives in the immediate future.

MAS will continue to be a key stakeholder in government, non-governmental and private sector initiatives that strive towards formalizing and ensuring the sustainability of the local fuel wood industry.

SAFEGUARD WATER

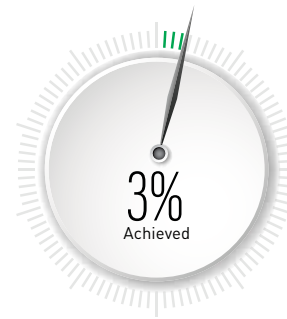


From using 300 L/kg produced, they have reduced their water usage to 186.7 L/kg produced.

Activity	Water Intensity			% Reduction		Measurement method
	2011	2018	2019	BY/2019	2018/2019	
Fabric processing	259.1	176.2	170.5	34.20%	3.26%	Liters/Kg Produced
Apparel Accessory	384.3	282.0	251.7	34.49%	10.72%	Liters/Kg Produced
Seamless knitting	475.9	306.3	242.5	49.05%	20.84%	Liters/Kg Produced

2025 GOAL: Reduce our water intensities by 75%

Efficient water usage, building greater resilience in the face of increased drought periods and floods, and effective management of heavy rainfall events, as well as responsible wastewater disposal, are important goals for MAS. All divisions and SBUs within MAS continuously collaborate to address these issues through the development of new and better tools for metering and analyzing consumption, and improving the efficiency of our usage in manufacturing and for our people.



GOAL: Reduce our water intensities to 40 L per head per shift in the apparel sector.

Apparel sector: From the 30 MAS Apparel facilities, 18 have achieved an intensity below 55 L/per head per shift. Water remains a challenge for our apparel divisions who have not yet achieved a water intensity below 50 L per head per shift.

Activity	Water Intensity			% Reduction		Measurement method
	2013	2018	2019	BY/2019	2018/2019	
Apparel	59.7	57.4	58.7	1.76%	-2.24%	Liters/person per 10 hour shift
Knitting	0.0	171.1	206.5	14.13%	-20.65%	Liters/person per 10 hour shift
Apparel component	135.3	78.5	78.5	42.00%	-0.03%	Liters/person per 10 hour shift

Approx. 68% of MAS' total water was used for textile processing, while 32% was used for human consumption. Almost one-third of this supply comes from inside our own water treatment plant at the MAS Fabric Park in Thulhiriya.

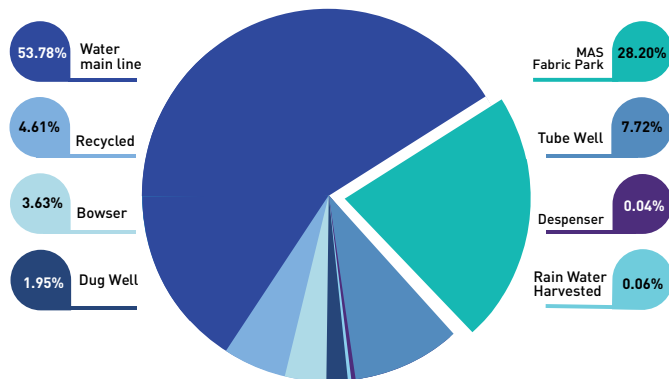


Using Water Wisely

GOAL: Reduce our water intensities by 75% in the Textile sector

Textile sector: Textile, seamless knitting and elastic manufacturing made a combined intensity reduction of 37.7% from the base year of 2011.

WATER BY SOURCE IN MAS' SRI LANKAN OPERATIONS IN 2019



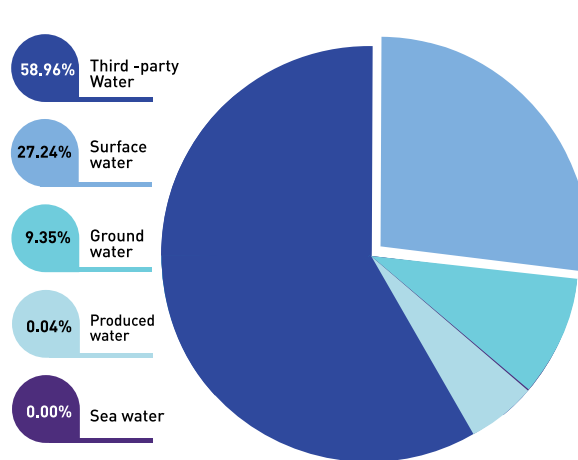
Approx. 53% of water withdrawn for our manufacturing facilities is supplied by the Sri Lanka Water Board's central line.

There are 6 MAS facilities that are supplied with water from MAS Fabric Park in Thulhiriya, which has its own in-house water treatment plant. This water is extracted from the Maha Oya River and is treated internally, and accounts for 28% of our total water supply.

Similarly, 10% of our water is directly extracted from tube wells and dug wells usually in areas that do not have access to a main line or has low water supply.

Over 5% of the water used by MAS is from rainwater harvesting and recycled from our sewage treatment plants. Over the years, we have sought to raise the volume of water we recycle back into our system. Thanks to continuous innovations by our teams, MAS also reuses water used in our air conditioning systems, which is currently only measured and managed at facility level.

MAS WATER WITHDRAWAL BY SOURCE IN 2019



WATER DISCHARGED

All MAS facilities are required to align with the Board of Investment (BOI) or Central Environmental Authority (CEA) tolerance limits for effluent wastewater discharge at a minimum, and regular testing is carried out at facility level as per BOI or CEA recommendations to ensure compliance. Wet processing (dyeing and printing) facilities of MAS conduct bi-annual wastewater testing against the Zero Discharge of Hazardous Chemicals (ZDHC) Wastewater Guidelines (WWG), and all facilities are compliant to the standard. The ZDHC WWG is a tough and rigorous guideline that requires much innovation and hard work by our teams to comply with.

1. Water Used for Our Processes such as Dyeing and Embellishment

Process wastewater or industrial wastewater discharged is pre-treated within our facilities as per BOI standards and then sent to a central effluent treatment plant for secondary treatment, which is managed by the Industrial Processing Zones (IPZs). Pre-treated wastewater is regularly tested by facilities and meet the regulations specified by the industrial zone. After central effluent plant treatment, the water is discharged as per local environmental guidelines and regularly tested by the industrial zone.

2. Water Used for Human Consumption

Wastewater resulting from human consumption (domestic wastewater) is directly discharged to central effluent treatment plants managed by the Industrial Zone. Central effluent treatment plants meet the regulatory requirement of Sri Lanka before being released to flowing water.

In some areas, domestic wastewater is discharged to an in-house sewage treatment plant in the facility and recycled for gardening and toilet flushing, with the remainder being discharged as per local regulatory requirements. At MAS, domestic wastewater discharge is tested regularly as per Sri Lankan legislations.

RESPONSIBLE CHEMICAL USE



2025 GOAL: Become zero-toxic in our products and processes.

Around the world, major brands are increasingly under pressure to adopt policies and procedures that limit the use of hazardous chemicals in their products, processes and global supply chains. MAS had a head start in tackling toxicity thanks to the establishment of our chemical workstream in 2013. Scientific evidence continues to implicate products and packaging as a daily source of human exposure to toxic chemicals that are linked to chronic disease, disability and cancer, as well as early death. These have been considerations we take seriously in our Chemical Management Policy that keeps evolving over the years.

The year 2019 proved to be a critical year where we expanded our chemical management strategy to our supply chain. Our framework is based on three critical focus areas (Input, Process and Output), and we are implementing this same framework to benchmark and support our supply chain partners in detoxifying ourselves from the inside.



Our zero -toxic mission has gathered momentum over the years thanks to continuing collaboration with ZDHC group. In 2019, we continued to work closely with brands, peers and suppliers to bring the global industry into one cohesive standard on zero toxicity.

Through our Input stream management, we ensure safer chemicals are used in all our operations. The aim is to ensure that we have a safer environment, people and product. Our Process pillar makes the connection between Input and Output, where we ensure safer inputs are used in a correct way within our facilities. In the Output focus area, we measure our water and air quality to validate our input and process management practices. Inside MAS, we use the globally recognised ZDHC Chemical Gateway, our own MAS Environmental Calibration Tool or SAC's Higg Facility Environmental Module (FEM), and the ZDHC Wastewater Guideline to benchmark Input, Process and Output.

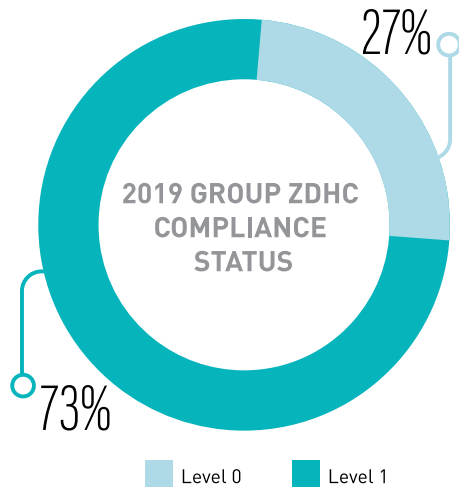
In 2019, MAS achieved many milestones in each of these areas at our facilities and supply chain as well.

73% of MAS chemicals are at ZDHC Level 1 status

All MAS wet processing plants aligned with **ZDHC wastewater guidelines**

Over **50% of our subcontractors** have ZDHC Chemical Gateway Level 1 products or above.

Input Stream Management



We have worked incredibly hard to bring more than 70% of our process chemicals to comply with ZDHC Manufacturing Restricted Substances List (MRSL). Over 70% our chemicals are registered in the ZDHC Chemical Gateway Level 1 or above. This ensures that MAS is using safer chemicals in the operation, and we hope to raise this achievement to 100% compliance in 2020 for chemicals used in our dye houses.

We have introduced safer commodity chemicals to dye house operations (caustic soda, acetic acid, etc.) Many research studies show that

commodity chemicals could have chemicals that are banned by the ZDHC MRSL. Therefore, MAS collaboratively worked with suppliers to introduce safer commodity chemicals in 2019 to dye house operations.

We have continued to introduce safer non-production chemicals in 2019, especially to janitorial chemicals, spot cleaning and embellishment operations.



In 2019, we implemented the Scivera system at MAS. Scivera is a platform to create better products via better chemical management. MAS will use the Scivera platform to move beyond the compliance framework and to achieve our 2025 vision of being 'zero-toxic in our products and processes'.

Process

In 2019, we conducted chemical assessments in all local facilities as per the MAS Environmental Calibration Tool and have ensured that we have the correct chemical management processes in place.

We have conducted two awareness sessions to all chemical suppliers to update our chemical management strategy and best practices.

We have also conducted chemical innovative projects in our facilities to replace chemicals with the ZDHC Chemical Gateway Level 0 rating.

Some of our facilities completed the Higg Index FEM assessment in 2019, and have achieved 'Aspirational' limits in the Chemical Management section.

Output

No. of SBUs meeting ZDHC WWG

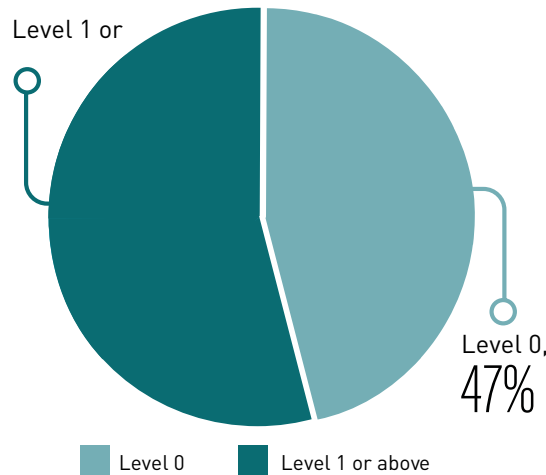
2014 – 6 SBUs
2015 – 7 SBUs
2016 – 9 SBUs
2017 – 9 SBUs
2018 – 11 SBUs
2019 – 10 SBUs

Outputs of our manufacturing processes include finished products, as well as wastewater and air emissions. Managing these outputs is a foundational component of reducing the discharge of hazardous chemicals within all our facilities. We have systematically increased the number of facilities that meet the ZDHC Wastewater Guidelines over the years. The WWG is a tough and rigorous guideline that requires much innovation and hard work by our teams to comply with. In 2019, all our wet processing facilities aligned with the ZDHC guideline, which validates that MAS facilities don't discharge any hazardous chemicals to the environment.

Supply Chain Engagement and Conversion

Our subcontractors remain the most vital yet challenging link in our supply chain as they meet market demands of many players and are yet accountable to a few. Over the course of 2019, the MAS chemical team concentrated much of its energies on onboarding all our subcontractors to the ZDHC Gateway by educating them on the dangers and consequences of non-compliance and the ethical responsibility of manufacturing, while doing no harm to the environment or the people involved in that process.

ZDHC MRSL COMPLIANCE OF SUBCONTRACTORS



We implemented the ZDHC Chemical Gateway for all our embellishment subcontractors, and they have achieved an average of 50% ZDHC Chemical Gateway Level 1 or above products.

We have conducted awareness sessions for subcontractors on Higg FEM implementation and maintained regular follow-ups to support them.

We have implemented Higg FEM in 2019 for all our embellishment subcontractors and completed on-site verifications internally.

In 2020, all our subcontractors are required to meet the Level 1 score for the Chemical Management module in the Higg FEM.

All our embellishment subcontractors completed ZDHC Wastewater testing in 2019.

In 2019, MAS implemented Higg FEM at the top 10 RM suppliers of each division. About 67% of our suppliers have registered to the Higg FEM platform and have completed the self-assessment.



TRANSFORM WASTE



2025 GOAL: Value enhance all our waste

MAS revamped its waste management policy in 2019, with a single-use plastic policy that aims to eliminate single-use plastic from our operations by 2025. We also diverted 98% of our waste from landfills and continued to find ways to recycle, reuse and upcycle all our materials as often and as in more volumes as we can. Our Oceans Project manifested itself in the form of a World Cup jersey for the Sri Lanka Cricket team made completely from recycled ocean plastic from our beaches. We also set ourselves a vision to help Sri Lanka become a zero-waste island with the launch of a new project to take our waste management approach to the outside world.

Types of Waste

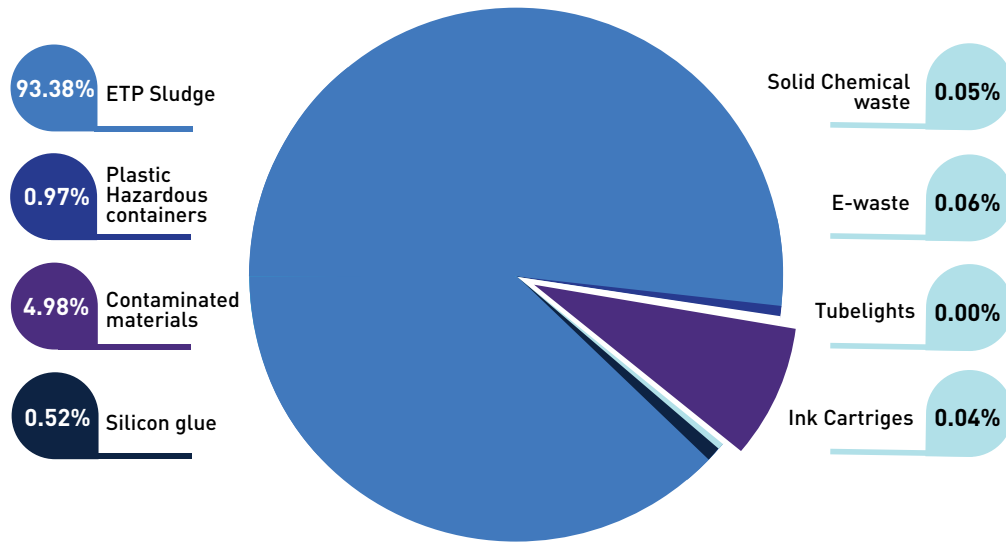
In 2019, we diverted 98% of our waste from landfills and continued our mission to reuse, recycle and upcycle as much of our waste as we can. We also won recognition for our innovations in waste, with MAS being applauded for its cleaner production methods by the National Cleaner Production Center of Sri Lanka.



Over the years, we have created a meticulous categorization of our waste with 35 different types of waste that we have broken into 15 types of hazardous waste and 20 non-hazardous

types. Approx. 98% of all our non-hazardous waste is diverted from landfills and 47% of our waste is already value enhanced by way of recycling, reusing, upcycling or being turned into a new resource.

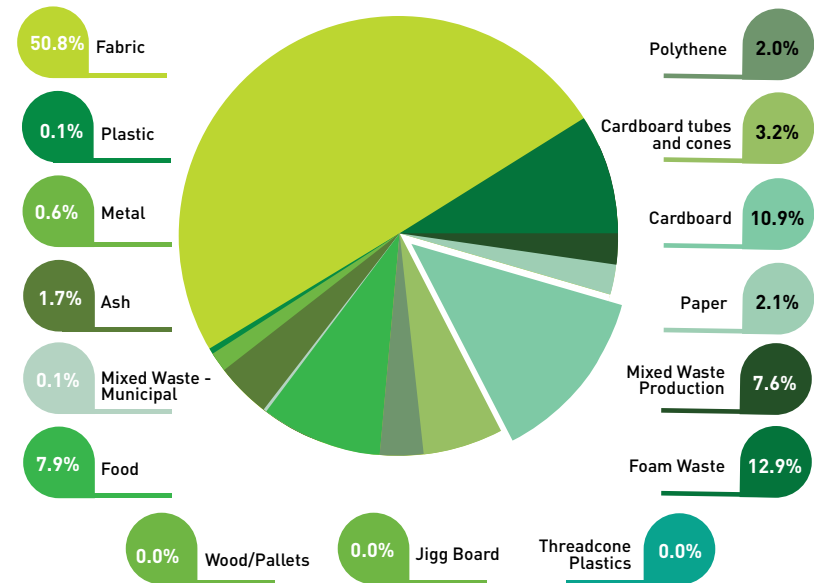
HAZARDOUS WASTE BY TYPE



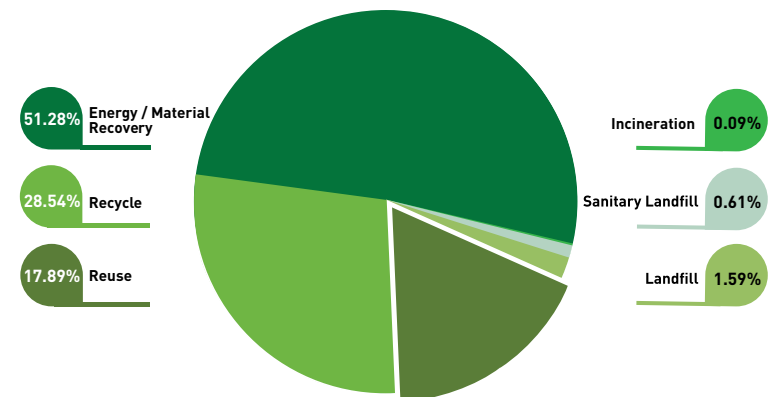
Approx. 98% of all our hazardous waste goes to energy recovery, while 2% such as cans are reused.

Refer Chemicals and Water for more details on how we tackle our hazardous waste as per ZDHC WWG and local regulations.

WASTE PRODUCED BY MAS' SRI LANKAN OPERATIONS IN 2019



TOTAL NON HAZARDOUS WASTE BY DISPOSAL METHOD IN SRI LANKAN OPERATIONS



Oceans Project: A World Cup Jersey from Ocean Plastic

Plastic is taking a toll on our oceans and we all know it. In 2019, we took our 4-year Oceans Project into the spotlight by launching the World Cup Cricket Jersey for the Sri Lankan team made from our island's own ocean waste.

Repurposing the PET plastic that pollutes miles and miles of our beaches was a goal we set ourselves in 2015. We opened a dialogue with the Sri Lanka Navy and our recycling partner Eco Spindles for an alliance that brought tonnes of waste plastic into the recycling process and then in turn into our manufacturing process.

The result was that, in the first 3 quarters of 2019, MAS along with Eco Spindles turned 36,000 PET bottles from our own ocean plastic into 35,000 yards of recycled polyester.

"The MAS-SL Navy Oceans Project is one that will positively impact our coastline, marine life and coastal communities. The navy has a unique perspective on the impacts of plastic, and we see the potential that this project and other public-private partnerships have to preserve our nation for future generations," Navy Commander Piyal de Silva commented.



The Oceans Project was launched in 2015 when MAS began a dialogue with the Sri Lanka Navy who were already clearing up to 800kg of coastal waste each week through an especially established Marine Conservation and Monitoring Unit (MCMU). Our intention was to find partners to produce a closed loop solution for the ocean plastic problem on our island's beaches. This led to the signing of a Memorandum of Understanding (MoU) in 2016 between MAS and the Sri Lanka Navy to upgrade the existing project to a comprehensive waste collection and segregation initiative. As a part of its initial involvement, MAS donated three plastic crusher machines to the Sri Lanka Navy, for installation at selected waste collection sites.





ENTER SRI LANKA CRICKET: The MAS–Sri Lanka Cricket partnership is over 10 years old and focused heavily on elevating performance characteristics of apparel to support the national cricket team in optimizing their on-field execution of the game. The Ocean Plastics project gave MAS a different perspective of sustainably advancing both the process and product with already mastered technologies such as moisture management and 4 years of deep research into waste management.

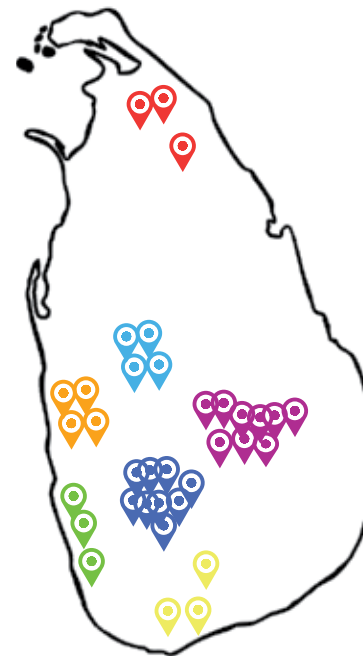
MAS designers chose the sea turtle as an important part of Sri Lanka's coastal ecosystem, as our shores provide abundant nesting for 5 of the 7 existing species of sea turtles in the world. Jellyfish and seaweed make up a large share of their diet, so it came as no surprise that sea turtles were falling victim to Sri Lanka's marine pollution, vulnerable to waste at all stages of life from eggs to hatchlings, and from juvenile turtles to adults. The Ocean's Plastic project contributes to reducing the pollution caused by waste plastic in our coastal waters, and to mark this, the design element of the jersey represents sea turtles.

Pirisidu Lanka (Clean Lanka)

MAS identified waste management as a key problem in Sri Lanka. In 2019, we launched “Pirisidu Lanka” (Clean Lanka) as a platform for efficient control of waste in all parts of Sri Lanka with an ultimate vision to create a “Waste Free Sri Lanka by 2030”.

Through this project, we hope to convert our own facilities into model facilities that follow the best waste management processes, as well as create awareness on waste management and support such endeavors within communities located around our facilities.

The focus of the overall project will be to assist the community in training and developing a central and provincial body of planners and trainers who will be in charge of implementing ambitious national waste goals through the 7R strategy, contributing to effective management of the consumption of limited resources. In addition, the project will particularly look into ways to create networks to manage waste and contribute to achieve financial growth.



CLEAN CORES

Implement Pirisidu Lanka inside all MAS facilities. Create model facilities that send zero waste to landfill and adopt 7R principles while innovating to value enhance all waste.

CLEAN SPACES

Implement Pirisidu Lanka across key locations within a 5 km radius from MAS SBUs. Focus on increasing litter-free spaces and help to establish business models and economies of waste while inspiring behavioural change.

CLEAN FUTURES

Replicate Pirisidu Lanka with other stakeholders (including apparel industry, FMCGs etc) and increase the areas of impact across Sri Lanka while influencing national legislation and policy change.

Our vision: A zero-waste island by 2030 and a country with people who respect and actively care for their environment.

- We will consistently work on our own zero waste goals & inspire innovation within MAS
- We will intervene in improving waste infrastructure and education in and around our facilities
- We will build a movement on how we perceive and treat waste to change behaviour at a higher scale

Pirisidu Lanka Community Project: Kilinochchi Madya Maha Vidyalaya

MAS chose Kilinochchi as one of the primary key areas after careful consideration as there are two MAS facilities located in this area. While improving the waste management practices within our facilities, MAS wished to extend this support to the surrounding community, starting with an awareness and school clean-up program at Kilinochchi Madya Maha Vidyalaya. We invited more schools in the surrounding area to participate, in order to create a community that would collectively work towards achieving our zero-waste goals.

- We facilitated workshops for knowledge enhancement by explaining efficient waste management mechanisms and good hygiene habits, with a few other schools being invited to participate for this workshop and the activities.
- We conducted school clean-ups with the support of the school children, MAS and other volunteers.
- We distributed 93 waste bins to be placed at strategic locations in the school.



SUPPORT A THRIVING PLANET



RESTORING WILD SPACES

2025 GOAL: Restore habitats in 100 times the space we occupy

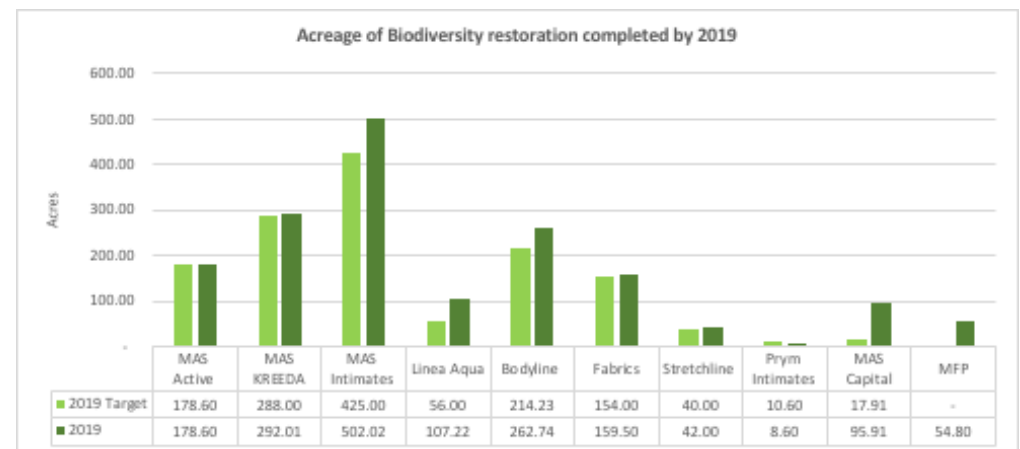
Around 3 years ago, we asked ourselves ‘How can we help restore the biodiversity we may have either displaced or destroyed by our physical presence?’ This simple question grew into a more ambitious vision – and in 2017, MAS made a pledge to take radical climate action to continuously manage the footprint of its business and to directly support biodiversity by creating habitats in 100 times the area it occupies by 2025. This meant restoring habitats across 25,000 acres by 2025.

Conservative estimates say Sri Lanka is losing 8,000 hectares of forest cover each year, and more critically, we are losing our precious endemic species of flora and fauna at alarming rates. Knowing that growing trees alone wouldn’t help the problem of biodiversity loss, MAS picked 6 models to engage and deploy habitat creation from all fronts: Restoration, Afforestation, Invasive Removal and Enrichment, Analog Forestry/Social Forestry, Forest Gardens, and Conservation.

MAKING SPACE FOR NATURE

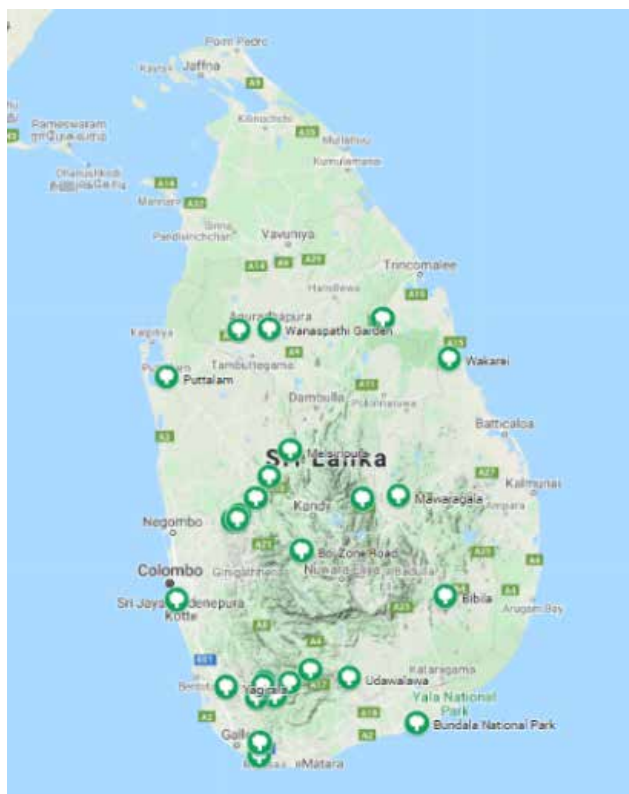
Wildlife habitats and growth of natural forests are critically challenged on small islands like Sri Lanka where agricultural and human land use, as well as illegal clearing of forest lands, are rapidly depleting our natural and wild spaces. This was the primary reason we made biodiversity one of our key ambitions in 2017, despite it having no link to the business directly except for the vital fact that without a balanced ecosystem no business or community could thrive in the long term.

41 projects across Sri Lanka | **1,703 acres of habitat restoration** | **2nd aerial reforestation.**



Journey to 25,000 Acres

Since 2017, our biodiversity goal was to create or maintain wild spaces for nature to thrive and help develop better communication and linkages between communities and their eco-systems so people themselves learn to protect these habitats. In 2019, we continued expanding over 41 of our projects across Sri Lanka to restore habitats across 495 acres, which helped us completed this critical work across 1,703 acres as part of our goal.



Project	Sum of Acres	Project Type	Division/s
Aerial Reforestation- Ampara	60	Restoration	MAS Capital
Aerial Reforestation- Nochiyagama	5.5	Restoration	MAS Capital
Alawwa Restoration	0.5	Restoration	MAS Fabrics
Attidiya Restoration	3	Restoration	MAS Intimates
Badagamuwa forest Restoration	29	Invasive Removal	MAS Fabrics
Bundala Invasive Removal	460.96	Invasive Removal	Bodyline, Linea Aqua, MAS Capital, MAS Fabrics
Dellawa/Sinharaja Analog Forest	20	Analog Forest	MAS Intimates
Galgamuwa roadside planting project	5	Restoration	Matrix
Highway Tree planting project	7.02	Restoration	MAS Intimates

Hiniduma forest Restoration	3	Restoration	Linea Aqua
Horakantheliya forest Restoration	12.41	Restoration	Linea Aqua, MAS Capital
Kandy Roadside Tree Planting project	4.5	Restoration	Noyon Lanka
Kanthale Afforestation project	8.6	Afforestation	Prym Intimates
Koggala Mangroves Restoration	20	Restoration	MAS Intimates
Koskale forest Restoration	1	Restoration	MAS Fabrics
Linea Forest Conservation project	2	Conservation	MAS Intimates
Mawaragala EXP- Alikandura Restoration	24.7	Restoration	MAS KREEDA
Mawaragala EXP- Udayaya Restoration	24.7	Restoration	MAS KREEDA
Mawaragala/Mahiyanganaya Restoration	25.7	Restoration	MAS KREEDA
Melsiripura Restoration Project	25	Restoration	MFP
MFP Giriulla Forest Garden	4.8	Forest Garden	MFP
MFP Thulhiriya Forest Garden	13	Forest Garden	MFP
Naugala restoration project	1	Restoration	Matrix
Poonaryn mangrove Restoration	26	Restoration	MAS Intimates
Puttalama Invasive Removal	123.5	Invasive Removal	MAS KREEDA
Rakwana Restoration	14	Restoration	MAS Intimates
Singharaja Invasive Removal	21.36	Invasive Removal	MAS KREEDA
Thuru viyana Analog Forest	1.5	Analog Forest	Bodyline
Thuruwadula Analog Forest	12	Analog Forest	MFP
Udakiruwawe Conservation	5	Conservation	MAS Intimates
Udawalawe Invasive Removal	567	Invasive Removal	MAS Active, MAS Intimates
Uggalwala osu uyana	5	Forest Garden	MAS Intimates
Wakrei Restoration	5	Restoration	MAS Active
Wanagomuwa Analog Forest	1	Analog Forest	Bodyline
Wanaspaspathi Restoration project	1.6	Restoration	MAS Active
Warakapola Technical college plantation project	1	Restoration	Matrix
Wilpattu lake restoration and invasive removal project	54	Invasive Removal	MAS Capital, MAS KREEDA
Yagirala forest Restoration	42	Restoration	Stretchline
Yagirala Herbal Garden	5	Forest Garden	MAS Active
Yakgahakanda forest Restoration	37.05	Restoration	MAS KREEDA
Yatiyanthota Restoration project	20	Restoration	Treschel
Grand Total	1703.4		



The MAS Forest Nursery

Location - Wildlife Conservation Society – Hiyare Rainforest, Galle

A nursery to home and propagate endemic, threatened and native plants

Despite its small size, Sri Lanka is endowed with a rich biodiversity with high species density of both fauna and flora, and is considered one of the 34 biodiversity hotspots in the world owing to the high degree of endemism in fauna and flora. There are 4143 plant species recorded from Sri Lanka distributed within 214 families, and 1,025 species (24.7 %) out of the total number are endemic.

Most endemic species are found restricted to the wet and intermediate zones, and it is observed that 163 species (15.9% of the total number of endemics) are rare and another 86 species (i.e. 8.3%) are threatened or on the verge of extinction. Endemic plants are those that are found growing only in Sri Lanka and nowhere else in the world. Some plant species may become extinct in the near future as their numbers have come down to critically low levels, restricted to small geographical areas or are thinly scattered over a more extensive area.

The fragmentation of natural habitats, habitat destruction, introduction of exotic or invasive species, and over-exploitation of forest resources are some direct threats to the endemic and native plants in Sri Lanka. Currently, some reforestation projects do address these issues. However, the plant stocks available at current nurseries have not been sufficient to provide demand of native plants for those projects.



In 2019, we expanded a growing nursery for our forest seedlings and plants as a place where plants are propagated and grown to a usable size for our projects across Sri Lanka. Its key purpose is to provide our teams with the plants required for reforestation projects, and to build a healthy collection of endemic and threatened species.

The plants (endemic, threatened and selected native species) are mainly propagated by seeds, while tissue culture technology will be used for some species that cannot be propagated by seeds or vegetative methods.

Approx. 5,000 plants were propagated at the initial stage within 10 months, with seeds collected from all climate zones. The nursery is currently home to more than 6,000 plants from over 150 species including endemic and endangered species.

Biodiversity Research and Conservation Center

Location - Sinharaja Morning Side

In 2019, MAS funded the construction of a Research and Conservation Center on land adjoining the Morningside Proposed Forest Reserve and the Sinharaja Forest Reserve. The Center, which is 80% complete, will comprise an



accommodation facility, library, research area, and weather monitoring and recording facility. Once completed, it will host local and foreign researchers and university students looking to gain a better understanding of Sri Lanka's unique biodiversity.

Data gathered through the weather monitoring and recording facility will be used to track climate change patterns, as well as be shared in the National Database in the Department of Meteorology. Forestry data will be used in the management of the Eastern Sinharaja forest, as well as shared with the Department of Forestry and other relevant government bodies. Ecological research programs will be conducted on point endemic and/or endangered species of the area to build better, more involved and aware communities looking to conserve the ecosystem and species that live within them for future generations.



Yagirala Forest Reserve – Reforestation

Location: Yagirala | MAS Active | Stretchline (MAS Active 5 acres | Stretchline 42 acres)

Yagirala Forest Reserve is a lowland tropical wet evergreen forest located in Walallawita in the Kalutara District. The University of Sri Jayewardenepura has been managing a 100-acre block of the Yagirala Forest Reserve since 1984, predominantly for research and education purposes. Habitat loss and forest degradation due to encroachment by villagers and illegal logging of commercially valuable trees have been identified as major conservation issues at Yagirala. In addition, poaching of wild animals for local consumption has affected the faunal diversity of the forest to a great extent.



In 2017, MAS joined forces with the University to mitigate this massive destruction happening at the Yagirala reserve through a forest restoration program. This project was led by Stretchline, MAS Active and recently, by MAS Capital. Since 2017, Stretchline has sponsored the restoration of approximately 17 acres of degraded forest lands within the University-managed forest with native species, while MAS Active has sponsored developing 5 acres of herbal garden in the forest reserve and MAS Capital supporting both divisions through monitoring and evaluation. In 2019, we wanted to provide our colleagues an opportunity to get more involved in our biodiversity initiatives and to fully understand and immerse themselves in the benefits of our unique forest ecosystems. World Environment Day 2019 provided the ideal opportunity to do so, especially since this year's theme was "Beat Air Pollution", with forests being considered the lungs of the world that purify the air.

On June 5th, MAS Capital, MAS Active and Stretchline jointly conducted a successful tree planting program at Yagirala Forest Reserve with over 75 volunteers from across MAS. The volunteers, coming from different departments from the three combined divisions, planted over 3,500 trees in a single day.

Each volunteer appreciated the effort and found it an enriching experience, and the campaign saw increased interest in volunteering for such projects in the future.





Water Hyacinth Invasive Removal – Wilpattu

Location: Hunuwila Tank, Wilpattu National Park (MAS Capital 19 acres | MAS KREEDA 35 acres)

Tasked with the job of removing an invasive water plant inside the Wilpattu National Park, MAS sustainability teams rounded up the support of the Sri Lanka Navy and the neighbouring community to clear a local tank of water hyacinth or *Eichhornia crassipes*, which is a water plant that has an island-wide distribution in Sri Lanka and inhabits fresh water bodies such as tanks, canals, marshes, ponds and lakes.



The plant can affect water resources by obstructing navigation routes and water-flow, which can cause flooding and degrade water quality for domestic and recreational use. Due to its rapid growth rate, the plant can easily overtake the habitat of native species that support the local eco-system.

The Wilpattu sanctuary was declared as a national park in 1938 and is home to many villus or natural lakes that dot the landscape. Wilpattu National Park's varying natural habitats [coastal belt, natural lakes (villus), rocky outcrops, scrublands, open grasslands and dense forest] provide homes and food for numerous species of animals, including 31 species of mammals and countless species of birds, while menacing crocodiles top the list of reptiles. The biggest draws to Wilpattu are its leopards, sloth bears and Asian elephants.

The Hunuwila tank lies near the Wilpattu-Hunuwila entrance covering an area of roughly 22 hectares (50 acres). When MAS teams scouted the site, water hyacinth had spread over more than 50% of the whole



area and was threatening to choke the tank completely in a short time.

In August 2019, MAS volunteers and more than 75 villagers were joined by the Wilpattu Park warden, the Divisional Secretary of Nochchiyagama and several government officers of the area for a 4-day operation that used some heavy machinery to remove water hyacinth from 54 acres of the tank.

Since water hyacinth is a rich nitrogen source that can be used as both mulch and compost for agriculture, all the removed plants were taken away by neighbouring farmers for mulching their crops and building soil.

In the future, the community will continue to maintain the cleared areas of the tank with support from the Department of Wildlife who will continue the removal of water hyacinth. MAS will support this project as and when required.

Koggala Mangrove Restoration

Location: Koggala Lagoon (MAS Intimates 20 acres)

Watch the story here <https://www.youtube.com/watch?v=i1IRy4rIn4&t=3s>



Mangroves are among the most productive ecosystems in the world. In Sri Lanka, mangroves occur along the sheltered inertial coastlines associated with estuaries and lagoons. Koggala Lagoon is dotted with small islands and bordered with thick mangrove vegetation. Recent development and construction of hotels, salt production, shrimp farms, expanding human settlement and other tourism activities in the Koggala area have destroyed this mangroves ecosystem.



MAS Intimates joined hands with Thuruliya Arana Grassroots organization to restore the mangroves in one of the small islands inside the Koggala Lagoon. This project aims to restore and maintain an area of 10 acres with mangroves, and associate mangroves along the shore of the island and some native species to completely restore the ecosystem. The establishment of a mangroves nursery is already done, and around 100-200 mangroves plants have already been planted along the shore.





Udawalawe Invasive Removal

Location: Udawalawe National Park (MAS Intimates 400 acres | MAS Active 167 acres)

Sri Lanka's Udawalawa National Park is one of the world's most famous Asian elephant habitats. The entire park, together with the reservoir, spans across 32,315 hectares in the dry zone of the island. While droughts have caused native grasses and vegetation to die off, leaving animals such as deer and elephants suffering from malnutrition, the slow but steady spread of an invasive plant has worsened the situation for the island's already threatened elephants. 'Lantana camera', whose roots produce chemicals that act as a natural herbicide, stop growth of other vegetation around it. This exotic species has been invading the Udawalawe Park over an extent of 2,650 hectares. The rapid spreading of Lantana camera is causing the degradation of biodiversity, reduction of species richness and a drastic reduction of food productivity.



Since 2018, MAS Intimates and MAS ACTIVE been removing these invasive Lantana camera bushes from the park with the supervision of Wildlife Department Sri Lanka.

Currently, under this project, Lantana has been removed from a total area of 567 acres of the park, with continuous maintenance of the area. While removing Lantana, MAS teams concurrently planted native trees to encourage the local vegetation to return faster as the invasive trees were being cut away. In the last year, wildlife officials note an increase in the number of elephants foraging in the cleared areas where natural grass and plants have returned to life.





AERIAL REFORESTATION - Sri Lanka Air Force and MAS launch a second round of seed bombing

Location: Lahugala, Ampara (MAS Capital 60 acres)

After pioneering Sri Lanka's first-ever seed bombing in October 2018, MAS and the Sri Lanka Air Force launched a second wave of 67,000 seed balls over 60 acres inside the forests of Lahugala in Ampara in 2019. The first mission of the second wave launched on a rainy evening and dropped 30,000 seed bombs over a 60-acre area inside the forest. The second mission was carried out a few days later, where another 37,000 seed bombs were dropped. The seeds were dropped from SLAF MI-17 helicopters, which departed from SLAF Station in Ampara.

The location was chosen by the Sri Lanka Forest Department and is only accessible by air. Nishantha Edirisinghe, a conservator at the Sri Lanka Forest Department, says "We plotted out the land area and supported MAS in sourcing the 5 types of seeds that were identified as being the best for this soil and climatic zone. We sourced 100,000 seeds from 5 types of native trees, Aralu (*Terminalia chebula*), Kon (*Schleichera oleosa*), Gal Siyambala (*Dialium ovoideum*), Siyambala (*Tamarindus indica*), Goda Kirilla (*Holoptelea integrifolia*) and Maila (*Bauhinia racemosa*). They are all native trees which are suited for the dry zone, as we are dropping the seed balls in the Ampara district."



“The seed bombing attempt of last year was an experiment in aerial reforestation by MAS, and we found the Sri Lanka Air Force to be the perfect partner for this project. Our first drop of 5,000 seed bombs in Nochchiyagama gave us a good indication of the type of soil compositions that worked. Timing and soil composition of the balls matter quite a lot. We had a 15% germination rate on the pilot mostly due to poor rains and some damage from elephants and wildlife in the area. This time, we are planting trees that are most suited for the dry zone and will have a good chance of survival if it rains as expected until January. The soil in the new location is softer and will retain the seed balls for longer,” commented Rishan Sampath, an executive from the MAS Central Sustainability team.

Sharika Senanayake, the Director of Environmental Sustainability for MAS Holdings, added, “MAS is currently running over 20 different habitat restoration projects to enhance bio-diversity across Sri Lanka. We believe protecting the forests we have is the first defense against deforestation, but also that aerial reforestation can

encourage growth of new forests on a massive scale and build a movement that is exciting for the younger generation to follow. Everyone can make a seed ball; and if all our children made and planted even one seed ball a week, it would make a huge difference.”

This joint effort will determine if reforestation through seed bombing is more efficient and cost effective than sending people into inaccessible terrain for reforestation work and maintenance of plants. Nishantha added, “We are not calling this the only solution to deforestation, but it is something new we are experimenting and we like the idea and project presented by the MAS Sustainability team who have taken full responsibility for the continuation of this effort if we find it to be the most viable method for Sri Lanka. Together with the flying power of the Sri Lanka Air Force, we are glad to support this as a well-timed effort to tackle an urgent national need.”





- The location scout – 1 July 2019
- Callout for volunteers - 21 October 2019
- Making of seed bombs - 23 & 24 October 2019
- Transport to Sri Lanka Air Force base – 26 October 2019
- Drop Day 1 – 28th October 2019
- Drop Day 2 – 29th October 2019

The MAS Sustainability team, together with local Forest Department officials, will continue to monitor the site for the germination rate and overall progress of this project throughout 2020.





LIVES MADE BETTER

Looking back on the progress made in MAS' Lives Made Better vertical over 2019, we are proud to note that social sustainability has grown from strength to strength company-wide. Built on the foundation of treating all people as equal, MAS continues to uphold the highest standards regarding employee well-being, striving to provide the best-in-class working conditions from recruitment to development, compensation & benefits and ensuring work-life balance.



The year 2019 provided an ideal opportunity to align to MAS' corporate strategy with its vision for 2025, and relook at some of our commitments and strategic pillars.

Some of our ambitious targets for 2025 are as follows:

Focus Area	2025 Target	Details: Definitions, KPIs,
Empowering Women	Empower 100% of women on the factory floor	Career advancement for identified pipelines on the factory floor Every female employee given access to women's health-related programs All female employee given access to programs on preventing and responding to GBV (100% of women who disclose GBV to MAS report feeling meaningfully supported by the organization) Every female employee given access to skills development outside their job role Mandating that a percentage of women from the team member level reach the executive cadre by 2025
	Achieve 1:1 gender parity in management	Achieve agreed-upon percentage of women in SM pipeline from 2020 to 2022 (percentage up till 2025 to be set)
		Completion rates of programmes in the Women in Leadership Framework. (sensitization, mentorship, sponsorship)
Meaningful Employment	Accelerate employee well-being & work-life balance	Every employee given access to flexible work Every employee given access to non-communicable disease prevention, mental health and reproductive health resources Every employee given access to childcare Every employee given access other identified enablers
		Survey on reach and completeness of these enablers show growth by 50% on the baseline of 2021
	Ensure & elevate sustainable compensation for all our employees	Competitive and performance-oriented compensation through <ul style="list-style-type: none"> Ensuring that the earnings within all business units are in line with the competition and the market Ensure performance recognition mechanisms are in place in all countries of operation
	Foster diversity & inclusion with freedom of expression & identity for all	Implement the Employ, Enable, Engage and Empower framework for Persons with Disabilities, based on the UN/ILO guide for employing Persons with Disabilities Aligned with the critical diversity enablers across various geographic locations
A Workplace Beyond Compliance	Be first-in-class for working conditions in our industry	Over 80% achievement on 'Exceptional' compliance rating on all audits Achieve Phase 3 Culture of Safety Framework
Thriving Communities	Be an enabler for positive impact in all communities we work in	Approx. 85% score on community engagement model in all localities we work in

In order to gain the best traction, Empowering Women now stands alone as a strategic pillar, while Meaningful Employment, Workplace Beyond Compliance and Thriving Communities make up the other 3 strategic focus areas for Social Sustainability .

- Our Women in Management 1:1 target is tracking at 21.0%
- The diversity, accessibility and respect sensitization training has been completed for 649 employees with 40 internal trainers
- We proudly work with 331 persons with disabilities and have 10 supported employment officers with specialized training to assist them
- Our formal community engagement model based on group-wide best practices has been successfully piloted and approved for structured adoption in 2020

The year 2019 proved to be challenging for the people of Sri Lanka. On the 21st of April (Easter Sunday), three churches and three luxury hotels in the commercial capital, Colombo, were targeted in a series of coordinated terrorist attacks. Over 250 people lost their lives and more than 500 were injured. This led to curfew and a period of high security, which in turn affected business and life as usual in our island nation.

During this time, MAS stepped forward to assist all those affected within our ecosystem and beyond, while supporting its workforce by providing flexible working arrangements to accommodate the government-mandated security measures.

This report contains further details of all the above-mentioned efforts.

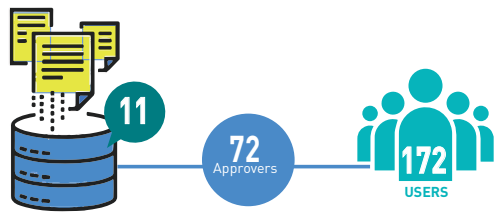
Social Sustainability Data Management System

A Social Sustainability Data Management System was developed internally in 2018 with limited data points (7). In 2019, new data points were introduced on health and safety by defining requirements and standards.

Furthermore, in 2019, all data points were migrated to a new system developed in collaboration with the group analytics platform.

Data submission status and its progress is periodically reviewed at the social sustainability heads meeting, which comprises divisional representation across the company.

As of 2019, the system included 11 primary data points with detailed data queries, and supports 172 users for data entry and grants access to 72 approvers.



All the approved data is processed through a data analysis tool. The dashboards created with the expertise of the Group Talent Analytics Team allows divisions and stakeholders to gain a better understand of the trends and challenges. Dashboards allow for the filtration of information periodically, SBU-wise and category-wise.



Social Sustainability Scoring Tool

In 2019, as a result of over six months of verification and collaborative work, as well as the input and expertise of the social sustainability heads, HR leadership and board members, MAS has approved KPIs on Social Sustainability parameters, which have been introduced to individual CEO goal sheets. These are cascaded down from the chairman to the CEOs, through our Strategy Deployment Tool – the Hoshin Kanri. The tool is an aggregated score calculated for each facility.

This tool was developed with the objective of assessing our social sustainability performance across the organization. It is currently an internal assessment tool, comprising varying parameters of application based on factors such as geographic location, nature of work and relevance.

At the maximum level, it encompass 29 indicators covering the pillars of the Social Sustainability Strategy:

- Empowering women
- Meaningful employment
- Beyond compliance and standards
- Thriving communities

EMPOWERING WOMEN



Since inception in 1987, MAS has placed intentional emphasis on empowering its majority female workforce, with the ultimate goal of ensuring that their employees are well-equipped and geared towards excellence. Gender equality and women's empowerment are driven by shareholders as a part of the organizational strategy, after having identified the positive impact on business through this.

MAS' hallmark women's empowerment platform "Women Go Beyond" (WGB) is the driving force behind

this cause, making a tangible difference in the lives of each and every female associate at MAS, while also indirectly impacting their families and communities, by empowering women in the workplace and thereby at home. The Women Go Beyond program has expanded over the years, adapting to the needs of the company and its employees over its 16 years of journey since its inception in 2003. Today, approximately 70% of MAS' apparel manufacturing arm are women, and after 16 years, Women Go Beyond has permeated the very DNA of the organization.

The WGB program addresses vital life skills such as knowledge sharing, awareness, leadership, attitudinal changes, and the ability to balance one's work and personal lives. While the focus for many years was on gender sensitization at the factory level, health, prevention of gender-based violence and skills development, over the last two years, MAS set itself an ambitious goal to increase women in management positions in an effort to actively address the gender gap in decision-making roles.

The Women Go Beyond framework is closely aligned with 5 of the UN's Women Empowerment Principles. They are as follows:

- **Principle 1:** Establish high-level corporate leadership for gender equality
- **Principle 2:** Treat all women and men fairly at work – respect and support human rights and nondiscrimination

- **Principle 3:** Ensure the health, safety and well-being of all women and men workers
- **Principle 4:** Promote education, training and professional development for women
- **Principle 7:** Measure and publicly report on progress to achieve gender equality

Accordingly, this COP will showcase policies and practices related to supporting women’s empowerment and advancing gender equality in society, in the workplace and in the community, supported by sex-disaggregated data where relevant.

The programs carried out under the WGB initiatives are also largely aligned with the Sustainable Development Goals (SDGs) set by the United Nations General Assembly. While the two most important goals under our agenda are goal 3 and 5, we believe our programs contribute in different degrees towards achieving all of the following SDGs in our process of achieving a well-rounded and holistic life experience:

- Goal 3 - Ensure healthy lives and promote well-being for all at all ages
- Goal 4 - Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
- Goal 5 - Achieve gender equality and empower all women and girls
- Goal 8 - Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
- Goal 10 - Reduce inequality within and among countries

- Goal 16 - Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
- Goal 17 - Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development

Under MAS’ new Social Sustainability Strategy for 2025, where “Empowering Women” was recognized as a standalone pillar emphasizing its importance to the company, all work carried out by the WGB team in 2019 was categorized into the following two focus areas:

- Women on the factory floor
- Women in management

1. WOMEN ON THE FACTORY FLOOR

In line with MAS’ Social Sustainability Strategy for 2025, the five key areas of focus identified were linked to 100% empowerment of women on the factory floor.

Thereby, over 2019, the Women Go Beyond initiative offered 436,268 training and development opportunities mainly to the women on the factory floor through 1,046 programs conducted across the group. These were promoted through 39 initiatives at individual plant level, reaching close to 30,000 individuals. The following figure shows a snapshot of the programs conducted under the WGB initiative’s 5 focus areas, monitored through a centralized dashboard.

WGB initiatives in 2019



1.1 Career Advancement for Women

With the aim of promoting education, training and professional development for women (WEP - 4) and to ensure inclusive and equitable quality education to promote lifelong learning opportunities for all (SDG Goal - 4), MAS has provided a wide range of education and training opportunities for female workers through professional trainers and subject specialists during 2019.

These programs included the following:

- Leadership development
- Team building
- English language skills development
- Communication and public speaking skills development
- Presentation, computer & IT, positive thinking skills development
- Mentorship for identified women on the factory floor

These programs were conducted by the Women Go Beyond initiative, with a focus on team member level female employees, in addition to the regular technical trainings provided organized by the L&D team. All these programs are aimed at bridging the gap between the current state of MAS' female associates and their desired career objectives.

For example, MAS intimates and Linea Aqua partnered with external professional bodies such as IBM Colombo and Sri Lanka Institute of Textile and Apparel (SLITA) to conduct training programs to increase basic skills in computer literacy and English among team members, while providing them with guidance and advice to achieve

their career aspirations.

The Personal Advancement and Career Enhancement (P.A.C.E.) life-skills development program conducted by Gap Inc. to enhance professional and personal capabilities of female team members was another key initiative carried out by MAS Intimates under this pillar. While increasing workplace efficiency, P.A.C.E. develops leadership skills, nurtures the ability to communicate and work within a team, helps with solving problems and planning, and gives participants the knowledge and tools to better navigate their professional and personal lives.

The P.A.C.E. program was conducted across 8 MAS Intimates facilities in 2019 – namely Slimtex, Casualline, Unichela Panadura, Thurulie, Unichela Biyagama, Silueta, Linea Clothing and Linea Intimates – with the participation of 1,167 female team members. The programs were conducted through 10 modules over a period of 6 months per cycle.

For its contribution, MAS Intimates received two awards at the GAP Inc. P.A.C.E. Partner Meet-Up held in October, namely the achievers award for achieving the maximum pledged scale, and the Goodera Champion award for discipline and on-time data management. The division has had many success stories testifying to the effectiveness and impact of the programs, which were applauded by its participants, their supervisors and business leaders of MAS.



MAS is proud of its role at the forefront of breaking gender stereotypes. Against this backdrop, the company has been keen on promoting non-traditional job roles for females such as mechanics, cutters, printers, technicians, etc. Each division has been training and encouraging women to take up these job roles traditionally dominated by males through different initiatives such as 'Pragamana' sponsored by PVH and the Iron-lady program. During 2019, a total of 20 cutters, 11 mechanics, 3 printers and 33 technicians were formally trained and given competencies to excel in these roles.

A special program in 2019 was a personal coaching session by renowned trainer Manisha Silva for all the semi-finalists selected from the Active Division for MAS' excellence recognition program "Abhimani – Empowered Woman of the Year" conducted by MAS Active. The program titled "Unleash" focused on realizing their potential and allowed them to discover their inner capabilities and skills, a giant step towards crafting the best version of themselves. The 'Abhimani coaching book' too was introduced during this session and given out to all the semi-finalists.

The following table showcases the areas of training, a breakdown of gender and hours involved for 'Career Advancement' programs.

Program Name	No. of Programs	Participation Hours	Impact: Female	Impact: Male
Abhimani Interviews	16	50.5	114	-
Abhimani Training & Coaching Sessions	8	16.3	65	-
Alumni Program - Empowered Woman of the Year	4	18.5	397	40
Basic Incentive Process	1	0.5	19	3
Behavioral-based Safety Training	3	3.0	1,104	355
Career Guidance Program	18	385.0	377	86
Communication Skills	2	1.5	26	5
Computer/ IT	15	82.5	244	54
Diploma in English Language (Corporate WGB)	2	3.0	19	2
Disability Inclusion Training	16	36.5	123	133
Education Fair	4	35.0	4,362	1,057
Employee Induction	41	75.0	2,112	525
End Controller Training	2	3.5	126	25
English Language	39	544.9	687	208
Female Cutters Training	4	12.0	18	2
Female End Line Printer Training	4	5.0	4	-
Female Mechanical Training	13	154.0	111	43
Female Technician Training	1	1.5	9	-
Education Session - Finance Management	10	18.5	5,525	1,016
Leadership Training for Empowered Women	1	6.0	1,200	400
Management Meeting / JCC Meeting / GBC Meeting	2	9.0	16	2
Mentorship	1	3.0	20	-
Motivational Speech by an External Facilitator	9	14.8	4,498	1,283
Motivational Speech by an Internal Facilitator	7	14.5	234	16
Multiskilled / Jumpers Training	4	31.0	118	5
Out Bound / Leadership / Team Building	15	59.5	910	134
P.A.C.E Life Skill Development Program	8	480.0	1167	-
Personality Development	1	50.0	8	-
Presentation Skills	3	6.5	30	10
Soft Skill Development	9	56.0	241	63
Speech Craft Program	1	6.0	5	-
Total	264	2,183	23,889	5,467

1.2 Skills Development Outside Job Roles

With the aim of supporting female business owners and women entrepreneurs, while providing economic empowerment for MAS' Empowered Woman of the Year award winners, the WGB team launched the 'Entrepreneurship Acceleration Program' in 2019. This program comprised periodic workshops, skills development and hands-on sessions, and coaching sessions by industry experts and renowned entrepreneurs with the aim of developing these novice entrepreneurs to be successful by redefining and developing their product quality and marketability. They were provided with further support through mentors to identify new market opportunities to sustain their home businesses.

The 7 most successful female entrepreneurs out of 22 initial workshop participants were selected based on their entrepreneurial skills. They were further enriched in areas of business development and canvassing, costing, financing and bookkeeping, in addition to learning to brand their product, to build their story to the consumer and to increase their value proposition. All these individuals successfully completed the 6-month program and presented their improved product/service and business plan at the "She Can" grand exhibition and award ceremony later in December 2019.

In addition to these initiatives, all business divisions across the group organize workshops, knowledge sharing sessions and training programs in collaboration with industry experts and successful entrepreneurs to promote entrepreneurship among its female associates and promote the generation of a secondary income.



Some programs held in support of female business owners by various SBUs included MAS Linea Aqua endorsing their businesses by ordering cakes and other food items for special company occasions such as International Women's Day, while others provided makeup and hair-dressing services for all company events. MAS Fabrics Matrix conducted a number of such workshops on bakery, cake structures and party cakes to support employees seeking a secondary income. Similarly, MAS Bodyline conducts a year-on-year sewing class facilitated by a qualified teacher with 18 years of experience in sewing, which was identified as the most value-adding skills development training under WGB by MAS' employee representation body, the Joint Consultation Committee (JCC) at MAS Bodyline. In 2019, this comprehensive sewing training program was held at a diploma level comprising 2 batches – at 6 months each, the company saw the participation of more than 50 participants in each batch – with a majority of participants being women. Some key efforts taken to encourage entrepreneurship were as follows:

- Special Award titled 'The Venturer' awarded at the 'Abhimani Awards' in recognition of female entrepreneurship



- Workshops on various cottage industries (E.g. batik industry, bakery, bridal dressing, home gardening, etc)
- Financial management training focused on increasing the financial literacy carried out in collaboration with banks and other financial institutions

Along these lines, MAS Linea Aqua conducted two programs for men and women – "Diriliya" for women and "Diriwaruna" for men – with the objective of recognizing and rewarding the achievement of personal and entrepreneurial goals within 2019. The winners were selected based on several interviews and personal visits by a panel of judges.

MAS Intimates' Slimtex facility conducted a 3-month workshop on crafting leather footwear led by a local female entrepreneur. The workshop was attended by 51 employees who were looking for creative ways to pursue their entrepreneurial passions.

Apart from the Vidiyal facility, the MAS Intimates Division conducted a session on financial literacy for all team members (around 1,300), which focused on the importance of saving money and planning for the future in order to promote a savings culture at the SBU and within the team members' families.



Additionally, with the aim of developing arts and aesthetic skills among MAS associates and encouraging holistic development, different SBUs continued to provide education and training opportunities for female workers in 2019. For example, MAS Fabrics Matrix organized a series of competitions including art, story writing and composing poems in celebration of Women's Day with the participation of the entire workforce.

MAS believes these efforts will not only help its employees to strike a balance between their work and personal lives, but also infuse a level of creativity and innovative thinking into their day-to-day work and problem solving.

Table 2 showcases the areas of training, a breakdown of gender and hours involved for 'Skills Development' programs.

Program Name	No. of Programs	Participation Hours	Impact: Female	Impact: Male
Art and Craft Exhibition & Sale	2	96.0	1,252	294
Art Competition	12	231.0	4,327	1,509
Arts & Craft Training	5	17.5	132	16
Athletic Meet	4	28.5	15	28
Avurudu Pola	7	70.0	4,311	1,366
Badminton Training	1	3.0	1	9
Batik Workshop	1	6.5	10	-
Beauty Culture Training	18	124.0	2,028	96
Creative Writing Competition	10	182.5	3,882	1,150
Cricket Tournaments	4	195.0	906	212
Cross Stitch	1	4.0	167	2
Culinary Classes	3	9.0	83	11
Curtain Stitching	4	11.0	254	-
Dancing Class / Music & Singing	14	33.0	217	92
Dancing/ Singing/ Drama/ Music Competition	3	20.0	20	2
Debating Competition	1	3.0	9	3
Diriya Pola	35	370.0	38,096	10,028
Drama & Theater	3	288.5	114	86
Dress Making / Sewing Course	22	51.0	1,091	1
Driving License	4	13.0	269	92
Entrepreneurship Program	9	20.8	2,506	291
Firefighting Training	2	7.5	58	27
Football Tournament	2	9.0	146	10
Gardening Course	9	49.5	263	24
Handicraft Competition	2	13.0	2,449	535
Netball Tournament	1	8.0	16	-
Netball Training	3	64.0	35	-
Paper Quilling Course	4	9.0	70	-
Ribbon Embroidery Training	1	128.0	16	-
Saree Dressing / Saree Painting / Saree Blouse Making	4	10.0	181	1

Shoe Manufacturing Class	1	3.0	50	1
Soft Toys Exhibition & Sale	2	12.0	1,050	150
Soft Toys Making Class	1	3.0	50	-
Sports Day	1	3.0	18	12
Tailoring Training	6	16.5	191	3
Training Program - Compering	2	1.5	14	3
Volleyball Tournament	2	6.0	18	33
Volleyball Training	2	3.5	17	4
Wedding Cake Workshop	1	2.0	42	18
Total	209	2,125.8	64,374	16,109

1.3 Women's Health

In line with the 3rd Women's Empowerment Principle of ensuring the health, safety and well-being of all women and men workers, MAS has been working with doctors, trained professionals and subject specialists to create awareness and educate employees at all levels of the organization. This is achieved through in-depth training and awareness sessions, in addition to free medical check-ups across the group with a special focus on gender-specific health and safety issues.

A significant amount of work has also been carried out in partnership with the International Planned Parenthood Federation's (IPPF) Family Planning Association of Sri Lanka (FPASL), with a focus on the following key areas:

- Sexual and reproductive health and rights
- Prevention of diseases such as STDs and HIV
- Life skills including consent, choice and consequences
- General health and nutrition

- Non-communicable diseases, breast cancer detection and awareness
- Mental health and stress management
- Pre- and post-natal care including the support for pregnant women and those returning from maternity leave. For example, MAS Active Asialine partnered with the Katuwana MOH Hospital to conduct a medical clinic titled, Suwa-Nari Clinic, with the participation of 40 female employees

MAS Intimates continued its partnership with the College of Community Physicians of Sri Lanka (CCPSL) for their hallmark NCD prevention program – Super 8. This program identifies a set of 8 targets that are critical for healthy lifestyle practices. MAS also extends health checks and access to information for their third-party service providers such as canteen, cleaning and security staff. This initiative is launched across all facilities of MAS Intimates.



'Aloka' Breast Cancer Awareness Program was another key initiative carried out by MAS Intimates in this area, where the company works in partnership with the Sri Lanka Cancer Society to conduct group-wide awareness sessions on breast cancer, symptom detection, performing self-examinations and treatment options. The program aims are as follows:

- To fill knowledge and accessibility gaps in a subject area that is still considered taboo in rural areas where some MAS facilities are located
- To increase awareness and education on early detection methods, risk factors (including food and environmental), signs and symptoms, access to doctors, clinics and screening
- To reduce morbidity and mortality by shifting diagnosis states from late stages to stages where the disease is more curable (0-II stage), where survival rates are higher and treatment costs are lower

- To promote behavioral changes: for women to check their breasts regularly for changes, for women with possible early signs of breast cancer to visit clinics, to empower local women to take a leading role in delivery of the campaign, to encourage peer-to-peer messaging and advocacy, and work towards embedding a sustainable approach to engaging with this audience on health and lifestyle issues, and the dissemination of information and advice

MAS Intimates also came up with innovative ways to take the message and awareness to the grassroots level in simple ways, such as dramas on breast cancer awareness, eye-catching promotional bookmarks at all libraries of the facilities, wellness corners in the canteens, posters on self-examination in ladies' toilets at SBUs and sessions teaching self-examination using audio-visual aids including an anatomically correct 3D dummy with typical lumps available at all medical centers. Through 116 general awareness programs such as street dramas, they provided awareness to 74,065 employees. MAS Intimates division also developed internal competence as the 'Aloka Team' trained 132 employees especially on lump detection.



To increase community stakeholder engagement while ensuring female beneficiaries, MAS Intimates extended this program to the community through multiple initiatives in 2019. The company conducted awareness campaigns at girls' schools, in addition to partnering with the Board of Investment (BOI) and Government agents to help mobilize these awareness sessions. Thus, MAS conducted awareness sessions in BOI Zones and distributed awareness-creating material at public places where women gather, such as bus stands, markets, maternity clinics, etc. Through 58 such community engagement programs, MAS was able to reach 18,725 participants.

This initiative started by MAS Intimates Division has now been rolled out to most other divisions in the group. For example, MAS Linea Aqua conducted a breast cancer awareness session in collaboration with the Aloka program covering all executives and team members of the division, followed by a free-of-charge breast cancer screening clinic facilitated by a reputed private sector hospital, which saw the participation of more than 60 ladies from all levels of the company.



For its significant contribution to women around the country, the Aloka program was recognized with a Merit Award at the Chamber of Commerce: Best Corporate Citizen Sustainability Project Awards 2019.

Many MAS facilities also gave emphasis to mental well-being during 2019, while undertaking a key initiative to provide counselling services to all employees. During the induction of new recruits, counselling was carried out as a mandatory session, along with a training session on the importance of mental well-being. In addition, all divisions conduct various special programs to facilitate and enhance the mental well-being of its employees.

For example, MAS Kreeda carried out 25 key projects in 8 locations in 2019 targeting different focus areas at each SBU. In 2019, MAS Linea Aqua also conducted a 4-hour session on creating a healthy mind and a healthy body for 81 of its female Team Leaders and Group Leaders in collaboration with Sri Lankan Family Planning Association. The session discussed topics such as sexuality, subfertility-related issues, pregnancy/teenage pregnancies, family planning methods and socially transmitted diseases.

Several awareness programs were carried out at facilities in MAS Intimates and MAS Active focusing on World Mental Health Day. These programs were facilitated by consultants, practitioners and professors in the subject who discussed timely topics such as stress management, present moment awareness and suicide prevention. Several MAS Intimates facilities used music therapy to support the mental wellbeing of pregnant mothers, as well as those who are living alone in hostels. Some of these programs were also coupled with counselling

sessions for the expecting mothers' immediate family members on the support she needs, including advice on preparing for the delivery.

MAS Linea Aqua launched an initiative named "Find the Magic in You" with the aim of experimenting a psychological approach to training. The initiative saw the participation of 50 team members, with the objective of creating an opportunity for them to listen their inner voices and to support them to rise up to be great leaders in the future.

The program also focused on art therapy, a creative method of expression used as a therapeutic technique was infused into this initiative, which helped to achieve the real outcome of the initiative in a creative manner. The sessions were conducted by the in-house counsellor with positive feedback from the participants. With the aim of increasing community stakeholder engagement, this approach for training has been extended to a school in the community, where the "Magic Mirror" session was replicated to 30 students.

To ensure female beneficiaries of community programs, MAS Active initiated several community outreach projects such as donating books for the female inmates at the Welikada prison with the hope of providing support and ensuring their mental well-being, and renovating the female ward of the Wathupitiwala Hospital. These was also seen as sustainable projects to increase community stakeholder engagement as the hospital serves a larger female community including the factory employees.



Program Name	No. of Programs	Participation Hours	Impact: Female	Impact: Male
Anger / Stress / Mental / Time Management	28	77.6	9,024	1,961
Awareness Program on Dengue Prevention	3	15,003.5	2,035	446
Ayurvedic Clinic / Camp / Check Up	9	56.5	2,467	749
Educational session - Balance Diet / Nutrition / Obesity	12	26.5	4,433	1,312
Blood Born Pathogen	1	0.5	10	8
Breast Cancer Awareness	55	352.0	34,596	5,304
Breast Cancer (Aloka By Intimates Division)	30	1,138.5	21,444	5,272
Cancer Check Up	11	41.5	5,666	736
Chickenpox / Sore Eyes	3	2.0	1,150	700
Awareness on Communicable Diseases	3	5.5	2,241	280
Counselling	58	146.8	8,387	1,062
Dental Clinic / Camp / Check Up	4	25.0	699	381
Awareness on Early Marriages & its consequences	2	2.0	4,400	1,200
Eye Clinic / Camp / Check Up	10	86.0	3,129	982
Education session - Family Planning/ Reproductive Health	6	41.0	2,775	1,123
First Aid Training	4	11.5	125	46
Awareness on HIV & AIDS	1	1.0	1,150	120
Medical Clinic / Camp / Check Up	33	1,506.0	8,684	1,665
Music Therapy	1	3.0	450	75
Music therapy program for Pregnant mothers	2	5.0	65	-
Awareness on Non-Communicable Diseases	5	12.5	3,087	305
Awareness on Personal Hygiene, Grooming & Etiquettes	17	449.8	10,720	2,602
Positive Thinking	18	32.8	8,713	2,425
Pregnant Mothers Clinics	34	61.8	1,338	35
Self Defense	3	4.5	69	3
Sensitization	4	15.5	145	55
Skin Clinic / Camp / Check Up	1	2.0	250	
Support for Breastfeeding in the Workplace	1	1.0	8	
Thalassemia Awareness	1	6.0	680	356
World Mental Health Day Celebrations	3	5.5	1,615	330
Yoga Session	9	11,905.0	1,252	754
Zumba Session	4	6.5	3,760	100
Total	376	31,034.3	144,567	28,847



1.4 Addressing and Prevention of Gender-based Violence

Violence and harassment have always been considered and handled with utmost seriousness at MAS. With the intention of raising awareness and minimizing incidents of domestic and gender-based violence and workplace harassment, MAS continued to engage in many initiatives together with community stakeholder. Divisions and individual SBUs across the country connected with regional hospitals, police stations and government agent offices to get the support and expertise of trained professionals and subject specialists in this regard. The programs aimed at creating awareness among MAS employees and the society/communities in a broad way, including creating awareness and educating on stereotypes and inequalities surrounding gender;

addressing myths and misconceptions about gender-based violence and harassment and prevention; and responding to instances of gender-based violence, while promoting mutual respect in a family.

MAS also worked with lawyers, support organizations and the Legal Aid Commission of Sri Lanka to create awareness on legal provisions relating to gender-based violence and sexual harassment. For example, all facilities of MAS Kreedha conduct a legal-aid clinic twice-a-year under the theme of 'Talking Taboos' to create awareness about the legal procedure and offer legal support in areas of gender-based violence, financial management and property management.

MAS factories are always trying to be creative and find better ways to take these messages to a larger crowd

with minimum disruption to work. In line with this, MAS Bodyline made use of its internal PA System to converse with a subject specialist on domestic violence and child abuse. MAS Kreedha too conducted similar sessions through its PA system, while also enabling private consultation afterwards for those in need.

The Happy Family Life program played a key role in this regard as it addressed common underlying causes of domestic and gender-based violence such as alcohol and drug abuse. MAS Bodyline Division conducted a series of Happy Family Life programs facilitated by a medical professional who is also a senior lecturer in health promotion, which discussed topics such as the prevention of drug abuse and managing relationships with family members, better communication, and money management and time management. MAS Bodyline

completed 7 such Happy Family Life Programs in 2019 across its SBUs covering 220 Team Leaders.

MAS Bodyline also conducted a series of community initiatives specifically targeted at empowering women and girls at a government school in the Balangoda area in the Ratnapura District, which focused on educating school girls and boys about the physical and emotional changes they are or will go through leading to increased self-awareness, their roles and responsibilities in society, and the consequences of their choices in the areas of gender and violence. An extension of this program was conducted for the parents and teachers of these students, which created a lot of awareness and experience sharing. Nearly 350 students, around 250 parents, 80 teachers and community stakeholders such as government representatives from the Divisional Secretariat (AG office), Police station – Balangoda, school principals and Balangoda Base Hospital participated in the sessions increasing community stakeholder engagement.

During 2019, MAS Intimates has been working with doctors from the Directorate of Mental Health, Ministry of Health, and several counsellors and psychologists to deliver programs for common issues such as stress management, marital issues, cyber-bullying, domestic violence and work-life-balance.

The company also worked with professional trainers to build internal capacity in sensitizing people to this area, as MAS Bodyline conducted a Gender sensitivity Training-of-Trainer (TOT) Program in 2019. This was identified as an initial effort to learn how gender shapes

the roles of women and men in society, including their role in development, and how it affects their relationships. Around 18 male employees were trained under this program to be agents to advocate respect and empathy towards females at the workplace and at home. Topics such as equality, awareness on gender differences, power, sensitivity, tools to measure happiness/sadness, family life, and awareness on sexual harassment policy at MAS were discussed at this program.



The internal trainers trained in 2018 in collaboration with an UNFPA Gender Specialist continued to roll out sensitization on preventing and responding to gender-based violence at their respective plants during 2019. Through these training programs, MAS hopes to create a buzz and promote discussion of such incidents as the trainers provide employees with tools helpful in preventing and responding to instances of gender-

based violence either at home or work. New recruits at all MAS locations – mainly comprising women – have all been sensitized through a focused program that takes place during their induction at the training school.

MAS also possesses of a fully structured and robust grievance-handling mechanism – MAS DNA. This includes an anti-harassment policy, multiple avenues for raising concerns including code officers at every location and central/corporate level all of whom are available to

any employee, an online platform, and a hotline. The group also has a standard grievance investigation process and a consequence management framework to ensure equity.

MAS' efforts are not limited to its local boundaries, with Women Go Beyond being launched in many of the company's foreign locations including Bangladesh.

In 2019, Intimates Bangladesh under MAS Intimates Division conducted an awareness session on early marriages and its consequences, and how to navigate such situations as child marriages was becoming an alarming problem in Bangladesh. Although legally not allowed, due to a lack of awareness, limited action by local administrative authorities and poverty prevalent in families, Bangladesh ranks fourth among countries with child marriage (pre-18 years) in the world. With the special focus on ensuring female beneficiaries of community programs, since the effect of child marriages largely impact women, the programs raised awareness on the legal rights and societal actions that can be taken by 2,056 of MAS team members who took part in the program for themselves, their sisters and family members.

Table 4 showcases the areas of training, a breakdown of gender and hours involved for programs addressing 'Gender-based Violence'.

Program Name	No. of Programs	Participation Hours	Impact: Female	Impact: Male
Alcohol, Drugs & Tobacco Prevention	5	11.0	2,335	140
Awareness on Child Abuse	1	8.0	1,500	70
Child Care and Development	15	26.0	3,995	1,099
Awareness on Domestic Violence	8	17.3	6,782	1,330
Family Day	7	101.0	7,714	3,166
Gender Sensitivity Training	7	34.0	8,841	2,662
Happy Family Life	12	29.5	10,944	2,817
Education session - Legal Rights	29	393.5	14,035	1,459
Total	84	620.3	56,146	12,743

1.5 Creating Role Models

In alignment with the main UNSDG for Women Go Beyond (Achieving gender equality and empower all women and girls), MAS realized the importance of profiling, creating inspirational role models and sharing success stories of women who have broken stereotypes and achieved the supposedly "impossible".

Thus, every year, individual SBUs across the group make sure to engage their female workforce with such inspirational role models who would show them the way and give them the re-assurance to excel in avenues that might seem too difficult. International Women's Day and International Mothers' Day are two key instances when these initiatives take place. In 2019 too, most SBUs had a "women's week" throughout which they promoted these inspirational role models and their engagement with the workforce.

For example, through its felicitation program "Liya-shakthi", Linea Aqua hosted the previous year's Empowered Woman of the Year award winner to address its team members on International Women's Day 2019, giving the winners also a sense of pride and recognition, while instilling in their colleagues a sense of inspiration and motivation. In addition, the "Diriliya" and "Diriwaruna" award winners for achieving personal and entrepreneurial goals within 2019 were recognized at the International Women's Day program in the presence of all employees.

Keeping up with MAS' tradition of rewarding and recognizing the success stories of MAS women at the group-wide 'Abhimani Award Ceremony', which takes place every other year, the 13th celebration of "Empowered Woman of the Year - Abhimani Awards" was held ceremoniously on the 4th of November 2019 under the theme "Strength and Inspiration". More than 1,500 employees, guests, invitees and family members



of the winners from across the country and overseas gathered to witness the stories of strength and inspiration of MAS' own empowered women, making it an evening of inspiration.

The event recognized 44 Empowered Women from different divisions; 9 winners who excelled in special categories of Entrepreneurship, Sports, Community service and Innovation; 12 Frontier Lead Executives, and 14 Leaders who championed MAS Values. The first and second runners-up from each category were also recognized. Four teams from MAS Intimates, Bodyline and Active also got the opportunity to showcase their aesthetic talents at the event.

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2. WOMEN IN MANAGEMENT

In line with SDG 5.5.2 and WEP principle of establishing high-level corporate leadership commitments for gender equality, MAS has been focusing on increasing the representation of women in management through a synergized effort across the group. The leadership has committed to a social sustainability goal of 1:1 gender representation in management by 2025. MAS is currently at 21% of women in the management cadre, and the group companies are working on many interventions to develop more women in the leadership pipeline. These efforts essentially focus on achieving and maintaining gender equality in middle management and above within the organization.

2.1 Creating and Maintaining Workplace Awareness of Gender Equality, and Inclusion and Non-Discrimination for All Workers

To ensure that the senior and middle management understood the business case for diversity and were onboard with accessibility innovations, MAS launched Diversity, Accessibility and Respect Sensitization workshops, which were carried out by MAS' Gender Equality Advisor from Canada in collaboration with Uniterria Program in 2019.

The sensitization process initiated with one-on-one discussions with the senior leadership, while sensitization sessions were held with board members, executive committees and CEOs in customized versions to suit and engage them. These special sessions focused on



understanding their challenges and obtaining their buy-in so various interventions necessary for change are supported by senior leaders. Key focus areas for this effort were familiarizing decision makers with the business case for diversity in leadership and communicating with them on how to support more women to take on leadership roles while combatting their unconscious biases.

The Diversity, Accessibility and Respect workshop focused on developing an understanding of the link between diversity and innovation in business, how to structure a team environment so everyone has a voice (regardless of gender), and how to manage a healthy and respectful workplace. It also deals with unconscious bias and innovation in relation to the way we work, in order to develop more women to take on management and leadership roles. The intention of these workshops, which were tailored to specific groups, was to create awareness and conversation around these topics in order to create an environment that is more conducive to increasing overall diversity and the proportion of women in management at MAS. Thus, different versions of the workshop were conducted for middle management and executives separately, with the aim of breaking stereotypes and addressing gender biases.

The company also focused on increasing internal capacity as they trained trainers in-house at different divisions to carry out the sensitizations to the executive and above carder across the group.

By the end of 2019, across MAS Group, 649 employees were sensitized with 40 internal trainers equipped to continue to carry out these sensitization workshops.

MAS has identified that creating inspirational role models for female employees even at the executive level is an important step in order to achieve its sustainability goals. Thus, throughout 2019, a significant number of initiatives were aimed at sharing the experiences of successful women, discussing common challenges faced and how those were overcome, and motivating and inspiring young female talent to climb the corporate ladder.



MAS Active initiated a program titled “Move on Up” with the intention to inspire, motivate and groom its female executives to enhance their skills. The main objectives of this program were as follows:

- To create leaders and understand the value of being in leadership roles
- To instill the value of collaboration and working together to build a cohesive work environment
- To build career aspirations, social capital and confidence
- To increase efficiency and execute effectively



The program started with a keynote address by MAS' Gender Equality Advisor Stephanie Shea, followed by a panel discussion with senior leaders from across the group – namely Rajitha Jayasuriya, Director of Group Legal; Suranga Nanayakkara, Director of Manufacturing; and Sharika Senanayake, Director of Environmental Sustainability. Over 60 female executive and above employees from all MAS Active SBUs took part in the session, which received positive feedback.

MAS Bodyline conducted a “Women in Leadership” forum in 2019. Two of the leading ladies at MAS, Director of Group Human Resources Dinali Peiris and Chief Executive Officer of MAS Legato Dilini Siriwardana joined the forum to share their experience and give insights about how women are gradually making their leadership presence in all spheres of work. The discussion was followed by a Q&A session and over 140 executive-and-above level employees participated in the program, of which a majority was women.

A similar program yet with an expanded reach was organized by the corporate Women Go Beyond Team in 2019 with the aim of inspiring and supporting more women to take on leadership roles. This allowed an opportunity for networking and connecting people from across the group, with the objective of understanding the experiences of women working at MAS. Four inspiring ladies who have reached greater heights both in their work and personal lives, pursuing leadership roles in untraditional areas at MAS, graced the panel, and shared their experiences and success stories with the audience, creating an environment of inspiration. The event saw an enthusiastic participation of over 80





people, both men and women, from across MAS including MAS Capital, Innovation, KREEDA, Intimates, Active and Linea Aqua.

MAS Active Operations Center celebrated International Mothers' Day 2019 under the theme #SaferTomorrow to address issues faced by a mother regarding the safety of her children. This was also a timely step taken by MAS Active to support its employees given the emergency situation prevailing in the country during the post-Easter attack. The panel discussion featured Deputy Inspector General of the Sri Lanka Police Ajith Rohana, Professor Piyanjali de Soyza in Clinical Psychology and Senior Medical Officer at Nawaloka Hospital Doctor Tissa Peiris. Over 60 employees from Active Operations Center took part in this discussion, which addressed practical aspects of acting responsibly and vigilantly during an emergency situation, useful contact details, and the legal framework to be followed during such an emergency.

MAS Active Nirmaana conducted a session for 45 executive-and-above level employees, which included an experience sharing session with MAS' Head of Eco Go Beyond & Strategic Sustainability Amanthi Perera on success and balancing career and personal life, and how she overcame the challenges that came her way.

In line with this focus, MAS Linea Aqua launched such a women's support network for executive level employees named "She Network" in 2019. The launch saw the participation of around 45 executive-and-above level female employees who discussed with a female coach on personality and career development while balancing their work and family lives. At the end of the session, 16 executives volunteered to be a part of the network's steering committee, acting as the voice of the company's

female executives to identify their needs and providing support in building potential and prosperity, networking & engagement, leadership and inspiration, career advancement, health and wellness, skill development and work-life balance.

During 2019, 76.5% of MAS' group-wide recruitment were females (18,681 in number). A sensitization session was also conducted by MAS' gender equality advisor on gender smart communication with the aim of contributing positively to gender-sensitive marketing in terms of recruitment, representation and employer branding. The program focused on all communication representatives across MAS, leading to an interactive and practical discussion on their role in creating a gender neutral or gender transformative communication culture.



2.2 Getting the Commitment of HR Leaders of the Group as a Form of KPI

As at 2019, MAS had 18% of women in senior management (GM & Director other than board members), 21% in middle management (AM to DGM) and 15% in its main Board of Directors (MCAP & M HOLD Board) Apart from all of the above work done to create a supportive and conducive environment, MAS understood that getting the support and commitment from the leadership is crucial to move forward with these numbers closer to its sustainability goal. In 2019, MAS set out a deliverable for its HR and business leaders to either maintain or increase their percentage of women in middle and senior management. While the movement in percentage points was minimal, it was meant to hold leadership accountable and set the right direction for the company. Incorporating gender representation in business strategy is key to moving the needle on this agenda.

2.3 Mentoring and Sponsorship Opportunities for Female Associates

Two structured programs on mentorship and sponsorship were launched in multiple divisions across the group to provide support and encouragement to high potential women. The mentorship programs connect high-performing women at the executive and senior executive levels to female mentors from higher management, while the sponsorship connects female managers with sponsors from their EXCO. Sponsorship programs differ from mentorship programs, as a mentor will be someone who only advises and supports, while a sponsor will be a senior level member who will have invested in a

protégé's career success and will advocate for them.

The year 2019 saw the culmination of a 9-month long mentorship pilot program launched at MAS Intimates with 7 female mentors and 8 female mentees. This program was unique because it identified high-performing female mentees at senior executive, assistant manager and manager levels across a range of departments including finance, marketing, manufacturing and corporate.



Similarly, MAS Kreedaa successfully completed its own pilot mentorship program for female executive development, "EMERGE", crafted especially to suit the unique needs of women related to career advancement that are not generally discussed in leadership programs in 2019. Through this program, 12 mentors came onboard to teach women to get the right kind of mentorship, while providing support in understanding second-generation unconscious bias. The year-long program concluded with an award ceremony recognizing the learnings of the participants.

An assertiveness training program that targeted the mentees too was launched in 2019 at MAS Bodyline, which created a dialogue on how to have difficult conversations and how to stand your ground without being aggressive or submissive in a work setting. Around 33 employees including the 10 mentees took part in

this initiative. A similar program on assertiveness was conducted for MAS Kreedaa "EMERGE" mentees, which saw the participation of 14 employees.

MAS Bodyline too rolled out the mentorship program developed by MAS' Gender Equality Advisor from Canada in 2019. The 9-month cycle comprised many one-on-one sessions, followed by a specialized workshop conducted for all manager and above female leaders at Bodyline focusing on aligning managers to MAS' diversity goals, exploring the role of unconscious bias in promotions and assessment, with the aim of getting female leaders to become mentors for executive and senior executive women. Around 10 mentors were identified through this process and underwent a mentor training session conducted thereafter. Identifying high-potential mentees at executive and senior executive level took place after this, followed by careful pairing of mentors and mentees. The 10 identified mentees too had one-on-one sessions with the Gender Equality Advisor and the WGB representative where they assessed their requirements and identified specific goals to be achieved through the program.

Likewise, MAS Active was the first division to roll out MAS' first structured sponsorship program. After the initial discussions on the program and its expectations with Active EXCO, high-performing manager-and-DGM level female associates were identified as protégés, while the EXCO was then given the discretion to select their protégé to sponsor. One-on-one conversations took place with both the sponsors and protégés to explain their roles and expectations. Finally, MAS Active's sponsorship program was successfully launched with a

tri-partite meeting where 8 sponsors from Active EXCO sponsored 10 female protégés in 2019.

2.4 Flexible Working

The centralized group policy on flexible working was approved from the board level to be piloted in several divisions from January 2020. The policy included multiple flexible working options such as work from home, work from a different MAS location and flexible time, and aims to promote striking a better balance between the career and personal lives of its associates. The MAS Kreedaa division piloted flexible work as the first division in 2018 and continues to successfully use the policy in 2019.

Some flexibility work options offered at the division are as follows:

- Flexi time – This is where employees are only expected to be present in the office during core work hours and agree with their line managers on start and end times.
- Flexi location – Here, employees are able to work from another MAS location that is more convenient to them on certain days.
- Work from home – For 2 days maximum in a week, employees may work from home.

There is a lot of communication taking place with employees at different levels to help managers and teams understand the mutual responsibility of working with flexibility, making people understand that flexibility can be looked at as a spectrum and must be tailor-made to the job type and nature of work.

2.5 Access to Child and Dependent Care

MAS provides on-site and off-site child-care facilities and crèches across the group in 11 locations. These facilities are conducted in collaboration with authorized, trained and experienced institutions and staff.

These facilities benefit team members and executive cadre, and the organization is currently looking at how it can improve and grow these facilities.

MAS Linea Aqua has taken a very unique initiative in this regard called “Tikiri Campus” to support MAS employees with primary child care and education during school vacations. Parents are allowed to bring their children to a demarcated location in the work premises by the same office transport facilities provided and go back home with their parents. Children are given educational training on computer science, english, leadership and career counseling through internal employees who are qualified on the subject and volunteered their time for this cause.



MEANINGFUL EMPLOYMENT



Renowned as a company championing an ethical and inclusive work environment, MAS is committed to ensuring the well-being and freedom of expression of its staff at all levels, from the management to the shop floor. As a partner to top global brands, the company prides itself in being inextricably interconnected with its people and communities, driving economic growth and social inclusivity.

Since inception, MAS employees have engaged with management every month through Joint Consultative Committees whose members are elected by the employee cadre themselves. This effectively provides collaborative solutions for all concerned.

We believe that empowering our employees will, in turn, contribute to the economic development of their communities. Sharing this common value between the company and its people will, in turn, contribute towards creating a sustainable future for both people and industry.

Our group-wide employee composition is as follows:

Staff grade	Total (a)	Women (b)	% of Women (b/a)
Board of Directors (MCAP & MHOLD Board)	13	2	15%
Senior Leadership (GM & Directors other than board members)	249	45	18%
Middle Management / Managers / Heads of Department (AM-DGM)	1,952	408	21%
Executives & Senior Executives	6,194	2,150	35%
Staff/Team members	89,652	66,140	74%
Total number of employees	98,058	68,744	70%

Recruitment in 2019

Staff grade	Female	%Female	Male	%Male	Grand Total
Team Member	14,384	78%	3,965	22%	18,349
Staff	306	43%	401	57%	707
Executive	223	39%	349	61%	572
Senior Executive	19	30%	45	70%	64
Assistant Manager	9	53%	8	47%	17
Manager	9	38%	15	63%	24
Deputy General Manager	1	33%	2	67%	3
General Manager, Divisional / Functional Director	1	25%	3	75%	4
Grand Total	14,952	76%	4,788	24%	19,740

Since 2018, there has been a noteworthy improvement in the recruitment of women to the position of Assistant Manager and above grades, from 18% in 2018 to 42% in 2019. Recruitment of females in the overall Executive and above grade increased from 35% to 38%.

Resignations in 2019

Staff grade	Female	Female %	Male	Male %	Grand Total
Team Member	22,515	82%	5,030	18%	27,545
Staff	420	49%	445	51%	865
Executive	228	39%	362	61%	590
Senior Executive	71	41%	104	59%	175
Assistant Manager	21	26%	59	74%	80
Manager	27	31%	60	69%	87
Deputy General Manager	6	55%	5	45%	11
General Manager, Divisional / Functional Director	6	19%	26	81%	32
Unused	37	97%	1	3%	38
Grand Total	23,331	79%	6,092	21%	29,423

Recruitment at MAS is based on our recruitment policy, complemented by the policy of equal opportunity, employee career development and training requirements identified through an annual performance appraisal carried out for all executive and above employees.

We believe MAS' skillful and talented workforce is a key contributor to its success over the years. Therefore, with global expansion plans and investments made in the IT and brands verticals, which were uncharted territories for MAS at the time, it was necessary to develop a mechanism to manage the performance of this talent base. In an effort to build a culture that recognizes and rewards outstanding performance, MAS uses a performance appraisal process supported by the globally renowned solutions provider, Oracle. This platform fosters open communication between employees and their line managers to discuss performance and areas of improvement, establish future goals, define expectations and accomplishments, and obtain overall employee feedback. Performance management continues to be a crucial part of MAS' talent management process, as its outcomes contribute to the betterment of other human resources functions such as learning & development, career management & succession management, and internal recruitment activities.

MAS' performance management cycle starts with the annual goal-setting process to enhance the quality, ownership, accountability and transparency of an individual's goals and deliverables for the year. In 2019, our employee base achieved total completion of 98% of the goal-setting cycle due to process and system enhancements made during the year. The second step is the mid-year review, which allows employees to have a conversation with their appraisers to assess the progress made on the achievement of goals and take corrective measures if required. The final year-end review ensures that the employees are appraised based on their performance, and rewarded in a fair and objective manner.

The 'Values and 2025 Behaviors' evaluation in the form of a 180-degree employee assessment was introduced in 2019 for the General Manager and above cadre at MAS. This was necessary as HOW you achieve goals is as equally important as WHAT you achieve.

External Engagements and Programmes

University Relationships – MAS' talent attraction strategy ensures that we attract the best talent and skills to meet business challenges of the day, and retain them within the organization through the talent management process. In this journey, MAS continues to work closely with key state and non-state universities across the country to both enhance the professional capabilities of undergraduates and to attract the best talent from these universities to MAS.

In 2019, MAS Platinum sponsored and participated in several career days organized by universities, including Peradeniya University's Engineering and Science faculties, Sri Jayawardenepura's Management and Science faculties, and Colombo's Management and Science faculties. MAS also sponsored the AGM of the Textile Association at the University of Moratuwa, as well as the launch of Exposition Magazine by the University of Kelaniya's MIT department. In addition, our team has conducted a number of internship interviews across 19 universities, which was successful in providing employment and internship opportunities to many students to obtain exposure to many divisions across MAS.

In addition to sponsorships, MAS has contributed to two special projects conducted by the University of Moratuwa – a fully equipped, airconditioned and furnished classroom built for the Fashion Designing department; and the renovation and expansion of the Design Studio for the Textile department.

Skills for Work – Through the Skills for Work program, which was designed to bridge the skill gaps of undergraduates, our Talent Attraction team has contributed to the development of undergraduates' soft skills by conducting career development workshops. These include training sessions for students of the University of Moratuwa – Fashion Designing and Textile departments, University of Colombo – Science and Management Faculties, University of Sri Jayewardenepura – Science Faculty, and University of Kelaniya – MIT and Human Resource departments.

In 2019, Skills for Work facilitated 60 training sessions covering a population of more than 500 students across 6 departments/faculties in 4 key local universities. The key focus of these sessions was essential professional skills that are sought after by most organizations today.

Furthermore, in collaboration with the Employer's Federation of Ceylon under the Pic Work program, internal trainers conducted sessions on CV writing and maximizing internship opportunities at the Ruhuna, Sabaragamuwa and Kelaniya universities, with a student audience of over 200 students each. A session on CV writing was also conducted at the main career day of the University of Colombo, and 2 sessions on assessment centers were conducted at the University of Sri Jayewardenepura. These sessions were conducted to expose young graduates to the corporate world and provide guidance to start their careers with the confidence following their graduation.

COMPENSATION AND BENEFITS

As an equal opportunity employer providing sustainable compensation for all employees, MAS is committed to ensure parity and fairness in pay and benefits. Despite 2019 being a challenging year, we were able to achieve our set targets owing to the strengths and capabilities of our talent base.

India Salary Survey

For the very first time, we embarked on an international salary survey during 2019. As India has the most number of MAS factories (after Sri Lanka), we chose them as the starting point to standardize our compensation and benefits practices across different regions. We were able to partner with Cerebrus Consultants and covered designations from Executive to GM including 18 job families (Technical & Non-Technical).

AIA Healthiest Workplace Survey

MAS also participated in group-wide employee and employer surveys as a part of AIA's Healthiest Workplace Survey 2019. We were successful in winning awards in the following categories:

- • WINNER of Sri Lanka's Healthiest Workplace 2019 Award in the Medium Category - MAS Capital
- • WINNER of Sri Lanka's Healthiest Employer 2019 Award in the Medium Category - MAS Capital
- • WINNER in the NEW ENTRANT category - MAS Capital

LEARNING & DEVELOPMENT

Identifying people as the key driver of its success, MAS believes lifelong learning is necessary for individuals to achieve their personal and professional aspirations, while enabling their organization to build a sustainable and competitive advantage. This is not merely reflected in MAS' vision and mission, but embedded in the values and building blocks of who we are as an organization.

We strive to create a learning environment for all employees across the organization, as we believe they can grow, experiment, discover, make mistakes, fail and better themselves through this experience. This continues to be our foundation, to ensure that all our employees from needle point on the shop floor, to those sitting in boardrooms, can access training material and be given the opportunity to further their skills and careers, thus nurturing a robust talent pipeline to drive business performance.

In 2019, the Learning and Development (L&D) team continued its focus on competency-based development, in the areas of Technical, Professional and Leadership competency training, for all team members and senior management. We believe this would assist them in better performing in their current and future roles within the organization (note: This does not include job/skill based training ie: skill matrix, training school details at the shop floor level. Please see section on "Skills development at shop floor level" for these details).

Competency-based learning focuses on an employee's individual and specific development areas and encourages them to learn and practice a blended learning approach. A key aspect of development encouraged in 2019 was practicing what they had learnt through "on-the-job" training (also known as "70% intervention"). This is applicable to all types of focused training in Leadership, Professional and Technical skills development.

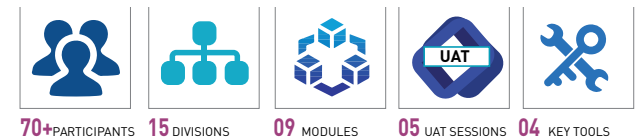
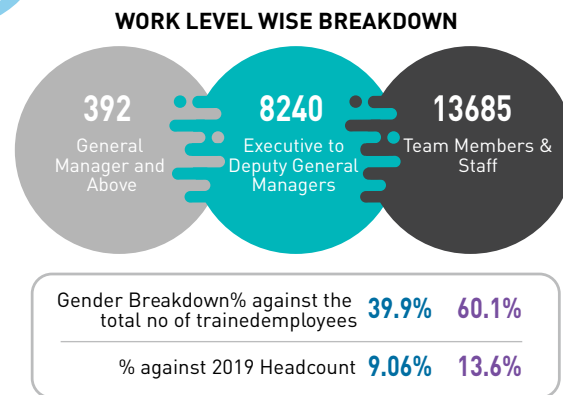
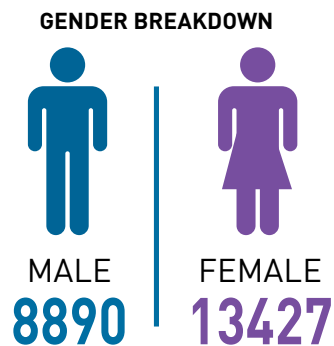
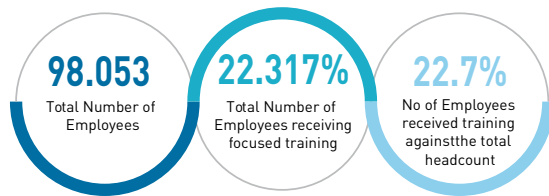
An overview of employees trained at MAS for current and future roles:

In line with MAS' commitment to develop its people through continued investments in time and resources, the L&D team remained dedicated to the task of ensuring continuous improvement and maintaining a high standard in learning solutions and processes.

As an added advantage, in 2019, the team commenced the migration of the L&D process to the Oracle platform, and hope to do the same for all non-executive related data in 2020.

The Oracle "Learn" Cloud is also available on this system, which is used by the L&D team to schedule trainings for employees as and when required. The learn module is also able to host e-based content to run as self-paced programmes.

In mid-2019, in a bid to upskill our workforce, the migration from the T2o system to the Oracle platform necessitated the training of all talent management HR personnel. During this week-long training program, they were able to learn how to have effective performance and development related conversations using the Oracle platform. In turn, these individuals were responsible for training their respective divisional and plant champions on the platform. This is directly linked to empowering our teams to manage their employees' talent life cycles.



In the L&D Cycle of 2019, the overall completion rate for eligible employees (Executives and above) stood at 86%.



The main outcome of the L&D cycle is to identify training needs for the year. In order to address these key areas, MAS' process to evolve the programs commenced in 2018 and continued into 2019. This process is as follows:

MAS Onboarding

In 2019, 9 batches completed the trainings and 432 employees were onboarded to the organization.

Professional Development

We continued to develop our future leaders through the MAS Executive Development Program, which comprised 6 batches across the business and upskilled 196 Executives, while the MAS Emerging Leaders Program upskilled 37 first-time assistant managers to accomplish their new responsibilities of managing people.

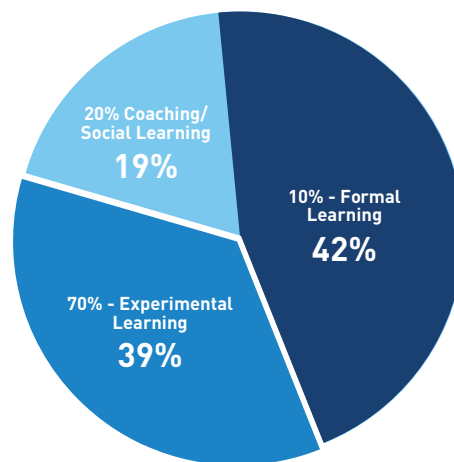
The following programs on Professional Development commenced in 2018 and continued into 2019:

- Decision making & problem solving
- Communication
- Innovation & ingenuity
- Analytical skills
- Planning & organizing

1.6 Leadership Development

Similar to 2018, employees and managers continued to work on development in a more holistic manner, by discussing an individual's performance, career aspirations, succession and development required in one conversation.

Assessing and identifying competencies that need to be developed continued to be the focus of this curated conversation using existing tools and techniques such as those obtained through our learning partner, The Centre for Creative Leadership (CCL). As such, a key driver in 2019 was added emphasis not only on enabling the "Conversations Roadmap", but also ensuring that it was practiced "on the job" rather than being merely a theory.



Programs initiated in previous years such as "Feedback that Works" workshops, "Better Conversations Every day" and MAS' coaching journey initiatives (which incorporated the CCL tools and techniques) are now beginning to enable our teams on the ground as they

start to communicate more effectively. This is only possible by enabling an open and safe environment in which to air out issues, address areas of development and drive employee performance, while remaining focused on achieving business performance through an ethical and values-driven foundation.

As evidenced by demand from business units, the "Conversations Roadmap" saw upward momentum in 2019 through the introduction of "Train-the Trainer" (TTT) programs. This program was implemented to upskill and certify internal employees to disseminate knowledge about tools and techniques used in the above-mentioned programs (such as SBII and LACE - Copyright CCL launched in 2018). Additional trainers enabled us to impact a greater number of employees at all levels.

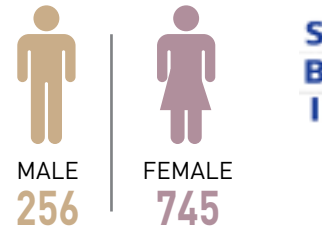
As part of the "Lead by Example" initiative, these training programs took a sandwich approach – for example, 'Feedback that Works' focused on the employee and the 'Better Conversations Every day' workshop focused on the line manager/employee relationship.

Skills Development at Shop Floor Level

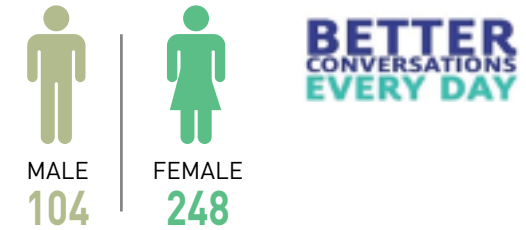
Apart from leadership, professional and specific technical training as reported in the numbers above, MAS' training schools provide, on average, 3 days of induction and 10 days of introducing basic skills to all new recruits at the shop floor level. This will amount to approximately 1,908,296 hours of training shop floor employees, considering the training school aspect only.

The TL/GL Technical Competency Development Program – The Certificate Level continues to be the foundation to prepare Team Leaders and Group Leaders to be technically and professionally skilled for the future. In 2019, MAS launched diploma courses to further develop these individuals' technical expertise to be the future leaders of the organization.

GENDER BREAKDOWN



GENDER BREAKDOWN



Train the Trainer 14

Feedback that Works 1001

Train the Trainer Better Conversations Everyday 12

Better Conversations Everyday 352



Batch	Program Start Date	Program End Date	Total Participants	Graduated	Retention	Left the Company			Promotions
						After Completing	During the Program	Quit the program	
Certificate Batch 01	24 th May 2017	15 th December 2017	41	37	34	3	3	1	2
Certificate Batch 02	08 th February 2018	31 st August 2018	41	34	29	5	5	2	2
Certificate Batch 03	08 th November 2018	29 th August 2019	45	38	38	0	1	6	2
Certificate Batch 04	06 th February 2019	Ongoing	40						
Diploma Batch 01	06 th February 2019	Ongoing	19						
Summary			186	109	101	8	9	9	6

EXTERNAL ENGAGEMENTS AND PROGRAMMES

MAS Awards

The objective of the annual MAS Awards program is to identify all-round, best-performing students from partnering local universities, conduct training programs to uplift their skills, let them identify and complete a project at MAS, and thereby select the overall best student from each faculty. Key goals of this program are as follows:

- To elevate the standards of local university students to the expected levels of the industry
- To make local university students marketable and assist with the transition from student to working professional
- To attract and foster good relationships with local universities
- To recruit the best talent at local universities to the organization

The 2019 program kicked off in the first quarter of the year with 30 students from the following universities:

- University of Moratuwa – Department of Textile Engineering
- University of Moratuwa – Department of Fashion Design & Product Development
- University of Moratuwa - National Diploma in Technology
- University of Kelaniya – Department of Industrial Management
- University of Jaffna – Department of Human Resources
- University of Peradeniya – Department of Manufacturing & Industrial Engineering
- By Q1 of 2020, 29 students had completed this program.

MAS, Dialog & Hemas Summer Internship Programme 2019

The MAS Holdings, Dialog Axiata and Hemas Holdings Summer Internship Program provides undergraduates and fresh graduates a glimpse into world-class career opportunities available in Sri Lanka. The program was built on the foundation of retaining local talent, and bringing together a highly diverse and talented pool of young people in the corporate sector. The program is in its 16th year of existence, with 15 interns benefiting in 2019.



PERSONS WITH DISABILITIES (PWD)

We at MAS strive to create an equal opportunity working environment for all our employees. At present, MAS employs more than 300 persons with disabilities, ranging from vision, speech, hearing, cognitive impaired to physically impaired.

In 2019, we re-examined our strategies and practices implemented in the last year and continued our journey towards achieving our 2025 strategy of achieving group-wide non-discriminatory employment. In addition, we revised all internal facilities to focus more on initiatives that enable, engage and empower our employees with disabilities, which in return creates a PWD-friendly work ambience within all our facilities.

SPOTLIGHT – The First Supported-Employment Officers Batch in Sri Lanka

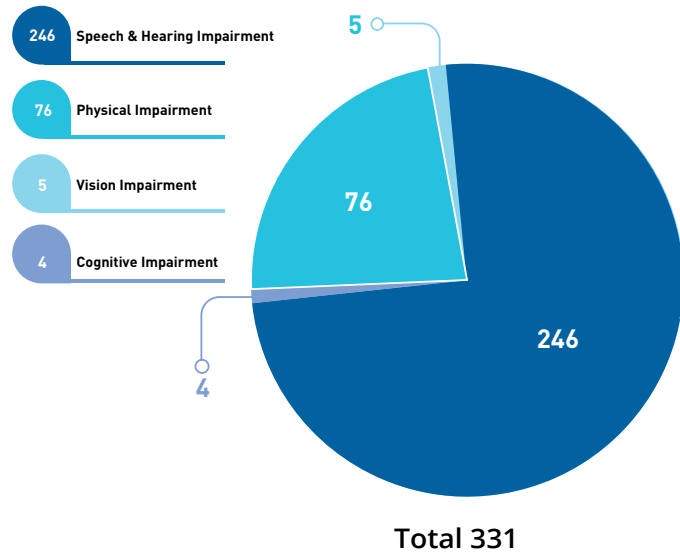
This year too, we continued our partnership with the Centre for Disability Studies of the Faculty of Medicine at the University of Kelaniya in order to ensure a support system for our employees with disabilities. We achieved this by activating the Supported Employment Model introduced by the Northern Ireland Union of Supported Employment across all MAS facilities. Ten employees from different divisions were selected for this specialized training via a group-wide nomination system. The training was conducted by a group of specialized academics and professionals from the University of Kelaniya and other relevant external institutions, led by Dr. Shyamani Hettiarachchi, Head of the Department and Senior Lecturer of the Department of Disability Studies at the University of Kelaniya, and our very own Imalka De Silva,



Manager of Human Resources and Administration at MAS Intimates and a Certified Supported Employment Officer from the Northern Ireland Union of Supported Employment. During this 6-week extensive training, the participants gained knowledge in the areas of diversity trends, disability models, legal framework for persons with disabilities in Sri Lanka, Supported Employment Model components, disability etiquette, conducting accessibility audits and tips on conducting one-on-one recruitment interviews with persons with disabilities. In 2020, each trained supported employment officer will be allocated a case study to practically execute learnings from the training.



Workforce Numbers of Persons with Disabilities, 2019



Upholding the company's values, our SBUs took the lead in implementing their own initiatives to support the employment of persons with disabilities. Initiatives taken in 2019 are as follows:

MAS Active conducted a spotlight initiative in 2019, "Voice of Our Own", to commemorate the International Week of Sign Language, while the Divisional Compliance and Sustainability team organized the annual workshop for persons with disabilities held for the third consecutive year. The main objective of this program was to promote the engagement of persons with disabilities with each other, while focusing on each individual's career advancement and work-life balance. The "Voice of Our Own" workshop was held on the 6th of October 2019 for the employees with hearing impairments at MAS Active and MAS Athena. At present, MAS Active employs a total of 61 persons of disabilities, with 44 of them participating in this event.

The workshop included a motivational counselling session by Harshani Perera, a counselor at Linea Intimo, who focused on building the identities by overcoming insecurities. This was followed by an outbound training session conducted by Power of Play, which helped to build unified relationships among these employees and together overcome life's challenges.

On the same day, we conducted a survey in order to depict a more accurate picture of how these individuals feel about the support they receive from the organization. The results have provided us with detailed information regarding their satisfaction with the services and whether our initiatives conducted for them have been a success.

MAS Intimates' spotlight initiative, spearheaded through Marks & Spencer, 'Marks & Start' is a work placement program that helps people who face barriers in finding work. Active across Sri Lanka, the Marks & Start program focuses on developing the vocational skills of persons with disabilities to take on technical roles in a factory.



This project has played a major role in the uplifting the lives of persons with disabilities and their families across the world.

In 2004, MAS Intimates Slimline was the first factory in the Asian region to initiate Marks & Start. The partnership formed the learning base, as we expanded our employment of persons with disabilities to other MAS Intimates plants.

The annual Marks & Start get-together is held on International Day of Disabled Persons. This year, the event brought together over 600 associates from 15 M&S vendors in Sri Lanka. This is an occasion for persons with disabilities across MAS plants to network and share their experiences. Over 100 associates from the 5 M&S plants of MAS Intimates participated in this informative and motivational day.





Upskilling for Leadership – MAS Intimates Slimtex

Sinhala language writing session conducted by Mr. Kalum Samarawickrama

Beneficiaries – 09 hearing impaired team members

Many of our hearing impaired colleagues have challenges around writing, mainly due to limited formal education opportunities. However, this is an essential skill for them to progress to become Team Leaders. Therefore, this upskilling program was done in support of their career aspirations. Following this pilot program, we noted significant progress being made by the participants, and therefore hope to standardize the program across MAS Intimates.



Expanding our Reach - MAS Intimates Unichela Koggala

Consultation Session for family members with disabilities and behavioral disorders conducted by Dr. Ramani Rathnaweera (Consultant Psychiatrist - Karapitiya Teaching Hospital)

Beneficiaries – 25 employees and 11 family members

This awareness session was conducted for employees with family members who have psychological disabilities, in order to help them better understand the conditions and needs, while developing their capacity to effectively support these family members. The session was followed by free consultations for each family.



Linea Aqua, Hanwella initiated “Talking Hands”, a series of sign language training focused on 15 of their speech and hearing impaired employees holding in worker, staff and executive positions in the production, cutting and ISE departments. In recognition of the value these individuals provide to the organization, the Talking Hands program was implemented to help them see a better tomorrow by giving them proper sign language training in order to deal with people both within and outside the organization. By assigning a buddy for each team member, we believe it will help them to have better communication to deal with day-to-day problems more easily than ever before. This program was conducted with the support of all departments directly involved with HR (Payroll, Welfare, PRT, Recruitment teams, Counseling, Training centers and T&D teams), Administration and the Medical Center.



MAS KREEDA celebrated the Sinhala & Tamil New Year with employees with disabilities from all SBUs at the Yowun Senankaya Grounds in Katunayake as an engagement initiative. While traditional activities and games were organized and winners were rewarded, the event also included team building and leadership activities through music and dance.



SPORTS

With sports being a key part of the MAS culture, we currently employ over 1000 sportspersons across 14 sporting disciplines. We are proud to



note that over 50 of these champions have represented Sri Lanka in the international arena in Cricket, Rugby, Boxing, Para Athletics, Netball, Basketball, Fencing, Badminton, Squash, Table Tennis and Triathlon. Owing to their commitment and dedication, we dominated the local mercantile sports arena in 2019 as well.

SPORT	EVENT & RESULTS
1	Athletics Mercantile Champions
2	Badminton 2019 Mercantile Team Championships – 3rd Place
3	Basketball E Division Champions – Boys B Division Runners Up – Girls
4	Chess Mercantile & Government Services International Rated Chess Championship – Champions Mercantile & Government Services International Rated Rapid Chess Championship – Champions
5	Hockey Mercantile A division 7 A side – Champions (MAS A team) Mercantile A division Knockout – 3rd Place (MAS A team) Mercantile D division League tournament – Champions (MAS B team) Mercantile D division Knockout – Runner's Up Mercantile D division 7 A side – Champions Mercantile F division 7 A side tournament – Champions (MAS C team)
6	Table Tennis Mercantile League Tournament – 2019 Men: A Division champions Mercantile League Tournament – 2019 Women: A Division champions Mercantile Knock out Tournament -2019 Women: A Division champions Mercantile Open Championships – 2019 Champions
7	Rugby Mercantile Joint Champions – Mens Champions - Womens
8	Volleyball Mercantile Super League – Women's Champions (Casualline) Mercantile A Division – Men's Champions (Unichela Panadura)
9	Tennis Mercantile Tennis Champions
10	Swimming Mercantile Swimming Champions

A WORKPLACE BEYOND COMPLIANCE

While MAS continues to push the boundaries on the different elements of sustainability, we are acutely aware that standards maintained within the working environment ensure the health, safety and security of its employees, as well as the confidence of our customers and external stakeholders.

In line with the founders' focus from the first day of operation, we continue to closely monitor and perform beyond expectations in all our internal and external compliance parameters.

Given below is a summary of our internal and external audits conducted in 2019. These audits cover a range of focus areas, from health and safety standards, labour, supply chains, security, brand protection and trade.

We have also given an update on the MAS DNA- the Code of Conduct.

MAS DNA

As we embarked on the year 2019, the main focus of the MAS DNA was to strengthen the group-wide implementation and communication, reaffirm leadership buy-in and commitment to the code of conduct, and reinforce and introduce new policies to the group; whilst also effectively managing grievances across the group.

Strengthening Implementation

A crucial part of reinforcement was to ensure that the organization's leaders are well aware and fully support alignment to the MAS DNA. Thereby, sessions were conducted for the senior leadership to refresh their knowledge of and re-emphasize the importance of the Code of Conduct – especially at times of Turnaround.

The senior leadership was also given an update regarding the level of awareness and adherence to the code of conduct, in their respective division. This was determined through a survey that was conducted by the central DNA team, which included questions to understand; their level of engagement with the code of conduct, perceptions of harassment and discrimination, as well as the amount of trust they place in the systems and procedures established.

While these sessions were essential to brief them about the updates and improvements made to the Code of Conduct, it also provided an opportunity to inform them about the future DNA strategies and communicate how they, as the senior leadership of MAS, can support to carry out the same.

To further strengthen awareness and adherence to the

MAS DNA, it was also essential to have a strong Code Officer network equipped with the required knowledge and skills, paired with supportive tools and platforms. Thereby, as a first step, we conducted Code Officer Refresher Trainings for the respective Divisional and SBU Code Officers in each division. The session focused on refreshing the Code Officers' knowledge on the investigation process and sharing one another's best practices.

Another primary aspect of focus in the Code Officer refresher sessions was to train Code officers to use EthicsPoint (Navex platform) as a central platform to manage cases of non-compliance. In addition to functioning as the central platform, EthicsPoint is also important for the tracking of group-wide governance and compliance by the central DNA team based at Group HR; and ensure that all cases across the group are managed uniformly, in alignment with the standard investigation process and consequence management framework.

As another initiative to educate new employees, a session on the MAS DNA was included in the Group Onboarding, which takes place every alternate month. The session would focus on the following:

- MAS Values and its connection to the MAS DNA
- The Importance of the MAS DNA
- Pillars of the MAS DNA
- Policy framework
- Resources available to understand the MAS DNA (related policies, Investigation Process, Consequence Management Framework, etc.)

Further to the DNA Roll Out sessions conducted by

the Central DNA team, Code Officers and HR teams continued to conduct education and awareness sessions within their respective divisions/ SBUs. They also took additional steps to strengthen communication through one-on-one conversations, e-flyers and posters.

Policy Deployment

Another important aspect of the MAS DNA is to implement policies which would give a detailed understanding about standards of procedure and employee behavior expected. In the year 2019, the focus was to look at policies which would help employees better balance their work and personal life.

Accordingly, as measure to promote work-life balance, a Flexible Working Policy was proposed with 3 main types of flexible working arrangements; Flexi Hours, Flexi Location, and Home Working. A number of divisions across the group have initiated piloting these arrangements among their respective teams to check the feasibility and effectiveness of the policy.

Additionally, a group-wide Leave Policy, applicable for the executive and above cadre, was proposed to be implemented. This leave policy included the regulatory leave entitlements, and the entitlements that were especially provided by the organization – with the intention to ensure all employees are aware of the types of leave granted. Important highlights of the policy are the introduction of Paternity leave and Adoption Leave, where employees are encouraged, and are given the opportunity to be more involved and share these special moments with their families. The policy was approved to be implemented in 2020.

Factory Floor Roll Out

MAS believes that the factory floor employees are the core of the organization; and it was decided to extend the MAS DNA roll out to the factory floor employees in 2020, with Anti-Harassment and Non-Discrimination being the main focus. Thereby, in addition to the above objectives, the pre-work for the factory floor roll out was initiated. As a way to determine the best approach to roll out the Code of Conduct to the factory floor with emphasis on anti-harassment and non-discrimination, a number of Focus Group Discussions were conducted at a few SBUs with sets of randomly selected participants. These participants were selected from various work levels of the cadre, ranging among team members, team leaders, group leaders, as well as Executives who work closely with the factory floor employees.

The focus group discussion revolved around their understanding of discrimination and harassment; and determining the grievance handling mechanisms that are currently in place. From these discussions, it was evident that they were aware and knowledgeable on the topic; and their feedback further proved to be extremely valuable to design and develop the material needed for the factory floor roll out.

Considering the magnitude of the cadre, it was planned to follow a train-the-trainer model for the factory floor roll out. Accordingly, subsequent to the focus group

discussions and the development of material; TOT sessions are to be conducted with selected individuals from each division/ SBU (who were named as "DNA Champs"). The DNA Champs will then take their learnings forward and conduct small group-sessions, covering the factory floor employees cadre.

The above will be supported by other material which will be provided by the Central DNA team, such as informative brochures, videos, posters, policy prints to be placed across the factory, articles included in MAS' newsletter "Diyani", etc.

MAS DNA Website Usage

The following was analyzed with regards to the usage of the MAS DNA website in the year 2019.

Sessions – 10,402

"A session can be defined as the material usage by an employee where he/she actively peruses and engages with the content of the website."

Out of the total number of sessions stated above, it was noted that:

- **58% were sessions by New Visitors** (first-time users during the year)
- **42% were sessions by Returning Visitors** (Users who have initiated at least one session previously)

Pageviews – 20,758

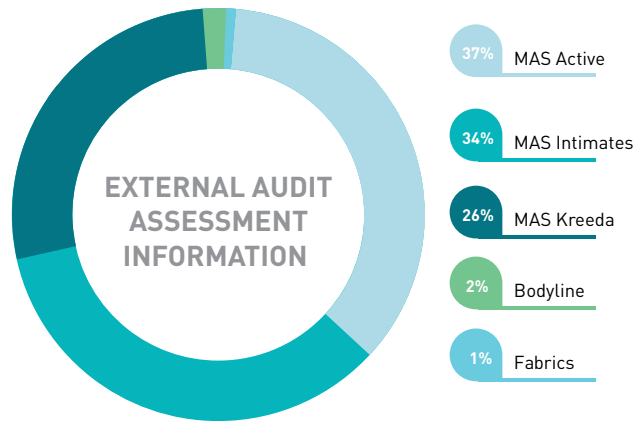
"Pageviews is the total number of pages viewed."

Country	Percentage
Sri Lanka	96.5%
Bangladesh	0.74%
Indonesia	0.68%
Jordan	0.54%
United States	0.49%
India	0.41%
Other	0.64%

Furthermore, there were a total of 382 cases of non-compliance reported in the years 2017, 2018 and 2019. Out of these cases, 57 were reported to the Central Team directly; where 13 were raised via the MAS DNA Helpdesk. The remaining cases were directly brought up to the relevant Divisional/ SBU Code Officers of the respective company.

This indicates a level of trust and acceptance towards the MAS DNA, credibility of the investigation process and manner in which the course of action is decided. However, continuous work is being carried out to strengthen awareness and acceptance of the process. .

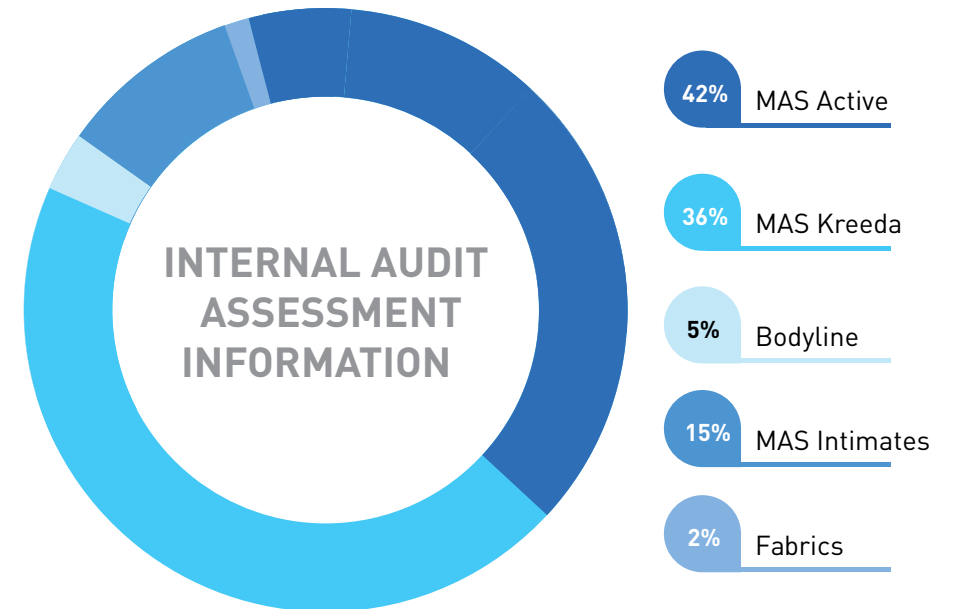
COMPLIANCE UPDATE



There have been 76 audits conducted by and on behalf of MAS' external customers for the period January-December 2019.

Areas of audits	Labour	Health and safety	Supply chain	Security	Trade	BPU
Number of audits	69	70	16	36	2	2

Audits external conducted	Number of time audits conducted
WRAP	8
ETI Audit	9
Nike NCAT - HSE	7
Nike NCAT - Labour	7
Security and Supply chain Assessment of Nike	6
HBI (Hanes Brand Inc)	8
FSLM (SAC)/ SLCP Audit	7
Lululemon Compliance Audit	4
Hanes Follow Up	3
Everlane	2
Fair Trade	2
GAP	2
Lacoste	2
M&S	2
Ralph Lauren	2
Amazon	1
Inditex	1
Patagonia Social and CEIP assessment	1
SCAN	1
WRAP PCA	1



We continue to have a stringent internal audit process, which is governed at the Divisional level by dedicated teams overlooking the audits and enforcement of certifications and standards. MAS conducted 63 Internal Audit Assessments in 2019.

Audit name	Audit count
Divisional Compliance and Sustainability Audit – Behavioral	18
Divisional Compliance and Sustainability Audit – Bi annual	10
Nike NCAT - HSE	8
Nike NCAT - Labour	16
BPU (Process Compliance)	1
DCAT Audit	10
Total	63

Areas of internal audits	Labour	Health and safety	Supply chain	Security	Trade	BPU
Number of audits	63	51	23	59	14	11

We continue to closely monitor and report on our health and safety parameters.

Significant accidents for the period under review are as follows:

Division	Accidents		
	Fatal accidents	Permanent disability accidents	Partial disability / incapacitation of a worker for more than three days
Bodyline	0	0	3
Kreeda	0	0	4
Active	0	0	3
Intimates	0	0	9
Linea Aqua	0	0	6
Other (Metrix & Noyon)	0	0	0

The certifications and awards received by MAS in 2019 are as follows:

Certification name	Active	Intimates	Bodyline	Kreeda	Linea Aqua	Matrix
ETI		7	1		1	
ISO 14001	6	6	2	9	3	
WRAP	4	5			3	
GMP	6	3	1	3	1	
ISO 9001:2015					2	
BSCI		1				
C-TPAT		1				
ISO 14064			1		2	
ISO 45001:2018	1					
ISO 9001:2015	1	2			3	1
OHSAS 18001	6			8		1
RCS		1			1	
WCA		1			3	
ISO 50001				2	1	
Responsible Care	5			8		
Zero Waste to Landfill						1
Nike Footwear accreditation						1
Vision Zero						1
Fair Trade	2					
Total	31	25	5	32	23	5

In its endeavor to offer best-in-class working conditions and ensure a sustainable future for its business, MAS continues to challenge itself to be the best in the industry. This commitment has been recognized both locally and internationally through its achievements in various sustainability standards platforms.

Our achievements in 2019 are as follows:

Types of recognition	Number of awards	Division/SBU
Sustainable Apparel Coalition - Leadership: Higg Facility Environmental Module	1	MAS Active (Private) Limited
LBrands Supplier Compliance Ownership	1	MAS Intimates (Private) Limited
Presidential Export Awards - Overall awards export to the global value chain (Apparel sector)	1	MAS Fabrics (Private) Limited - Matrix
Presidential Export Awards - Overall awards contributor to sustainable development in exports (Apparel sector)	1	MAS Fabrics (Private) Limited - Matrix
Presidential Environmental Awards - Gold (Apparel sector)	1	MAS Active (Private) Limited - Asialine Division
Presidential Export Awards - Merit (Apparel sector)	1	MAS Fabrics (Private) Limited - Matrix
Presidential Environmental Awards - Textile and Textile processing industries - Certificate (Apparel sector)	1	MAS Fabrics (Private) Limited - Matrix
Presidential Environmental Awards - Silver (Apparel sector)	1	MAS Active (Private) Limited - MAS Shadeline
Presidential Environmental Awards - Merit (Apparel sector)	1	MAS Active (Private) Limited - MAS Synergy
Presidential Environmental Awards - Bronze (Apparel sector)	2	MAS Active (Private) Limited - MAS Linea AITC MAS Fabrics (Private) Limited - Methliya Division
National Quality Award - Gold	1	Linea Aqua (Private) Limited
National Quality Award - Silver	1	Linea Aqua (Private) Limited
National Productivity awards - Gold	1	MAS Active (Private) Limited
National Productivity Award - Certificate (Manufacturing)	1	MAS Active (Private) Limited - MAS Vaanavil
National Occupational Safety & Health Excellence Award - Merit (Apparel sector)	6	MAS Active (Private) Limited- MAS Vaanavil, MAS Leisureline, MAS Linea AITC, MAS Shadeline and MAS Synergy MAS Fabrics (Private) Limited - Methliya Division
National Occupational Safety & Health Excellence Award - Gold (All local industries)	1	MAS Active (Private) Limited - MAS Kreeda Intimo
National Occupational Safety & Health Award - Gold	1	MAS Active (Private) limited - MAS Linea Intimo
National Convention Productivity Award - Quality circle level - Gold (Manufacturing)	1	MAS Active (Private) Limited -MAS Kreeda Mihintale
National Convention on Quality & Productivity - Gold (Apparel sector)	1	MAS Active (Private) Limited - Sleekline Division
National convention of quality and productivity Award - Gold (Manufacturing)	1	MAS Active (Private) Limited - MAS Kreeda Intimo
National Cleaner Production Awards – Gold (Apparel sector)	1	MAS Active (Private) Limited - Asialine Division
National Cleaner Production Awards - Gold (Manufacturing)	1	MAS Active (Private) Limited - Nirmaana Division

Sri Lanka Association for the Advancement of Quality and Productivity - "Thoni" Project NCQP - Gold (Manufacturing)	1	MAS Active (Private) Limited - MAS Vaanavil
Sri Lanka Association for the Advancement of Quality and Productivity - "Think Safety First" - Project NCQP -Gold (Manufacturing)	1	MAS Active (Private) Limited - MAS Vaanavil
Sri Lanka Association for the Advancement of Quality and Productivity - "Turnaround the Embellishment" - Project NCQP - Gold (Manufacturing)	1	MAS Active (Private) Limited - MAS Vaanavil
Sri Lanka Association for the Advancement of Quality and Productivity - "Goldarn Drops" - Project NCQP - Gold (Manufacturing)	1	MAS Active (Private) Limited - MAS Vaanavil
Sri Lanka Association for the Advancement of Quality and Productivity - "Beyond the Level" - Project NCQP -Gold (Manufacturing)	1	MAS Active (Private) Limited - MAS Vaanavil
Ceylon Chamber of Commerce - Best Corporate Citizen Sustainability Awards - Disaster Risk Reduction Best Project Award - Gold	1	MAS Intimates (Private) Limited
Ceylon Chamber of Commerce - Best Corporate Citizen Sustainability Awards - Aloka Breast Cancer Awareness Program - Merit	1	MAS Intimates (Private) Limited
JASTECA - Taiki Akimoto 5S Competition 2019 -Cerificate (Manufacturing)	1	MAS Active (Private) Limited - MAS Vaanavil
JASTECA - Best CSR Sustainability Award - Winner (Apparel sector)	1	MAS Active Trading (Private) Limited - MAS Kreeda
Excellence Award in Occupational Safety & Health -Excellence Award (Apparel sector)	1	MAS Active (Private) Limited - MAS Al Safi - Madaba
Asia Best Companies to Work For in Asia 2019	1	MAS Sumbiri 1 (Private) Limited
TAIKI AKIMOTO-5S - Bronze (Large Category)	1	MAS Active (Private) Limited - Asialine Division
Social Dialogue Award - Poster Competition - Merit (Apparel sector)	1	Bodyline (Private) Limited - Pimbura
Social Dialogue Award - Poster Competition - Gold (Apparel sector)	1	Bodyline (Private) Limited
Social Dialogue Award - Large Scale-Silver (Apparel sector)	1	Bodyline (Private) Limited - Pimbura
Social Dialogue Award - Essay Sri Lanka Association for the Advancement of Quality and Productivity Writing -Bronze (Apparel sector)	1	Bodyline (Private) Limited - Agalawatte
Social Dialogue Award - Art Competition - Gold (Apparel sector)	1	Bodyline (Private) Limited
Social Dialogue Excellence Award - Labor - Silver (Apparel sector)	1	MAS Active (Private) Limited -MAS Kreeda Mihintale
Department of Agriculture - Urban Agriculture Development Programme Competition - Central Province - Winner	1	Unichela (Private) Limited - Linea Intimates Division

THRIVING COMMUNITIES



MAS continues to support all the communities in which it operates in line with its corporate ethos, as we believe they are a rich part of our identity.

Sustainable Development Goals



No. of Activities **786**
 No. of Beneficiaries **5,177,006**
 No. of Volunteers **17,201**

Corporate citizenship activities are aligned to the SDG's

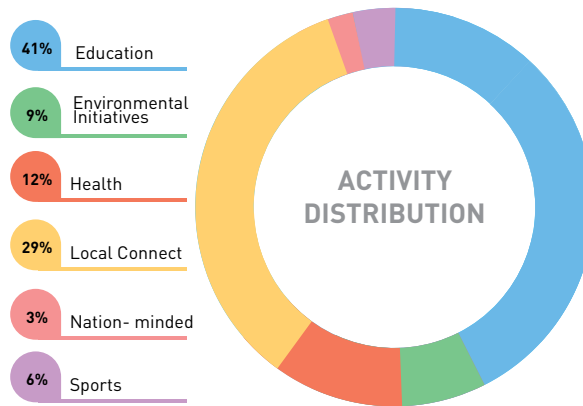
MAS allocated LKR31 million for its Corporate Citizenship Activities in 2019.

When compared with 2018, MAS has seen a significant increase in the number of activities, beneficiaries and volunteers.

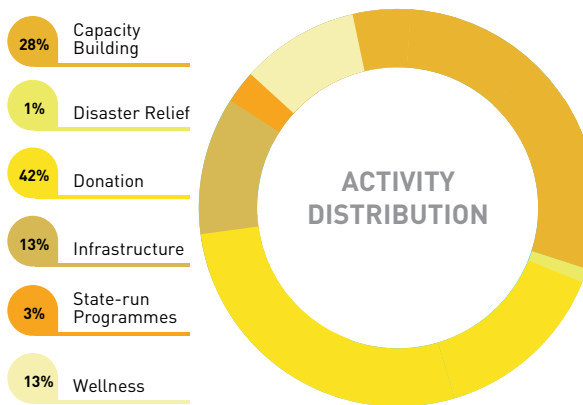
	2018	2019	Increment
Number of activities	577	786	36%
Number of beneficiaries	2,486,507	5,177,006	108%
Number of volunteers	12,581	17,201	37%

When implementing its Corporate Citizenship Activities, MAS has focused on quality education (SDG 4), good health and wellbeing (SDG 3), and sustainable cities and communities (SDG 11).

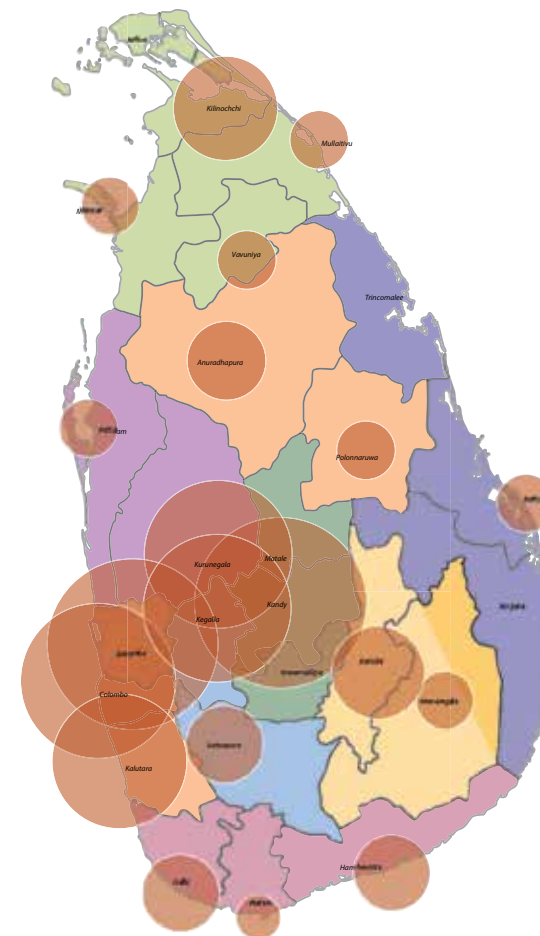
Category of Intervention	No. of Activities
Education	318
Environmental Initiatives	71
Health	96
Local Connect	228
Nation-minded	21
Sports	48



Sub-category	No. of Activities
Capacity Building	253
Disaster Relief	9
Donation	373
Infrastructure	115
State-run Programmes	24
Wellness	114



MAS' activities are distributed among Sri Lanka's 21 districts, with the highest intervention in the Kandy, Kegalle and Kurunegala districts.



Recognized as an SDG Pioneer for Sri Lanka

SDG Pioneers is a global recognition platform by UN Global Compact to recognize young business leaders from around the world in the field of sustainability, who are positively meeting the United Nations Sustainable Development Goals (SDGs) through their work catering towards the campaign “Making Global Goals Local Business”. In the local competition in 2019, from amid several private sector company applicants, Roshan Weerasinghe of MAS’ Sustainability team emerged the national winner and went on to represent Sri Lanka in the global event. In recognition of this achievement, he was invited to attend the UN Leaders Week in New York, USA. He has also been instrumental in aligning MAS’ community development and social sustainability work with the UN’s SDGs, while educating the corporate citizenship and CSR connects across the group on the same.



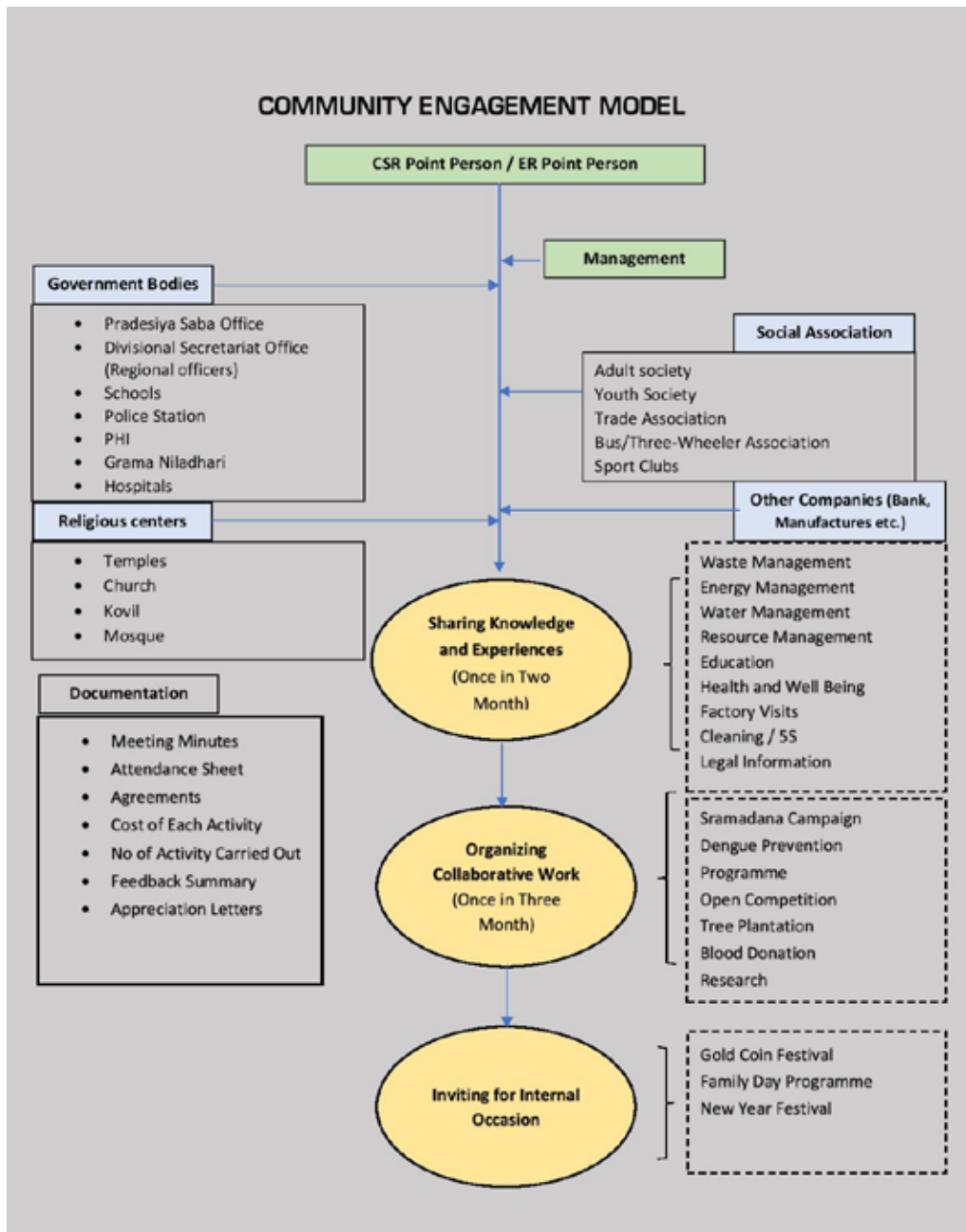
Roshan also manages MAS’ Eco Go Beyond program, which is a sustainable development education initiative that takes SDG-related education to schools in Sri Lanka. In terms of his leadership and commitment to the projects, he is an internal resource for this program and has been instrumental in aligning the programme content with the UN’s SDGs and better portraying MAS’ community engagement activities. He has also conducted knowledge sharing sessions on SDGs for local education officials from the Ministry of Education in Sri Lanka.



Beyond the Borders of Corporate Citizenship

MAS has developed its own community engagement model by using current best practices and international tool and techniques accepted globally. This model has helped to maintain systematic community relationships to ensure continuity. Furthermore, it has helped align the company to the UN’s Sustainable Developments Goals. It allows MAS to identify all stakeholders by mapping their presence to create strong partnerships. As a result, it helps to enlarge the impact across the community. After being successfully piloted in Balangoda, it is now adopted widely by the company.





The implementation of the company-wide community engagement model helped achieve the following outcomes:

- To discover concealed stakeholders
- To identify potential stakeholders
- To create a win-win situation within the community
- To expand community engagement
- To easily estimate the level of engagement
- To ensure a greater impact vs investment

The Strategic Approach to Mandate Corporate Citizenship

MAS initiated a social sustainability scoring tool focused on the social aspects of the business including women in leadership, work-life balance, health and safety, and community service. It gives a score for each SBU by considering their commitment to the social aspects in their daily business activities. Under community service, each manufacturing plant is mandated to do four Corporate Citizenship activities per quarter, based on which they will receive a final assessment. In addition, out four activities, two different focus areas should be addressed and volunteer participation mandated for one activity.

Responding to the Easter Sunday Terror Attack in 2019

In response to the Easter Sunday terror attacks, MAS Holdings mobilized a team to understand the ground reality and support the relief efforts for the victims of the Easter Sunday attack. After carrying out a lot of field work, assessing the needs of the community and consulting various stakeholders, we were provided with an opportunity to support the victims by partnering with Sethsarana, the social service arm of the Archdiocese of Colombo.

We initially wanted to provide a community development center, however, this need had already been fulfilled by another organization; therefore, we proposed an alternative project to provide educational scholarship opportunities to child victims of the Easter Sunday attacks.

Once we had analyzed the project scope, the business heads across MAS Holdings reached out to customers and suppliers who were eager to contribute funds toward this cause. We were able to raise \$81,000 due to the generosity of gracious donors. We utilized these funds to provide 24 scholarship opportunities for all students from grades 5 and 6 who were affected in Kochchikade and Katuwapitiya. We pledged to support them until they finish their A/Levels examination at the age of 18.



The scholarship breakdown is as follows and the balance unutilized funds of \$13,089 will be used in the future once we review the project:

Grade	No of Students	Amount Per Student	Total Amount for Student(\$)
5 to 13	15	2932	43,980
6 to 13	9	2659	23,931
Total	24		67,911



Eco Go Beyond – Sustainable Schools Programme

Stemming from our deep belief that educated and activated young people are the key drivers of sustainable development, the MAS Eco Go Beyond Sustainable Schools program completed its 13th year in 2019 impacting over 60,000 youth from across more than 90 rural schools. The successful initiative included school-based workshops using audio visual presentations, guest lectures, playlets and mobile exhibits held at several locations. The final school-based projects are monitored and judged annually, and the program culminated with an exhibitions and awards ceremony recognizing and rewarding the winners.

Stepping into its third phase of the 2017-2019 cycle, the initial sensitization meeting for the program was held in February at the Ministry of Education, with the participation of principals and teachers-in-charge representing all 30 participant schools of the

project. The meeting was used to draw focus to the 13-year successful public-private partnership between MAS Holdings and the Ministry of Education.

As the second phase of sensitization, school awareness roll-outs took place in February and March, where new concepts and initiatives for the year were introduced to the schools by the specialist consultants and the central team using a series of interactive presentations and workshops held at each school. The participants of these workshops were not only the students of the target age group, but most often the entire secondary school, teachers, interested parents and even other interested individuals from the local community. Through these 30 workshops, the program impacted 5,593 students, 234 teachers, and 259 parents and community well-wishers.

As the monitoring phase of MAS Eco GO Beyond 2019 begins, the first evaluation took place in May and June at each school, with the participation of specialist consultants and the central team. Here, the schools were evaluated based on projects activated by the students under the following 11 environmental and social sustainability-based criteria:

- Increasing green cover - Growing trees and grass
- Composting biodegradable waste
- Paper and non-biodegradable waste including plastic elimination
- Promoting nutrition: Nutritious crop cultivation
- Reduction & management of energy/electricity consumption
- Reduction & management of water consumption
- Promoting a sustainable lifestyle: Eco-friendly decorations
- Promoting multi-culturalism
- Increasing productivity through the implementation of 5S
- Enhancement of biodiversity
- Community engagement activity





Leadership Activation Sessions

While maintaining government directives for students regarding traveling outside school for residential programs post the Easter Sunday attacks in Sri Lanka, in 2019, we held a series of activation sessions/ workshops at 30 Eco Go Beyond partner schools. Each workshop comprised a series of sessions under topics such as problem solving using lean principles, disaster risk resilience and a practical session on home gardening techniques conducted by the central Eco Go Beyond team, divisional resource persons and internal lean trainers. Similarly, the teachers of each school took part in a session on effective feedback conducted by the internal MAS trainers. These programs impacted an audience of 900 students and more than 120 teachers.

Based on their performance at the monitoring and evaluation phase, the star performers were awarded at a ceremony held in October 2019 under the patronage of chief guest Dr. Chandra Embuldeniya, the inaugural Vice Chancellor of the Uva Wellassa University of Sri Lanka, officials from the Ministry of Education, principals, teachers, students from 30 participant schools and the MAS fraternity. This event marked the conclusion of the 2017-2019 cycle of the Sustainable Schools Programme.

At the event, Godawela Sri Pragnananda Vidyalaya in Thulhiriya emerged as champions, followed by Palannoruwa Central College in Horana and Balabowa Junior School Naiwala being nominated first and second runners-up, respectively. The event also recognized and rewarded the top 12 performers from the schools.



Category	2017	2018	2019	Total
Trees planted	1114	1253	1317	3684
Grass grown (M ²)	7484	6439	8932	22855
Compost (KG)	2289	11361	9993	23643
Plastic recycled (KG)	294	1228	352	1874
Paper recycled (KG)	392	1327	2363	4082
Glass recycled (KG)	462	598	356	1416
Iron recycled (KG)	190	1196	180	1566
5S productivity incorporated (areas)	89	261	208	558
Awareness programs	59	276	347	682



External Interventions

MAS also partnered with the Ministry of Education to host the All Island Agricultural Quiz Competition and its final awards ceremony. As a part of the program, MAS got the opportunity to conduct a session on SDG alignment of school activities for the winners.

MAS' Eco GO Beyond and SDG journey was presented to the Board of Global Compact Sri Lanka Network by internal sustainability resource persons.

Nation-mindedness: Impacting at Scale

Donating an ultrasound scan machine for the Gynecology and Obstetrics clinic by Vidiyal and Vaanavil

The Kilinochchi Teaching Hospital is the only hospital in the entire Kilinochchi District that has a dedicated maternity ward, Gynecology & Obstetrics clinic and mobile clinic that services rural areas. The hospital had one ultrasound scan machine for all three requirements. Approximately 150 pregnant ladies visit the Gynecology & Obstetrics clinic every week, and the hospital was unable to cope with this demand.

The hospital reached out to MAS, and the two MAS plants in Kilinochchi immediately partnered them to address this need by providing a state-of-the-art ultrasound scan machine for the benefit of the mothers-to-be in the area.

This initiative was able to provide access to maternal health scans for over 500 pregnant ladies per week

Alignment to the 10 Principles

Initiatives Policies and Processes	UNGC Principle	Pages
Meaningful Employment	1, 2, 3, 4, 5	72-84
MAS DNA	1, 2, 10	85-86
Persons with Disabilities interventions	6	79-83
Empowering Women	6	52-71
Thriving Communities	1, 2, 8	91-99
Compliance and Certifications	1, 2, 3 and 10	87-90
Compensation and Benefits	2	74
TL/GL Programme	6	77-78
Water, Chemical & Waste Management	7	27-36
Championing Climate Action	7, 9	21-26
Biodiversity Initiatives	8, 9	37-47



