

2  
0  
2  
2



PLAN FOR  
**CHANGE**

MAS HOLDINGS **IMPACT REPORT**



# In this report

## INTRODUCTION

- 3 From Our Group CEO
- 5 Planning for Change in 2022
- 7 Our Plan for Change
- 8 2022 Highlights



PLAN FOR  
**CHANGE**



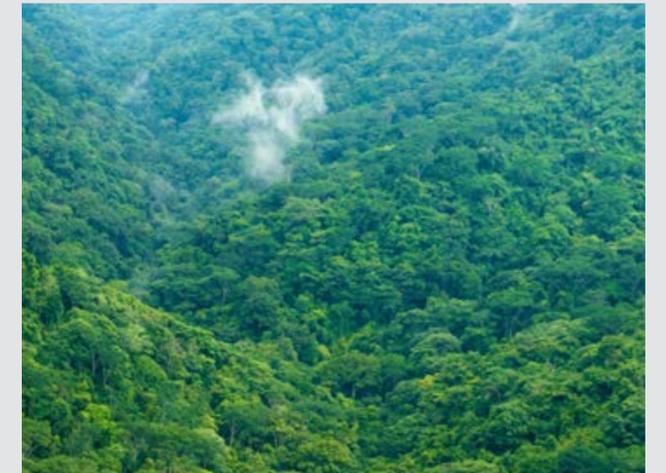
## 9 PRODUCTS CHANGED FOR GOOD

- 11 Our 2022 Journey
- 13 Sustainable Product Criteria
- 15 Innovate & Disrupt
- 16 Source Sustainably
- 17 Pioneer Circularity at Scale



## 18 LIVES CHANGED FOR GOOD

- 20 Our 2022 Journey
- 22 Empowering Women
- 27 Meaningful Employment
- 39 World-class Workplaces
- 46 Thriving Communities



## 57 OUR PLANET CHANGED FOR GOOD

- 59 Our 2022 Journey
- 67 Limit Emissions
- 73 Transform Waste
- 77 Responsible Chemical Use
- 82 Safeguard Water
- 84 Champion Biodiversity

## 91 THE MAS FOUNDATION FOR CHANGE

# Message from the Group CEO



With the onset of the pandemic, and the subsequent economic turbulence that is being felt across the world, each passing year has presented us with unprecedented challenges to deal with as a business. The year 2022 was no different, with a particularly challenging climate in Sri Lanka due to the economic crisis that hit in the early months, followed by the impact of the global economic headwinds felt during the latter part of the year.

**As a company built on the strength of its people, during challenging times like these our focus remains on our employees across the globe, supporting them through turbulent times, while positioning the overall business for longevity**

**and securing sustainable, equitable growth for the future.**

In the year 2022, MAS focused on strengthening the core of our business, by building a diversified and resilient customer portfolio, improving efficiencies in manufacturing, and securing an optimized supply chain. With the addition of new customers from new geographies to our portfolio, the strategic engagement through the joint venture with Tata Group's Trent Ltd, and the launch of TEXO through the acquisition of BAM Knitting in Sri Lanka, we have provided our business with key building blocks for the future, while augmenting a vertically integrated manufacturing footprint in Sri Lanka.

In 2022, we also witnessed the growth of our femtech vertical, recently rebranded as femography, and strengthened through new customer partnerships. Our Adaptive Centre of Excellence, Lable by MAS, was formally launched in 2022, building on years of work in this space to further develop our capability in

offering adaptive apparel solutions for persons with disabilities.

With a key focus on creating sustainable alternatives for the products and apparel solutions that we offer our customers, our strategic business unit Noyon Lanka introduced 'Planetones,' a 100% natural dye solution certified by the Control Union, through which we continue to explore the opportunity of creating garments coloured exclusively with natural dyes.

Our biggest strength remains the collective capability of MAS, innovating new technologies that are applicable across multiple product categories, enabling us to offer integrated innovation, design, development, manufacturing and supply chain solutions.

A testament to these efforts is the recent recognition of our innovation arm, Twinery, by Fast Company in its list for 'Best Workplaces for Innovators'. This recognition honours organisations committed to innovation at all levels, and it was a privilege to see MAS being ranked among other global giants such as Microsoft and Siemens.

And as always, our commitment to sustainability remains clear and robust despite external challenges, with our work being recognised at the highest levels across the globe. MAS was selected as a finalist at the Reuters' Responsible Business Awards 2022 in the Diversity, Equity and Inclusion category, and our Ocean Strainer initiative was named as a finalist in the Water Category of Fast Company's 2022 'World Changing Ideas'.

**These milestones, while important, are markers on a continued effort to push our business towards a long-term, sustainable model, with the aim to pioneer circularity at scale.**

With a specialist team set up within the business to explore the partnerships, knowledge, technology, and investments that are required to make this ambition a reality,

we remain confident that MAS will be able to unlock this challenge and establish a path to a fully circular business model.

With the global economic downturn impacting key markets such as the US and the EU and resulting in lower volumes, 2023 and 2024 will prove to be challenging years for the apparel industry, with a particular impact on apparel manufacturers.

While we navigate these challenges as a global business, MAS remains committed to improving our sustainable business model, and delivering upon the commitments made in the MAS Plan for Change.

Through our own work and through collaborations with likeminded partners, we will strive to build a truly sustainable business, creating changemakers and committing to transform our world for good.

**Suren Fernando**  
**Group Chief Executive Officer**  
**MAS Holdings**



# Planning for Change in 2022



The year 2022 marked a time of change and disruption. It was a year during which the global fashion industry saw significant strides and developments in the sustainability space, fueled by changing regulations, pivoting away from known processes and standards, along with the exponential rise of conscious consumers.

In the face of an ever-changing landscape, it was important for all those dedicated to creating a more sustainable apparel industry to realise that we needed to unlearn what we already knew, and relearn what we know now, to shape the future of the industry.

Three years on from when our Plan for Change strategy was launched, what we saw was a signal that our priorities too must change to stay relevant amidst a dynamic landscape. Today, more than ever, we see consumers holding brands accountable for their sustainability commitments. Every day, brands are being scrutinized about issues such as greenwashing, emissions footprints, transparency, and ethical supply chain practices.

## Unlocking Circularity at Scale

It is against this landscape that we look back at our efforts to further our Plan for Change commitments in 2022. Driven by heightened regulation particularly stemming from the European Union, the goal of creating a circular economy has become a widespread objective within the industry. With the ambition of pioneering circularity at scale being a key commitment within the Plan for Change, MAS has made important strides in this space, positioning ourselves to execute on a multi-pronged circularity strategy over the next few years.

This approach includes MAS focusing on textile-to-textile recycling, as well as investing in and sourcing circular yarn. As a manufacturer, our interest in recycling encompasses pre- and post-consumer waste, and MAS has explored a number of partners with different capabilities, to find opportunities of collaboration.

In terms of investing in and sourcing circular yarn, our focus extends to cotton, polyester, as well as materials of the future. Materials of the future, in particular, play an important part in

this strategy as we firmly believe that finding sustainable replacements to synthetic materials is a key area that we must unlock to create long-term potential for success in this space. In the material of the future category, we are looking at methods of creating material without using finite resources, using more renewable resources, and mitigating extensive use of natural resources such as land and water.

MAS strongly believes that it is equally important to find solutions to address the existing synthetic material within our value chain; therefore, creating avenues for textile-to-textile recycling of polyester remains a critical area. Having taken the initiative in 2022 to source and invest in textile-to-textile recycling partners who have developed sustainable alternatives that can be scaled up and taken to market, we are confident that these explorations will reap results in the future.

## Changing Lives for Good

The challenging landscape of the pandemic years extended to 2022 with the economic crisis in Sri Lanka, as well as inflation-led cost-of-living crises playing out in many of



our operating regions. Leaning heavily on our foundational values of doing the right thing, MAS continued to support employees with wage increases and additional support through the provision of rations and supplies to employees in Sri Lanka.

Operating on the belief that business will only succeed through the success of our people, and communities, MAS took strides to empower our employees and ensure their well-being and growth, with the expansion of flagship initiatives like Women Go Beyond in Kenya, and the Eco Go Beyond Sustainable Schools programme in India.

The teams also continued to prioritise the empowerment of women and the inclusion of Persons with Disabilities within our operations and local communities, advocating for and championing change in these spaces, and helping create positive impact through education, skills development, access to healthcare, and community development.

### Addressing a Planet at Risk

With a number of catastrophic climate related disasters impacting different regions across the world, the urgency of addressing the risks being faced by our planet was never more apparent than in 2022. We continued to push our efforts in championing climate action by taking steps to reduce our carbon footprint within our operations and across our supply chain.

With a goal of reducing carbon emissions by 25% by 2025 from a 2019 base year, we have embarked on the journey to not only mitigate our footprint, but also to transition our operations to renewable energy sources. To further strengthen our commitment towards a healthier planet, we signed up for the Science Based Targets initiative (SBTi) in 2020 and have been consistently working in collaboration with customers, supply chain partners and other key stakeholders, to reach this goal.

We are inspired by the change we've been able to influence through partnerships like that with The Wildlife Foundation, Kenya (TWF), where we undertook our first large-scale biodiversity restoration initiative outside of Sri Lanka by conserving 6,250 acres of the Nairobi National Park Wildlife Dispersal Area. In line with our commitment of restoring 25,000 acres of habitat, this enabled MAS and TWF to collaborate with local landowners to

conserve wildlife on community- and privately-owned land, more than doubling TWF's existing conservancy and extending good land practices to over 11,250 acres.

### Planning for a year of change

Reflecting on the year 2022, our teams embraced change as an integral and inevitable part of our sustainability journey, adapting and ensuring that we live up to our purpose of being changemakers, enabling dreams and enriching the fabric of life on our planet. This purpose acts as the north star that guides MAS, and our Plan for Change provides the integral blueprint to bring this purpose to life and change our industry for good.

As we move towards a new year that will be characterized by inevitable change fueling countless opportunities, we are excited to embrace the new challenges and strive to anticipate, plan and create lasting positive change.

This report examines the work that we have done in 2022, including the progress made in designing and developing more sustainable products, while contributing positively to our people, communities, and planet.



**Nemanthie Kooragamage**  
Director – Group Sustainable Business

**“As the world changes, the way we look at any situation, too, must evolve to involve multiple perspectives, requiring us to be flexible enough to unlearn and relearn what we know in order to keep ahead of a changing world”**

# Our Plan For Change

Our commitment to inspire sustainable change for 2025

## Products Changed for good

50% revenue generated through sustainable products by 2025

### » Innovate & Disrupt

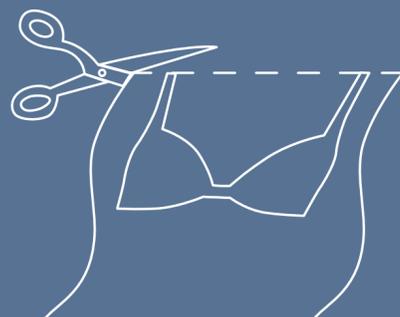
Innovate the way products are made so that they can last longer, be good for the wearer, use less resources, and be recycled after use

### » Source Sustainably

Partner with supply chain to responsibly source and develop organic, natural, and recycled raw materials

### » Pioneer Circularity at Scale

Close the loop by using post-consumer waste to make new products



## Lives Changed for good

### » Empowering Women

- ◊ Empower 100% of women at the factory floor
- ◊ 30% women in management

### » Meaningful Employment

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

### » World-class Workplaces

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

### » Thriving Communities

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



## Our Planet Changed for good

### » Limit Emission

Reduce our emissions footprint to achieve 25.2% absolute reduction

### » Transform Waste

Value enhance 100% of non-hazardous waste

### » Responsible Chemical Use

Be zero toxic in all products and processes

### » Safeguard Water

Achieve zero impact to MAS' operations & mitigate negative impact to the environment & community

### » Champion Biodiversity

Restore biodiversity in 100x the space we occupy



# 2022 Highlights



## SUSTAINABLE PRODUCT

Reaching 28% revenue through sustainable product with an ambition to reach 50% by 2025.



## ADAPTIVE WEAR

Improving capability in product categories such as adaptive wear (Lable by MAS).



## WOMEN IN MANAGEMENT

Achieving 23% of women in management positions, against 30% by 2025.



## RENEWABLE ELECTRICITY

100% renewable electricity in Indonesian facilities through Renewable Energy Certificate partnerships.



## WASTE DIVERSION

99.99% of all waste diverted from landfills.



## RECYCLING, REUSING, UPCYCLING

63.8% of all waste was value enhanced by recycling, reusing, upcycling or being turned into a new resource.



## REDUCING CHEMICAL USAGE

99.8% of Sri Lankan operations process chemicals reaching ZDHC MRSL Level 1 compliance



## RESTORING BIODIVERSITY

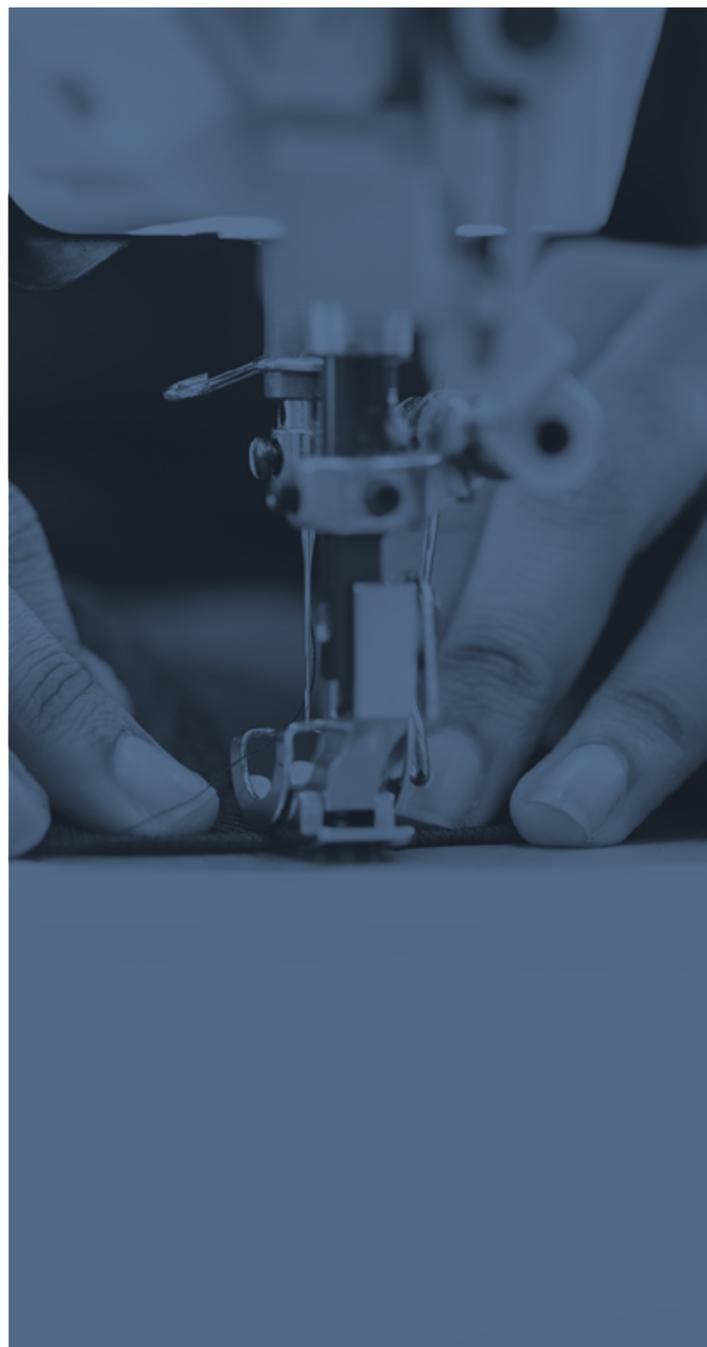
Restoring 9,650 acres of biodiversity across geographies that MAS operates, against an ambition of 25,000 acres by 2025.



# Products Changed for Good



# Products Changed for Good



As a creator and manufacturer of apparel, products are at the core of what we offer through our business. Our aim is to create products and solutions that are good for the wearer, good for the planet and good for our business.

**With the launch of the Plan for Change, MAS embarked on an ambitious journey to generate 50% of our apparel revenue through sustainable products by 2025.**

To meet these goals, partnerships with our brands and customers are key. We need to collaborate with our brands to understand the needs of their consumers, and co-create game-changing sustainable product offerings and platforms that can disrupt how the apparel industry operates.

These are our commitments in changing products for good:

## 1. Innovate and Disrupt

Creating sustainable products includes challenging the status quo and finding new ways to do things better for our customers and for our world. Whether this is through new technology, reengineering our supply chain, revolutionizing business models or making simple changes that create a bigger impact, we are committed to innovate and disrupt to create products that can last longer, are less resource intensive, can be good for the wearer, and be recycled after use.

## 2. Source Sustainably

From the use of water in growing agricultural crops like cotton, to the production of dyes and synthetic materials, manufacturing industries consume a lot of resources in sourcing raw materials. This is why we have committed to responsibly sourcing and developing organic, natural, and recycled raw materials.

## 3. Pioneer Circularity in Scale

Waste is one of the biggest challenges in our industry; however, it also has the potential to be one of our greatest resources. Addressing this problem is not only our responsibility as manufacturers, but it is essential to ensure the sustainability of our businesses. We believe that using circular business models will help us address this issue by extracting the optimal value out of used products once discarded. This is why we are committing to close the loop by using apparel waste to make new products.

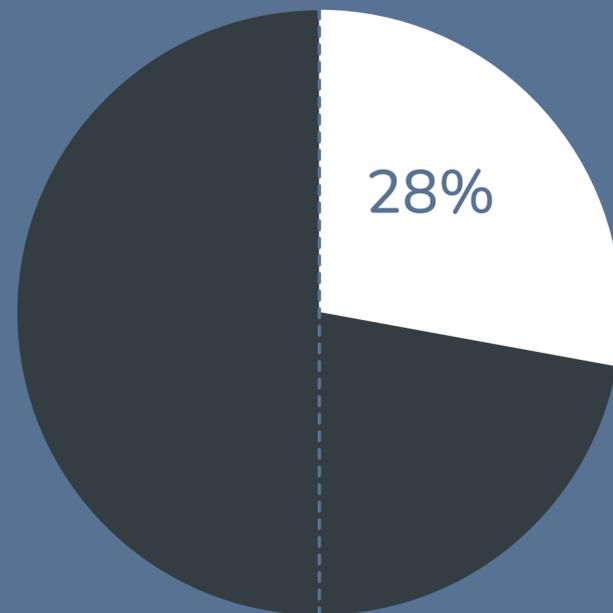
# Our 2022 Journey



## Products Progress Snapshot



Our Commitment:  
50% revenue generated through sustainable products by 2025



of all MAS revenue generated through sustainable products

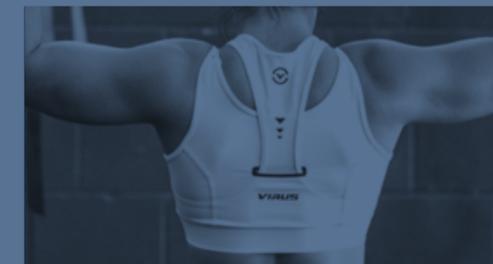
\*Progress on indicators as of December 2022



70%

### Raw Materials

revenue generated through products made from sustainable raw materials



7%

### Design & Merchandizing

revenue generated through design and merchandizing process enhancements



4%

### Manufacturing Process

revenue generated through improvements to the manufacturing process



19%

### Social Impact

revenue generated through products with positive social impact



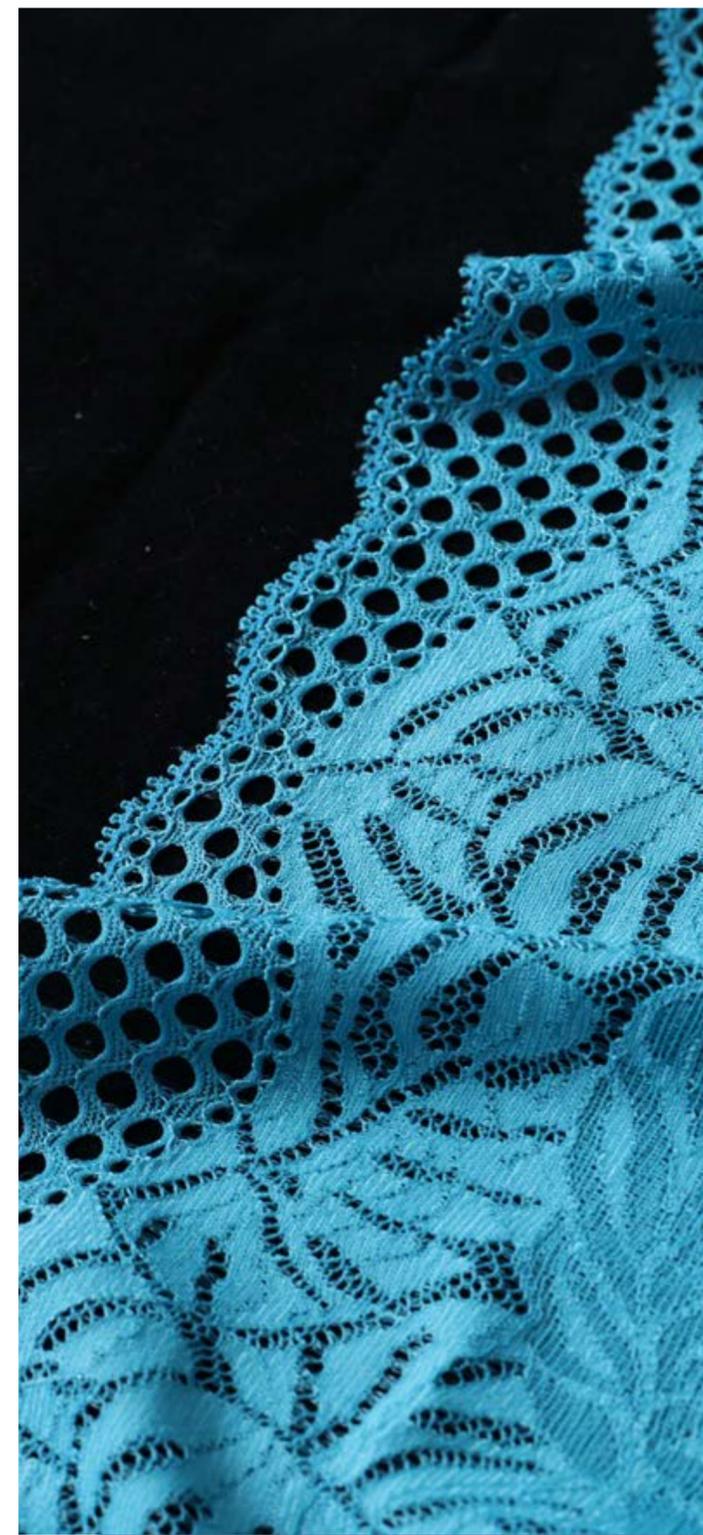
As we complete two full years of the MAS Plan for Change journey, the focus on sustainable products has come to the forefront, as our brand customers continue to show an increasing interest in providing more sustainable alternatives to their consumers. The evolving nature of the consumer landscape has shown that consumers are becoming more concerned about the clothes they wear, wanting visibility into who makes them and how and where they are made.

With the Plan for Change setting out its 'Products Changed for Good' goal of generating 50% of revenue through sustainable products by the year 2025, our teams have been on a journey to build capability, processes, and the right kind of partnerships to delivery on these commitments.

Progress is tracked regularly through interim goals set for each year.

By focusing our efforts on innovation, sustainable sourcing and unlocking circularity, MAS was able to meet the 2022 target of 28%.

The progress made over the last three years has been a promising Journey for MAS. Our results show not only the impact and focus of MAS' own efforts, but also the commitment of our brands to make products more sustainable and offer better alternatives to their consumers.



# Sustainable Product Criteria



When establishing the Plan for Change commitments within the 'Products Changed for Good' pillar, the teams at MAS understood that given the scale and footprint of the business, it was important that any sustainable product commitments correlate directly to scale and capacity.

**This was why a revenue-based percentage target was adopted as our goal on sustainable product.**

This has ensured that business growth is directly linked to, and does not mitigate any advances in, the sustainable product space.

Once the commitment was set, the team established the MAS Sustainable Product Criteria, a groupwide standard through which sustainable products are measured. These criteria are based on research done on across different brands and their sustainability parameters, and stemming from the expertise of partners, as well as information gained from global trends and forecasts.

While we are encouraged to see the progress that MAS is making against these criteria, we are cognizant that what can be defined as 'sustainable' in the product space continues to evolve at a breakneck pace. We continue to evaluate the MAS Sustainable Product Criteria and will refresh these to include new developments as and when they are required.

# SUSTAINABLE PRODUCT CRITERIA


RAW MATERIALS

**COTTON**

- » MORE THAN 50% OF THE COTTON USED IS ORGANICALLY GROWN. – L2
- » MORE THAN 30% OF THE COTTON USED IS RECYCLED COTTON. – L2

**NATURAL MATERIAL ALTERNATIVES**

- » MORE THAN 30% OF FABRIC MATERIALS USED MADE UP OF JUTE, BAMBOO, COIR, MODAL, LYOCCELL, ETC. AS AN ALTERNATIVE TO COTTON. – L2

**SYNTHETICS**

- » OVER 75% RECYCLED SYNTHETIC CONTENT USED IN THE PRODUCT. – L3

**RECYCLED NATURAL ALTERNATIVES**

- » MORE THAN 30% OF FABRIC IS MADE OF RECYCLED NATURAL ALTERNATIVES. – L2

**WOOLS**

- » PROCUREMENT ALIGNS WITH RWS (RESPONSIBLE WOOL STANDARD) – L2
- » OVER 75% OF THE WOOL CONTENT IS FROM RECYCLED WOOL CONTENT USED IN THE PRODUCT. – L2

**OCEAN PLASTICS**

- » 90% OF THE NON-ELASTANE SYNTHETIC COMPONENT OF THE GARMENT TO CONTAIN RECYCLED OCEAN PLASTIC. – L3

**BIODEGRADABLE**

- » PRODUCT IS MARKETED AS A FULLY COMPOSTABLE/ BIODEGRADABLE PRODUCT, WITH NECESSARY DATA TO SUPPORT CLAIMS. – L2

**BIO-BASED**

- » 30% OF FABRIC USED IS FROM BIOBASED ALTERNATIVES (CORN STARCH, SOY PROTEIN, CASTOR OIL, LAB GROWN, ETC) – L2
- » 80% OF TRIMS AND AUXILIARIES MANUFACTURED USING NATURAL ALTERNATIVES SOURCED FROM WASTE OF OTHER INDUSTRIES. – L1


DESIGN/MERCHANDISING

**RAW MATERIAL SOURCING**

- » 100% OF RAW MATERIALS ON BOM SOURCED FROM WITHIN THE SAME COUNTRY. – L1

**MONOMATERIALS**

- » MONOMATERIALS – SINGLE MATERIAL USAGE PER GARMENTS. 100% OF FABRIC ITEMS IN BOM MADE WITH EXACT SAME COMPOSITION. – L2

**ENGINEERED KNIT**

- » PRODUCT DESIGNED FOR ENGINEERED KNIT, WHICH HAS THE EFFECT OF ELIMINATING FABRIC CUT WASTE. – L3

**DESIGN FOR LONG LIFE**

- » PRODUCT CONTAINS ANTI-STAIN, ANTI-SNAGGING AND ANTI-ODOR\* FINISHES/TECHS TO PROLONG LIFETIME OF THE PRODUCT. – L1
- \*DOES NOT INCLUDE BACTEREOCIDAL FINISHES/YARNS\*

**COMPOSTABLE PACKAGING**

- » POLYBAGS USED FOR GARMENT PACKAGING IS COMPOSTABLE. – L1

**RECYCLED PACKAGING**

- » 100% OF POLYBAGS USED FOR GARMENT PACKAGING IS 100% RECYCLED. – L1

**SHIPMENT AIR FREIGHTED**

- » IF A SHIPMENT OF STYLES ARE AIR FREIGHTED, THE "SUSTAINABILITY LEVEL" OF THE GOODS IN THAT SHIPMENT WILL BE REDUCED TO THE NEXT LOWER LEVEL.

**PAPER-BASED**

- » 100% PAPER-BASED PACKAGING (INCLUDES CORRUGATED CARTON BOXES, DYES AND INKS USED IN PACKAGING TO BE NATURAL/WATER BASED/ VEGETABLE BASED AND NATURALLY DECOMPOSING/ RECYCLABLE. – L1

**DESIGN FOR REUSE**

- » PRODUCT ENABLES A SHIFT OVER FROM SINGLE-USE TO REUSABLE. – L3


MANUFACTURING PROCESS

**DYEING & FINISHING**

- » BODY FABRIC"/"BODY FABRIC AND ELASTICS" ARE COLORED USING AT LEAST 80% NATURAL COLORANTS (EX: TEA STAINING). – L2
- » BODY FABRIC"/"BODY FABRIC AND ELASTICS" IN THE PRODUCT HAS BEEN RE-DYED. – L3
- » PRODUCT HAS BEEN DYED/FINISHED USING BLUESIGN APPROVED CHEMISTRIES – L2
- » PRODUCT USES ONLY DIGITAL COLORATION FOR EMBELLISHMENTS AND BASE FABRIC COLOR. – L3
- » PRODUCT USES 90% LESS WATER THAN TRADITIONAL DYEING AND FINISHING METHODS. – L3
- » PRODUCT USES 90% LESS ENERGY THAN TRADITIONAL DYEING AND FINISHING METHODS, – L3


CIRCULARITY

**POST-CONSUMER WASTE**

- » 80% OF RAW MATERIALS PRODUCED USING POST-CONSUMER APPAREL WASTE. – L3

**DESIGN FOR POST-CONSUMER**

- » PRODUCT IS DESIGNED TO BE 100% RECYCLED, POST CONSUMER USE. – L2

**PRE-CONSUMER**

- » 80% OF PRODUCT MADE USING PRE-CONSUMER WASTE. – L3
- » ANY PRODUCTS WHOSE BUSINESS MODEL ELIMINATES CUSTOMERS' PRODUCT INVENTORY WASTE. – L3


SOCIAL

**SOCIAL WELLBEING**

- » % OF PRODUCT FOB/RETAIL PRICE GOES DIRECTLY TO A SOCIAL WELLBEING INITIATIVE. – L2

**EMPOWERMENT**

PRODUCT ENABLES AND EMPOWERS WOMEN (FEMTECH); PERSONS WITH IMPAIRMENTS; PHYSICAL, MENTAL OR SITUATIONAL, TO LEAD MORE NORMAL LIVES. – L3

RATING CONVENTION	
 <span style="font-weight: bold;">≥ ONE L3 = GOLD</span>	<span style="font-weight: bold;">≥ TWO L2 = GOLD</span>
 <span style="font-weight: bold;">ONE L2 = SILVER</span>	<span style="font-weight: bold;">≥ THREE L1 = SILVER</span>
 <span style="font-weight: bold;">≤ TWO L1 = BRONZE</span>	
<p>SILVER AND GOLD ARE ONLY CONSIDERED FOR THE KPI BUT BRONZE WILL CONTINUE TO BE TRACKED</p>	

2  
0  
2  
2

# Innovate & Disrupt



**Our commitment: Innovate the way products are made so that they can last longer, be good for the wearer, use less resources, and be recycled after use**

MAS recognised very early on that meaningful change cannot be achieved without innovating the way we manufacture and deliver products, and how products are used and discarded at the end of their life, prompting the teams to work on key sustainability related innovations, as we move forward in our sustainable product journey.

For sustainability to become mainstream and integrated into core product ranges, as opposed to existing in select styles or capsule collections, it is critical that novel technologies and business models are examined and considered within the apparel industry.

For this reason, MAS has committed to put considerable resources and effort behind innovation projects, with the goal of providing long-term solutions that contribute towards sustainability.

Our main focus is on developing new technologies that will enable products to be more sustainable in all areas from the source of material, natural sources of dyestuffs, reducing the usage of water, reducing waste during manufacturing, to innovations that will reduce environmental impact are some areas where we have begun working on, to innovate and disrupt in our journey of changing products for good.

# Source Sustainably



**Our commitment: Partner with supply chain to responsibly source and develop organic, natural, and recycled raw materials**

Sustainable sourcing plays a vital role in our overall sustainable product strategy, as MAS considers sustainable raw materials one of the most effective ways that we can convert our customers to more sustainable product offerings.

We believe that converting core products is an important step in reaching our 50% revenue target, as this will enable greater conversion of our product portfolio, rather than just a few pinnacle product lines, and create a wider range of products that is better for people and better for the planet.

Through the ‘Source Sustainability’ commitment, our focus is on converting the raw material into sustainable alternatives such as organic cotton, recycled cotton, recycled synthetics, and manmade cellulosic fibres (MMCF).

We have implemented the necessary resources to be able offer these products to our customer brands in line with globally accepted sustainability and traceability standards, such as the Global Recycled Standard (GRS) and Organic Cotton Standard. These efforts include converting and certifying our manufacturing facilities to be in line with these standards, as well as the use of transaction certificates to validate the authenticity of the source of recycled materials.

The breakdown of our sustainable product revenue for the year 2022 shows that the sourcing of sustainable raw materials is one of the fastest and most scalable solutions in creating more sustainable alternatives for our brand customers and their consumers.

This has led to MAS establishing stringent parameters into its sourcing strategy, focusing not just on sustainable materials, but also the social practices at the sources where raw material is sourced from, ensuring complete alignment to the way in which sustainable products are monitored, assessed, and progress is measured at MAS.

# Pioneer Circularity at Scale



## **Our commitment: Close the loop by using postconsumer waste to make new products**

A circular economy is one that is based on the principles of eliminating waste and pollution by keeping products and materials in use through a circular system. In the apparel industry, circularity plays a primary role in helping to

reduce waste generation by rerouting discarded products and materials back into the value chain as raw material.

At MAS, we recognise that, in order for our industry to be able to sustain itself and stop impacting the earth negatively, there needs to be a rapid overhaul of the way apparel

is manufactured, sold, used and discarded. This also means that value chains that have remained linear for centuries must now transition into circular models, to enable the industry to explore closed-loop solutions in manufacturing.

Since the launch of the MAS Plan for Change, we have been looking at ways to unlock circular business models for our customer brands and explore ones that can function at scale, by building partnerships with segregators, recyclers, and logistics providers.

The leadership of MAS approved the setting up of a dedicated team to pursue further explorations in circularity, and this team was set up in 2022, encompassing specialists in fabric technology, waste, as well as partnerships and business development, so that the efforts made in this space can be considered through a holistic lens and provide best-in-class solutions for both pre-consumer and post-consumer waste that is generated within our own and our brands' value chains.

The work initiated in 2022 included explorations into different partners, to find the

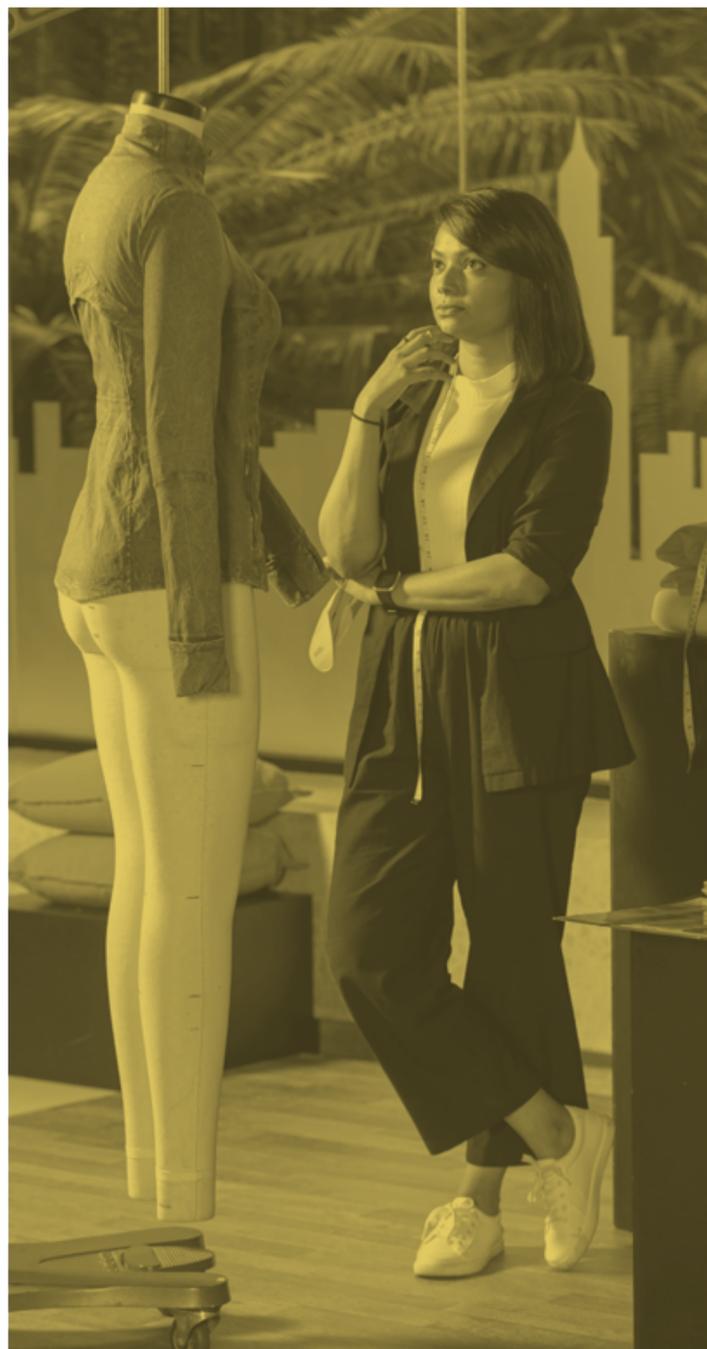
right solution for the right type of waste, and finding the most optimum recycling methods for our different product and fibre types. In 2022, the team made significant progress in mapping out and establishing a circularity partner network across different geographies, to establish a strong logistical pathway to structure the reverse supply chain.

Further work was initiated in 2022 to look at new technologies and investments into first-in-class innovative, next-generation materials, that can unlock circularity at scale. This work is being carried out in 2023, and beyond.

Lives  
Changed  
for Good



# Lives Changed for Good



**As a business** built on the ethos of doing the right thing, MAS considers our people our greatest asset. We believe that our success as a business is intrinsically linked to doing right by our customers, our partners, stakeholders, and most importantly our employees and the communities in which we operate.

MAS is home to over 100,000 people who have grown with the company and helped grow our business to where it is today, and the communities surrounding us have been our support system since day one. It is vital that we sustain them, just as they sustain us, and help change their lives for good.

## 1. Empowering Women

At MAS, women are the heart of our workforce. Our success is a direct reflection of their development and well-being, both in their personal and professional lives. We are committed to grow the number of strong women in our midst and give them every opportunity to succeed.

## 2. Meaningful Employment

So much of our lives are spent at work, and we believe that means our employees must find purpose and meaning at work. That's why we are supporting them to improve their well-being and balance their work and personal lives, and feel included and accepted for all their differences and strengths.

## 3. World-class Workplaces

As the place we spend most of our waking hours, our workplaces should be safe, secure, and help us do our jobs comfortably and productively. This is why we are providing world-class workplaces where our teams can thrive, pushing towards 'Exceptional' compliance ratings through best-in-class and first-in-class working conditions across all facilities.

## 4. Thriving Communities

We are committed to supporting the communities around our facilities to develop and create positive change through opportunities to improve education, health, environment, sports, local needs, and national causes.

# Our 2022 Journey

2  
0  
2  
2



## Lives Progress Snapshot

\*Progress on indicators as of December 2022



Empowering Women

3.5 MN

opportunities created for women since inception

Goal: Empower 100% women at shop floor



Empowering Women

22%

women in management

Goal: Reach 30% women in management positions



Meaningful Employment

458

persons with disabilities employed within the group

Goal: Foster diversity & inclusion with freedom of expression and identity for all



Meaningful Employment

20

locations with on or off-site, company-supported childcare facilities

Goal: Accelerate employee wellbeing and work-life balance



Thriving Communities

2.7 MN

opportunities created through corporate citizenship activities

Goal: Be an enabler for positive impact in all communities we work in



The year 2022 was marked by global and national challenges that had a profound impact on societies worldwide. These obstacles included economic recession, community protests, and high inflation, led to job losses, business closures, and a decline in consumer spending. Inflation became a major concern as prices surged due to the economic recession, supply chain disruptions, and increasing energy costs. Sri Lanka, too, faced a difficult year with protests stemming from the economic crisis, resulting in shortages of essential goods.

**However, amidst these challenges, the resilience of the human spirit was evident as acts of kindness, compassion, and assistance demonstrated the unwavering capacity of humanity to overcome adversity together.**

The experiences of 2022 serve as a reminder that collaboration, empathy, and resilience are crucial for progress in the face of ongoing challenges.

Despite these challenges, significant strides were made in the Lives Changed for Good pillar in 2022. In addition to the many interventions put into lessen the burden of our colleagues during the various crises around the globe, MAS made good progress against our 2025 commitments.

MAS increased its overall women in management representation to 23% in 2022 from the previous year's 22%. In keeping with our longer-term strategy, we also initiated our sensitization work on people of diverse Sexual Orientation, Gender Identity, Gender Expression, & Sex Characteristics.



Continuing our commitment to the inclusion of persons with disabilities, we enrolled our second batch of Supported Employment Officers for training with the Disabilities unit of the University of Kelaniya. MAS signed up and successfully completed the IFC 'Together We Can' programme for the Economic Inclusion of Persons with Disabilities, with the delivery of 4 commitments in 2022. We also partnered our colleagues in the development and the launch of Lable, the MAS Centre of Excellence in Adaptive Apparel, another step in integrating our commitment to diversity to our core business.

Our commitment to the community remained steadfast, with the completion of 1020 corporate citizenship activities in 2022, with 30,733 volunteers catering to 2,723,485 beneficiaries.



## Corporate Citizenship Activities

1,020



## Volunteers

30,733



## No. of Beneficiaries

2,723,485

2  
0  
2  
2



# Empowering Women

2  
0  
2  
2

**Our commitment:**

- Empower 100% of women at the factory floor
- Reach 30% women in management by 2025, with a longer-term ambition to reach gender equity.

in early 2022 this goal was re-adjusted to reach a 30% of women in management by 2025, with a long-term ambition to reach gender equality in management.

The Women Go Beyond programme focuses on promoting knowledge, awareness and support for women’s health and wellbeing, Gender Based Violence (GBV) prevention, skill development and creating role models for empowerment. This work has empowered, supported and changed the lives of our women and their communities, providing over 4 million training and development opportunities through the past 19 years since its inception in 2003.

While significant progress was being made in the work done to empower our female workforce, we identified a gap in representation of women in management that needed be addressed in order to ensure true voice and agency and benefit from the business uplift created through diversity. Our long-term ambition was set to achieve 1:1 gender representation in management, but in the process of check and adjusting our initiatives,

## OUR FRAMEWORK OF EMPOWERMENT

 <p><b>Skill Development</b> 46 programmes 10,766 opportunities</p>	 <p><b>Career Advancement</b> 525 programmes 42,082 opportunities</p>	 <p><b>Preventing Gender Based Violence</b> 643 programmes 115,385 opportunities</p>
 <p><b>Women’s Health &amp; SRHR</b> 929 programmes 127,178 opportunities</p>	 <p><b>Creating Role Models</b> 62 programmes 28,775 opportunities</p>	 <p><b>Childcare Facilities</b> 24 Company supported childcare facilities</p>
	 <p><b>Unconscious Bias Training</b> 3,300 programmes 60 opportunities</p>	 <p><b>Mentoring &amp; Sponsorship for Women</b> Mentorship Launched in 9 divisions Sponsorship launched in 6 divisions</p>
	 <p><b>Flexible Work</b></p>	 <p><b>Recruitment, Retention, Promotion Strategies</b></p>



## WOMEN IN MANAGEMENT



Since 2019, the annual performance metrics for Human Resources (HR) leaders and CEOs have included gender representation targets, as a step towards driving accountability. Amid all challenges, this has helped MAS to increase its overall women in management representation to 23% in 2022 from the previous year's 22%.

**The female representation of MAS Capital and Holdings Boards also saw an increase to 21% in 2022, from the previous year's 20%.**

Conscious and active interventions, including mentorship, sponsorship and Diversity Accessibility and Respect sensitization, have also led to an increase in female percentage in executive and above recruitment from 34.2% in 2021 to 40.9% in 2022.

Further supporting this mindset change, Unconscious Bias Reduction workshops and Train-the-Trainer interventions were conducted to build internal capacity to sustain these conversations. We also conducted some focus group discussions on Women in Management (WIM), with women from across

the organisation, with the hope of connecting better to the ground reality. Connected to the findings of these focus groups, MAS Kreedaa launched a women's network group called 'The Lean-in-Circle' as a platform for sharing experiences and supporting each other among the female Executive and above cadre, as a part of their International Women's Day engagements.

## WOMEN'S HEALTH & PREVENTING GBV

We continued our efforts under the focus area of women's health to better support the overall well-being of our employees. Identifying postpartum depression as an area where most mothers suffer silently, we introduced this as a part of our mental health as well as pre and post-natal support for all women, while also upskilling and training counsellors, HR personnel and medical staff from across the group to provide any support and aid required by expecting mothers, as well as mothers returning from maternity.

Our awareness programmes on pre- and post-natal support covers an array of key areas that are important not only for the wellbeing of the newborn, but also the mother. This includes importance of nutrients and supplements, awareness on physical, psychological and hormonal changes that take place in your body, taking care of your physical as well as mental health and the importance and correct techniques of breastfeeding, burping and other practical tips related to taking care of a newborn. Post programme feedback from an expecting mother at Sleekline stated that "thanks to these wonderful programmes we had the opportunity to learn about the right type of nutrition for pregnant and breastfeeding mothers as well as valuable insights on nurturing our mental wellbeing before and after giving birth".

This support is offered not only in Sri Lanka but in our overseas locations as well. "The company provides special care and attention for pregnant mothers with additional meals, monthly pre-natal education sessions and other infrastructure support such as designated parking areas that makes me feel accommodated and comfortable as a pregnant mother" said Ida Fitriyani, a molding team member at MAS Silueta Indonesia.

Apart from these, the in-person training on cervical cancer, breast cancer and preventing cyber bullying continued at different SBUs, for different groups representing all employees, while medical clinics were held at multiple locations which provided screening facilities for breast cancer and cervical cancer.

## Addressing Gender Based Violence

With the Group-led mandate to create more awareness and education on preventing domestic and gender-based violence, and avenues of support, we continue to engage in many initiatives within the organisation and with community stakeholders. Among many other programmes conducted with this mandate, the programme on addressing and preventing cyber violence in partnership with the Grassrooted Trust, was received very well by all employees.

This programme, conducted based on a unique curriculum and a toolkit, covers areas such as the digital space in Sri Lanka, understanding prevalent manifestations of online violence, ensuring online safety and reporting incidents of online violence. While internal trainers from each division were trained previously, a series of in-person small-group awareness sessions were conducted in 2022 by the Grassrooted Trust themselves in multiple locations, to support the process of rolling out the awareness.

We have learned that this information has helped not just our employees, but their families and communities as well. “Up until now we were not aware of how to properly

use mobile phones, and other devices in the cyber space, but the training gave us a very clear idea on how to make use of the cyber space while also protecting ourselves”, said Ramani Fernando, a Group Leader from Sleekline, who was able to get involved and support a girl in her daughter’s school with the knowledge she gathered from this training.

“Be it a mother, a daughter or any other role that we may play, I have seen women getting harassed and bullied all the time in the cyber space. The session taught us how to use Sri Lankan Legal system and other avenues of support to address and resolve issues related to GBV and to support our younger generations to protect themselves and to raise their voice against bullying in the cyber space”.



## LANGUAGE DEVELOPMENT

The English language training programme for the 2021 Abhimani Empowered Women award winners continued through 2022 through our focus on career advancement of women on the factory floor and was concluded with a final spoken English assessment in front of a panel of judges. This offered the participants a novel experience of presenting in front of a panel of judges who would then share feedback for improvement. The overall best performers selected from this programme were also sponsored by the WGB team for a full scholarship to complete the advance English Language course (intermediate level) at the Rainbow Institute.

### Creating Role Models

Aligned to the MAS purpose of being changemakers, enabling dreams and enriching the fabric of life on our planet, Abhimani is a key part of the company's efforts to create role models, which has allowed MAS to attract and retain the best talent, and build an engaged and motivated workforce.

The Development programme for Abhimani winners is a multi-faceted programme that looks at the holistic growth of these women following the year of the grand award ceremony. The programme includes development of skills such as presentation skills, leadership and teamwork, improvement in emotional intelligence, training on setting goals to drive towards excellence and of course, English language development. As a part of the programme, they are also introduced to a mentorship programme where they are assigned to a mentor who will support their personal and career growth.

Lanka Kularathne is one such remarkable Abhimani winner who went through this

programme in 2022. She started her career as a Trainee Team Member in 2006 and was promoted to a Team Leader within just one year. While facing many challenges that life threw her way, getting selected as a sample maker at MAS Design Ratmalana was the biggest turning point in her carrier. In this role she mastered the art and science of sample making over a period of three years.

In 2017, she hit a remarkable stage in her career as she was promoted to Group Leader and soon became an Assistant Technician, owing to her sheer determination and hard work. In recognition of all these achievements in her personal and professional life, she was recognised as the Abhimani Empowered Woman of the Year in 2021, and she says that her journey significantly changed thereafter and considers it the biggest achievement of her life.

“Being an Empowered Woman has helped me think differently and has given the courage to be the change I always wanted to be,” said Lanka as she addressed a group of newly recruited Executives in English language,

in one of the corporate onboarding programmes as a guest speaker. This was after being recognised as one of the best performers in the English language training programme where all participants were assigned individual coaches to help with their speech delivery.

“The exposure, recognition and self-confidence I gained through all the development, training and coaching, has helped me broaden my horizons in ways beyond my dreams”, Lanka beamed with confidence as she shared her inspirational story with the young executives in a language that was formerly completely foreign to her.



## PEOPLE OF DIVERSE SEXUAL ORIENTATION, GENDER IDENTITY, GENDER EXPRESSION & SEX CHARACTERISTICS

The sensitization on People of Diverse Sexual Orientation, Gender Identity, Gender Expression, & Sex Characteristics was initiated in 2022, as this was identified and mandated through our Equal Opportunity and Anti-Harassment Policy. We also had identified this area as a critical focus within the commitments under Meaningful employment made within the Plan for Change, through which we are committed to foster diversity and inclusion with freedom of expression and identity for all. This need was also identified through the feedback we received through internal Organisational Health and purpose surveys.

We partnered with the Grassrooted Trust in this exercise due to their wealth of experience and expertise in this space. Having started off with some Focus Group Discussions to understand our current levels of awareness in this space, sensitization workshops were developed, and the roll-out was initiated in small but steady steps across the group.



The year ended on a high note as we were **“Highly Commended”** at the **Reuters Responsible Business Awards**. It was indeed a great achievement for us as a company, to be ranked second among 9 other companies on a global forum.

MAS is determined to drive gender equality and change decision making structures to create long term impact within the organisation and the communities it operates in.

# Meaningful Employment

## Our commitments:

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

## ATTRACTING CHANGEMAKERS GLOBALLY

MAS is built on a workforce that upholds skills and talent that has created the Changemakers of tomorrow. As MAS continues to expand globally, we endeavor to maintain global standards in all aspects in our purview. As is MAS' culture, we endeavor to identify and recruit exceptional talent from diverse backgrounds. MAS being an equal opportunity employer, diversity and equal opportunity are considered at every stage of the recruitment process.

Measures introduced through our recruitment policy to address unconscious bias include but not limited to ensuring the interview panel for

any job role consists of both male and female interviewers, briefing the hiring managers by HR teams on MAS' interview protocol which prohibits asking questions regarding race, religion, ethnicity, marital status, parental responsibilities, or childbearing plans of any candidate. Therefore, all recruitments at MAS are solely based on the individual's merit and not on any other distinguishing characteristics. Through the key performance indicators introduced we continuously track and measure our success in our processes in the areas of internal mobility, first year performance, first year retention and recruitment lead times.

## EXTERNAL ENGAGEMENT PROGRAMMES

Throughout the years MAS has taken significant strides in building long lasting relationships with key state and private universities across Sri Lanka and globally. As MAS endeavors to build and nurture the changemakers of tomorrow, we embark on initiatives that support the development of the skills of the talent needed for the industry, while enabling MAS to strengthen its employer brand externally and attract the best talent from universities.

## Undergraduate Engagement

Even despite challenges faced in Sri Lanka, such as economic and political instability, MAS was successful in bringing our resources together to provide fresh graduates a full-fledged corporate engagement experience, participating in 24 career fairs in universities across Sri Lanka. Our teams in other countries too, worked tirelessly with schools and universities in their respective locations to develop and nurture students and fresh graduates.

## Internship Programmes

In Sri Lanka, MAS partnered with Dialog Axiata and Hemas Holdings, MAS was able to successfully complete the Summer Internship Programme 2022. The main purpose of the internship is to target Sri Lankans who are pursuing their higher education overseas, giving them insight into the 3 conglomerates in Sri Lanka, to encourage them to return to the country after their degrees are completed.

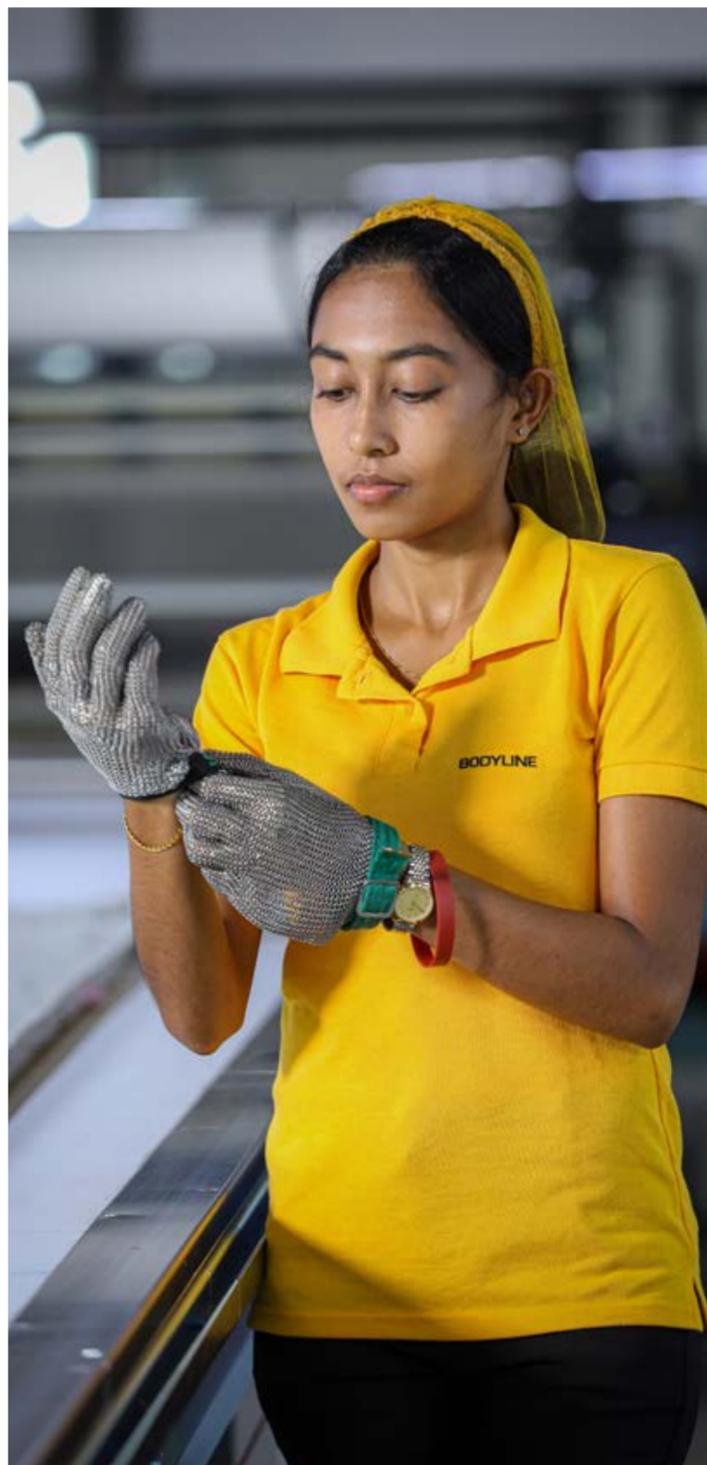
## Employer Value Proposition

MAS launched its employer value proposition to highlight the values to which we stand true as a global employer and the unique set of benefits that an employee receives in return for the skills, capabilities, and experience they bring to MAS. The newly launched EVP statement inspired the revamping of our social media strategy further showcasing our culture as well as our commitment to positively contribute to the wellbeing of both our existing and potential employees as a global organisation.

## Skills for Work

Designed to bridge the skill gaps of university students, this programme has contributed to the development of undergraduates' soft skills by conducting career development workshops. By the end of 2022, over 60 sessions across 7 different universities were hosted, catering to 500 undergraduates providing them with the knowledge and training for their future professional development.

## FUTURE READY UPSKILLING



Our Learning and Development agenda is centric on building agile, future ready teams who are poised for growth. The success of our capability building is cornerstone in our story, as skill building has played a pivotal role in developing our leaders and the teams with them. The volatile environment and economic crisis opened a whole arena of possibilities to stress on the learning journey of our people, where upskilling, multiskilling and building skills for the future was the sole solution to put forward our best in the heart of uncertainty.

Thinking on these lines, our learning philosophy was altered to meet the growing demand of upskilling our people, getting them future ready to meet the market changes. We believe that agility fuels career growth and as an organisation, agility equals the ability to survive even amid economic headwinds, through investment in building critical skills.

On fueling the agility, we promote constant learning – learning through experience, learning through coaching, mentoring and through formal learning interventions. As such, our learning philosophy is based on the 70:20:10 learning principle that encapsulates the different ways that individuals learn. This principle is the core of our learning strategy and the basis of how we formulate the learning interventions to suit the individual development needs of our employees and all other ad hoc learning requirements.

Therefore, our learning framework defines 70% of learning as experiential that comes from experiences at work, 20% as social or peer-to-peer learning and 10% conducted through formal training sessions.

The MAS Competency Framework is the bridge that aligns business and talent strategy, ensuring the smooth functioning of both. This Framework underwent a revision in 2022, to ensure it is firstly aligned to MAS' strategic priorities and our core values, future proofed to make sure it is agile and simplified in terms of language and interpretation. With this revision, The Leadership Competency Framework, is now applicable to all Executive and above employees, endorsing that leadership is seen and exhibited across all levels at MAS.

Our learning strategy is wholly inclusive, starting from team members to the Executive and above cadre offering them the best of the industry in terms of technical and leadership training. Our data in 2022 showed MAS

Education, our arm of learning initiatives, becoming more central, cross functional and strategic than ever before.

On contributing to the wider strategy, MAS Education was mainly focused on adoption of talent management processes globally, improving organisational health in the areas of leadership, conversations road map, data and digitization and technical ladder and technical learning interventions with a wider focus on leadership development across MAS enabling people to instill leadership qualities from the inception of their careers.

This strategy has enabled us to make decisions at the grassroot levels, reducing the times spent on decision making, as our industry has some of the fastest turnaround times. We conducted 36 signature programmes inclusive of MAS Fast Tracker, Mastering the Craft of Leadership and Better Conversations Everyday which support the development of dynamic capabilities of future leaders.

In 2022, we have upskilled 196 Managers on leadership behaviors while extensively focusing on developing our top tier talent by upskilling 20 employees who are on the talent pipeline responsible for critical roles across MAS. We have identified Fast Trackers who would go on fast-track routes to take up their future senior leadership roles by 2024, their learning journeys



are entirely fueled by our internal L&D strategy and are a testament to the success of our action plans.

MAS believes on instilling a culture of self-learning; hence MAS Education has introduced many self-learning programmes offered through our Learning Management System greatly focused on bite sized e-learning programmes which had proven to be extremely effective. In 2022, we have upskilled more than 8000 employees through our learning management

system promoting a culture of continuous learning and enabling our employees with career development tools to assess their own learning journeys.

All our learning interventions were offered through a unique learning menu where all divisions got visibility to learning interventions on offer, pricing, and curriculums where individual development plans of our employees were met based on availability, priority, and career growth. Our L&D initiatives are

deeply centric on periodic evaluation of our programmes and participant feedback considering changes that are required based on the feedback we receive.

**Learning does not stop merely at the Executive and above cadre - in fact, MAS has been extremely passionate about the Team Leader / Group Leader (TL/GL) Technical Training programmes which have helped TLs and GLs gain NVQ Level 4 Certificates.**

The TL/GL Technical Competency Development programme focuses on enhancing technical capacity of TLs and GLs across the group in Textile & Clothing Technology in Manufacturing sector. The purpose of this programme is to provide them the technical, professional and leadership qualifications that would support their career progression & develop key areas in order to be future leaders of this dynamic Industry.



**Upskilled Employees**  
**8,000+**

MAS Education plays a pivotal role across MAS as the agility enablers, upskilling employees across the organisation making them future ready. Over the past year our practices have been continuously evolving to meet the increasing demands of talent management and the shorter shelf life of knowledge where our role is becoming more and more impactful to build skilled employees, exceptional leaders, and knowledge.

2  
0  
2  
2

## NURTURING HEALTHY SUCCESSION PIPELINES

Succession management is integral to ensure we have a steady flow of competent and capable employees ready to fill critical roles,

through a structured process of identification and development. Leadership have established KPIs in this regard, which are regularly tracked.

We identify critical roles and high potential talent through a series of surveys and the existing performance management process.

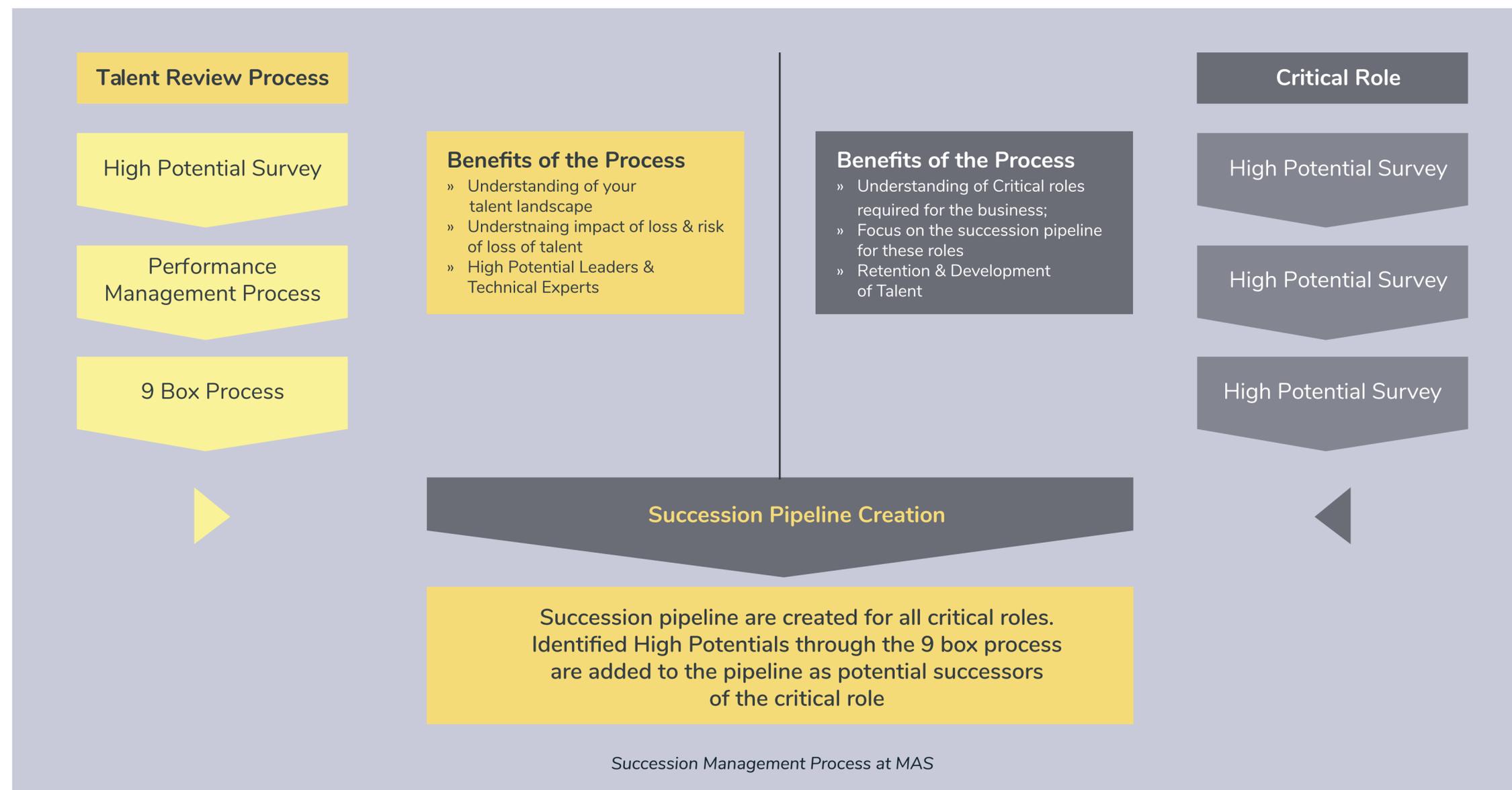
These tools support us to understand the talent landscape and provide insight into identifying the readiness levels of identified talent to take on critical roles. The developmental efforts in place are instrumental in developing Succession Development Plans, to secure healthy and robust pipelines.

The Talent Board oversees the management of the Group's Talent, and semi-annual Talent Reviews are conducted to provide the Talent Board the visibility to critical roles, potential talent, discuss developmental interventions and mobility plans for leaders to take on roles across our Global Units.

As a part of the strategic process to identify Subject Matter Experts, we partnered with the Functional Leaders of the Group to conduct Talent Reviews focused on individual functions in 2022, has since been crucial in setting plans to strengthen pipelines and prepare our Talent for leadership roles in the future.

### Creating Career Opportunities

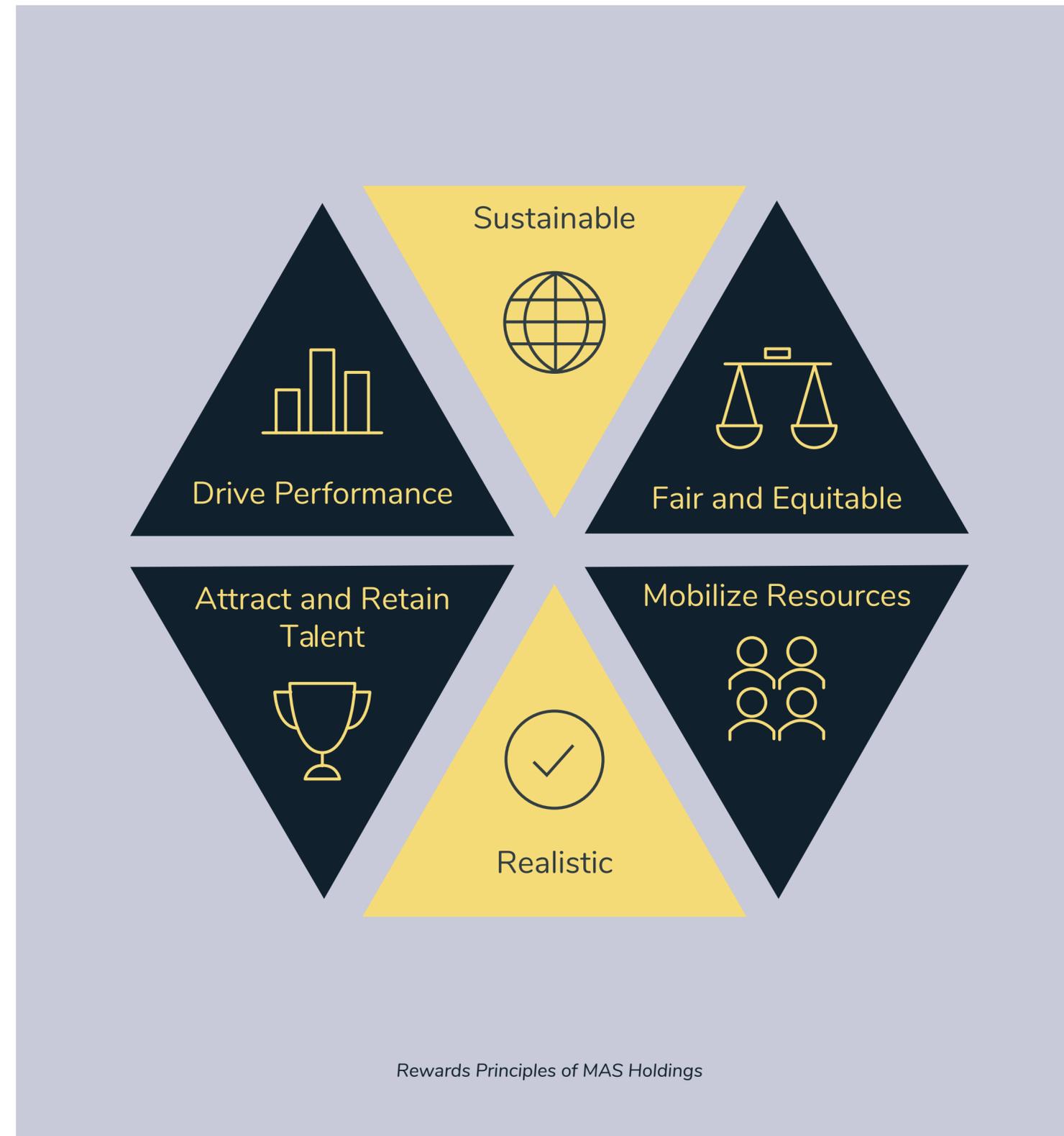
The Talent Rotation initiative was launched as an effort to enhance the Career Management processes at MAS to ensure that our talent is given the opportunity to gain exposure in various functions and Business Units, to enhance their capabilities and sustain the learning culture MAS is known for.



2  
0  
2  
2

## COMPENSATION AND BENEFITS

As an equal opportunity employer, MAS is committed to ensure that the Compensation and Benefits Framework at MAS ensures parity, fairness, and competitiveness in the locations of operations. The Compensation and Benefits Framework is governed by the MAS Compensation Committee. MAS carries out market research and participates in benchmarking studies to understand market salary trends in each location we operate in, based on the requirements and volatile conditions of each market. Throughout this exercise we ensure that our salary structures remain relevant and competitive.



2  
0  
2  
2



**WE WANT TO ENABLE  
YOUR DREAMS  
BECAUSE OF YOUR  
YEARS WITH US**

"Thank you" for your commitment to your work, your team and the company. We are delighted to introduce Experience & Recharge Benefit, an initiative that helps you take a well-deserved break to enable your dreams, no matter what they are.

[Introductory Video](#)

[View Policy Document](#)

**MAS**

## Sri Lankan Economic Crisis

When inflation was beginning to rise alarmingly in Sri Lanka, MAS took steps to adjust salaries at a higher rate, and the Team Member and staff grades were granted with an additional salary increment to cope up with the rising cost of living. Furthermore, in the third and fourth quarter of 2022 all employees were granted ex-gratia payments and employees in the Team Member and staff grade were also provided ration packs.

## Experience and Re-Charge Benefit

The Experience and Re-Charge concept enables long serving employees in Senior Executive and above grades, to take additional time off to pursue their goals and dreams. This policy was finalized in 2022 and was communicated across MAS in early 2023.

It aims to motivate employees to seek new experiences in life, while providing long-term employees an opportunity to have paid time off to pursue personal interests.

## Other Initiatives

MAS focused on different initiatives to mitigate the effects of the volatile economic condition in Sri Lanka. With that the professional membership entitlement was enhanced, to combat the impact of currency fluctuation and depreciation, especially considering a majority of our employees hold international qualifications and memberships.

Moreover, with the market fuel prices being revised many times during the year, we also made conscious efforts to ensure the fuel quotas allotted to our employees were aligned to market rates, in a timely manner.

## WELLBEING



At MAS, we recognise the importance of wellbeing as a vital component in creating a supportive and nurturing work environment that promotes employee growth, satisfaction, and resilience, aligning with our core MAS values. To achieve this, we adopt a comprehensive four-pronged approach, addressing the dimensions of Mental Health, Physical Wellbeing, Emotional Wellbeing, and Financial Wellbeing. Each division within MAS independently implements initiatives tailored to their specific needs and circumstances, guided by the principles set

out by the group. For instance, at the group level, we ensure that counseling services are accessible to all employees, recognizing the importance of supporting their overall well-being. This is measured and monitored by MAS' Social Sustainability tool, the main mechanism utilised to track the progress of MAS' sustainable functions and initiatives.

With a diverse workforce of over 100,000 employees across 68 business units in 16

countries, this personalized approach ensures the wellbeing of our employees is consistently prioritised in an ever-evolving global landscape. In 2022, amidst the economic crisis in Sri Lanka, MAS prioritised and responded to its employees' needs, renewing the function to better cater to their wellbeing. Whilst financial wellbeing was largely maintained by the group's compensation and benefit pillar, the divisional teams focused on enhancing mental and emotional well-being and promoting better financial management through various projects. These initiatives included interactive workshops on stress management, fostering a positive work-life balance, conducting workshops on personal finance management, investment strategies, and financial planning. In terms of physical wellbeing, we conducted fitness programmes and health check-ups to encourage employees to prioritise their health. These initiatives covered topics such as exercise, nutrition, and preventive health measures. By promoting physical fitness, MAS aimed to enhance employee health and vitality, ultimately contributing to a more engaged and energetic workforce.

Addressing the diverse dimensions of well-being, MAS business units have cultivated a workplace that promotes holistic growth, personal development, and long-term success for their employees. Overall, across MAS over thousand projects were implemented

which had a reach of over a hundred thousand beneficiaries.

These initiatives not only enhanced the individual well-being of employees but also contributed to a positive work culture and a thriving organisational ecosystem. MAS' steadfast dedication to employee well-being demonstrates its commitment to creating a work environment that values and nurtures its employees.

## PERSONS WITH DISABILITIES



With approximately 458 Persons with Disabilities being employed at MAS, the organisation has continued as an equal opportunity employer by employing, enabling, engaging, and empowering persons with disabilities (PWDs). The company provides accessible facilities, support, and accommodations, fostering an inclusive work environment.

Through awareness programmes and training, MAS promotes understanding and empathy. Additionally, by investing in training and skills development, MAS empowers PWDs to grow professionally. By actively embracing diversity and promoting equal representation, MAS sets an example of inclusivity and serves as a catalyst for positive change in the industry.

458 Persons with Disabilities



Visually Impaired  
14



Hearing Impaired  
316



Physically Impaired  
123



Cognitive intellectual/  
learning disabilities  
5

In 2022, MAS experienced a significant milestone in 2022 through our collaboration with IFC- Together We Can+ (TWC+) Peer Learning Collaboration (PLC). Together We Can Plus (TWC+) is a partnership which benefitted 12 companies in Sri Lanka through concrete actions on inclusion of persons with disabilities and LGBTI people. The partnership offered an

opportunity for a group of leading Sri Lankan companies to learn, share knowledge and make commitments to promote more inclusive workplaces, products, and services. The launch of the IFC-TWC+ peer learning collaboration in October 2021 aimed to foster inclusive workplaces in Sri Lanka by facilitating learning, sharing, and commitment-making among companies.

As part of this collaboration, we made four key commitments:

- » **Policies & Procedures:** We established and updated an inclusive, equal opportunity employment policies and strategies and implemented the necessary mechanisms to ensure its effective execution.
- » **Budget & Work Programme:** We allocated a specific budget for activities related to diversity, equity, and inclusion (DEI).
- » **Customer Orientation:** We identified and implemented changes in our products and services to better cater to the needs of individuals with disabilities, ensuring inclusivity in our offerings.
- » **MAS specific defined special indicators:** We successfully completed Vocational Profiling through the Supported Employment Process, providing valuable insights into our workforce and facilitating inclusive hiring practices.

## Lable by MAS



In a remarkable effort to foster inclusivity, innovation teams across multiple divisions at MAS Holdings are revolutionizing the apparel industry. Their mission is to create clothing that seamlessly incorporates adaptive functionality into mainstream fashion, challenging outdated labels associated with disability. This vision gave birth to Lable, formerly known as the MAS Adaptive Center of Excellence.

**Lable focuses on developing products that span Intimates, Active, and Swimwear, applying universal design thinking, specialized garment construction, and strategic fastener placements.**

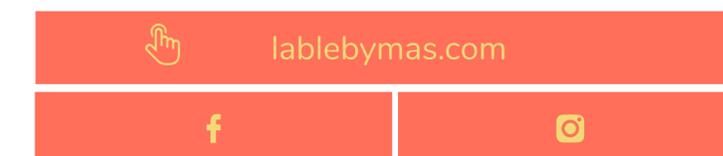
Co-creation lies at the heart of their approach, with consumer research and wearer testing playing a crucial role in product development. To ensure meaningful products, Lable actively engages advocates, sportspersons, and enthusiasts within the adaptive community, fostering conversations and driving innovation. As part of MAS, Lable recently launched its new pillar, dedicated to the global manufacturing of adaptive clothing. The brand aims to lead the change in normalizing discussions around disability and challenging societal stereotypes. To mark this milestone, MAS hosted a panel discussion on December 3rd, the International Day for Persons with Disabilities.

The event served as a soft launch for Lable and focused on the importance of terminology in the disability sphere. It aimed to promote awareness, reshape narratives, and increase opportunities for individuals with disabilities. Nilshani De Silva, a renowned fashion designer and disability advocate, delivered an inspiring keynote speech.



The panel discussion was graced by esteemed participants including Jean Cooray, a dedicated volunteer; Priyantha Pieris, Vice President of the National Paralympic Committee, and Niluka Gunewardena, a respected Disability Studies Scholar and Researcher. Amanthi Perera, General Manager of Social Sustainability at MAS, served as the moderator for the engaging session.

With Lable at the forefront, MAS Holdings continues to drive change in the fashion industry by challenging perceptions and creating a more inclusive world. Through their website and social media platforms, Lable invites individuals to join the movement, visit their website at <https://lablebymas.com>, and follow them on Facebook and Instagram (@lable.bymas).



## Supported Employment Officer Training



The year 2022 marked an important milestone for us as we actively pursued these commitments, furthering our dedication to fostering inclusive environments, products, and services. Amid the numerous socioeconomic challenges in the country, the second batch of our Supported Employment Officers (SEOs) completed their training at the University of Kelaniya and joined hands with the Strategic Business Unit (SBU) champions to support our employees with disabilities. Equipped with

their newfound expertise, these officers are now poised to support various aspects such as PWD recruitments, accessibility audits, vocational profiling, and career progression at MAS Holdings.

## Sign Language Skill Development

Furthermore, MAS acknowledged the significance of inclusivity by offering a valuable opportunity for 28 individuals across various divisions and departments, including communication, HRM, and sustainability, to undergo basic sign language training. This training, conducted by The Employers' Federation of Ceylon, aimed to equip our employees with essential communication skills to engage effectively with individuals who are deaf or hard of hearing.

At MAS Holdings, we are dedicated to fostering an inclusive environment where everyone feels valued and heard. By empowering our employees with the tools needed for effective communication, we further solidify our commitment to promoting equal opportunities and creating a workplace that embraces diversity.

The significance of this training goes beyond just improving communication within the workplace. It sends a powerful message to both employees and the broader community that MAS Holdings is actively working towards breaking down barriers and ensuring that everyone has an equal chance to succeed. By enabling its employees to effectively communicate with individuals who are hearing impaired, MAS Holdings is fostering a sense of belonging and promoting a more inclusive society.

Engagement Opportunities

THE INTERNATIONAL DAY OF PERSONS WITH DISABILITIES PANEL DISCUSSION

2  
0  
2  
2

**Transformative Solutions:**  
Everyone has a Role to Play

International Day of Persons with Disabilities  
3 DECEMBER

**On Friday the 9<sup>th</sup> of December 2022**  
**From 3:00 – 4:30 pm**

**Lasanthi Daskon**  
Global Inclusion Advisor and Deputy Country Director for the International Foundation for Electoral Systems (IFES) in Sri Lanka

**Dr. Shyamani Hettiarachchi**  
Senior Lecturer – Department of Disability Studies, Faculty of Medicine, University of Kelaniya

**Nooranie Muthaliph**  
Trained Supported Employment Officer Manager – HR & Administration, MAS Intimates – Slimline

**Kumudu Priyanka Dissanayake**  
Tokyo 2020 Paralympic Track & Field Athlete Sports Assistant – MAS Intimates, Unichela

**Amanthi Perera** (Moderator)  
Head of Social Sustainability, MAS Holdings

**CLICK FOR EVENT LINK**

**MAS**  
CHANGE IS COURAGE

The International Day of Persons with Disabilities was commemorated with a thought-provoking panel discussion titled “Transformative Solutions: Everyone has a Role to Play.” The discussion, held via the Zoom platform, featured interpretations in Sinhala, Tamil, English, and sign language to ensure accessibility for all participants.

## Divisional Engagement

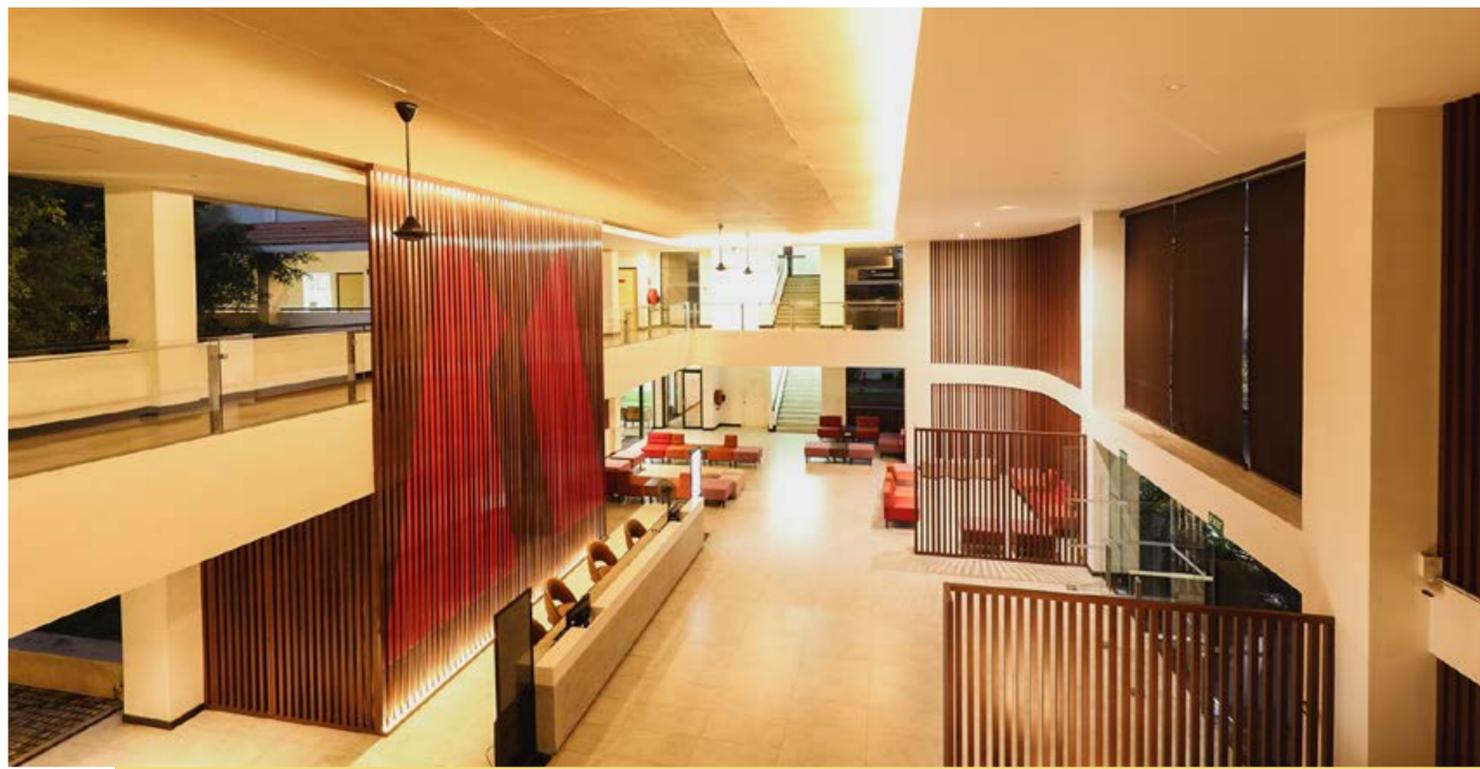


**MAS Intimates** commemorated the International Day of Persons with Disabilities by organizing an outbound training session exclusively for over 190 individuals with disabilities. They collaborated with Borderlands Sri Lanka to facilitate this training, which proved to be a novel and highly beneficial experience as 90% of the participants hadn't taken part in such a programme before.

**MAS Kreeda Balangoda** organised a special event where parents of individuals with disabilities were invited to visit the facility. The parents were given a tour of the plant, allowing them to witness firsthand the work their children do and gain insight into the health and safety measures in place. Following the tour, a session was held to provide guidance on how the parents can provide support at home as well. This event played a crucial role in strengthening the bond between the management and the employees' families, fostering improved communication and support whenever required.

**MAS Active** hosted a special high-tea event to honor our champions, the Persons with Disabilities. The event provided a relaxed setting for informal conversations over tea, where the Persons with Disabilities engaged in discussions centered around pre-determined questions alongside the division. The session offered the opportunity to gather valuable insights, allowing teams to identify areas where management and support for Persons with Disabilities can be improved, paving the way for future enhancements.

# World-class Workplaces



**Our commitment: Be first-in-class for working conditions in our industry**

## OPERATIONS

### Operations Mandate

HR Operations at MAS acts as a critical cornerstone, underpinning the seamless

continuity of the organisation's operations. Its role extends to harmonizing employee relations, industrial relations and nurturing community engagement, thereby fortifying MAS at its core. Acting as an effective problem-solving hub, this function collaborates with business units, addressing and resolving various operational issues. It underscores the importance of collective problem-solving, grievance management and open

dialogue, utilising platforms such as Joint Consultative Committees (JCCs) and Employee Representative Bodies (ERBs).

**The impact of HR Operations reaches beyond internal operations, shaping MAS' robust representation at national and industry levels. Through nurturing relationships with government and industry bodies, they affirm MAS' position within the economic landscape, while actively contributing to industry-wide discourse and policymaking.**

In times of crisis, the function serves as a critical bridge between governmental authorities and MAS business units. Acting as efficient crisis managers, they oversee the execution and monitoring of emergency response protocols, prioritising employee safety and ensuring operational continuity. The commitment to transparency and accuracy in reporting to stakeholders reaffirms the alignment of MAS with global standards.

The function's role as an HR advisory center further aligns MAS with international benchmarks, offering advice on employment laws when formulating policies, and supporting the organisation in labor-related matters. Simultaneously, HR Operations plays a crucial role in ensuring the smooth functioning of the organisation while also fostering a culture of health and resilience. This is achieved through MAS' active participation in mercantile sports, sponsorship of athletes, and encouraging our employees to pursue work life balance, enabling them to retain and further develop their skills.

## Crisis Management

Employee relations is vital for MAS' values. This ingrained practice is deeply rooted in the essence of MAS and has proven its effectiveness during previous crises. Over the course of more than 30 years, it has facilitated a mutually beneficial understanding between employees and the organisation, enabling the organisation to effectively address their needs and leverage the company's capabilities.

This was no different during the economic crisis of 2022 when MAS demonstrated an unwavering commitment to its employees and stakeholders. The organisation leveraged its established worker councils, providing a vital platform for employees to express their concerns and engage in collective problem-solving. As an immediate response to the rising inflation, MAS made several ex-gratia payments to its Sri Lankan employees, thereby alleviating immediate financial distress. Furthermore, the organisation launched the "Sisu Diriya" project, providing school supplies to the children of MAS employees and onsite service providers.

With the crisis leading to a sharp increase in living costs and a nationwide scarcity of food, MAS initiated the "Dry Ration Pack Project", providing essential supplies to over 80,000 employees and onsite service providers. Acknowledging the toll of the crisis on mental well-being, the organisation emphasised the

availability of its counseling services.

MAS' response to the crisis extended beyond its employees. As a principal sponsor of the "Manudam Mehewara" project, the organisation provided essential food relief to nearly 120,000 vulnerable families across Sri Lanka. Additionally, to tackle the transportation crisis during the economic downturn, MAS operated a fleet of buses to ensure students could attend their GCE Ordinary Level Examinations which is a crucial milestone for every student's educational journey in Sri Lanka.

MAS also enabled various initiatives at the manufacturing unit level, addressing specific needs within their immediate communities. These projects included a food drive for students, donation of LP Gas Cylinders, and providing baby and maternity items to low-income families.

Amidst these challenges, MAS has stayed steadfast in its mission to remain a socially responsible organisation, enabling dreams and enriching the fabric of life, and will continue to build towards a sustainable and inclusive future for all its stakeholders.



## A PURPOSEFUL CULTURE

### Purpose Implementation



We embarked on the new year 2022, with a fresh Purpose and enhanced vision, mission, and set of values that encapsulates MAS' longstanding priorities since its inception. These pillars of foundation were revised and reintroduced to our global workforce, ensuring alignment to our shared strategy, with the unwavering support of our leaders and Purpose ambassadors. Our Purpose ambassadors played a vital role conducting Purpose workshops that not only deepened employees'

understanding of MAS' Purpose, but also encouraged personal growth and fulfillment by helping them discover their own Purpose. By the end of 2022, we successfully covered 74.42% of the Executive and above cadres and 67.42% of Staff and Team Member cadres through these Purpose workshops, indicating a significant reach and impact.

Following our various efforts to communicate and cultivate our Purpose across the group,

it was important for us to assess the level of awareness and adherence to MAS' Purpose and accordingly, a comprehensive survey was conducted among the Executive and above cadres worldwide, revealing a remarkable finding of 95.80% employee awareness. While this assessment provided insights into the effectiveness of the initiatives that have been carried out to nurture a Purpose-driven culture, we will continue our efforts to strengthen employee awareness and adherence through various communication material.

A key highlight to note was the introduction of MAS Changemaker Awards to recognise and reward individuals who have actively contributed to uplifting communities and enriching the environment, and teams working towards the Plan for Change commitments which directly aligns with

## MAS' Purpose - to be Changemakers.

The objective is to celebrate those who have created a tangible, net positive impact on people, the planet, process and products. Applications were received from all divisions across MAS, which is a testament to the number of employees who already practice living MAS' Purpose. Furthermore, shortlisted applicants went through rounds of group judging to determine the winners demonstrating exceptional dedication and passion and will be announced at the MAS Changemaker Awards Ceremony in 2023.



## ORGANISATIONAL HEALTH INDEX



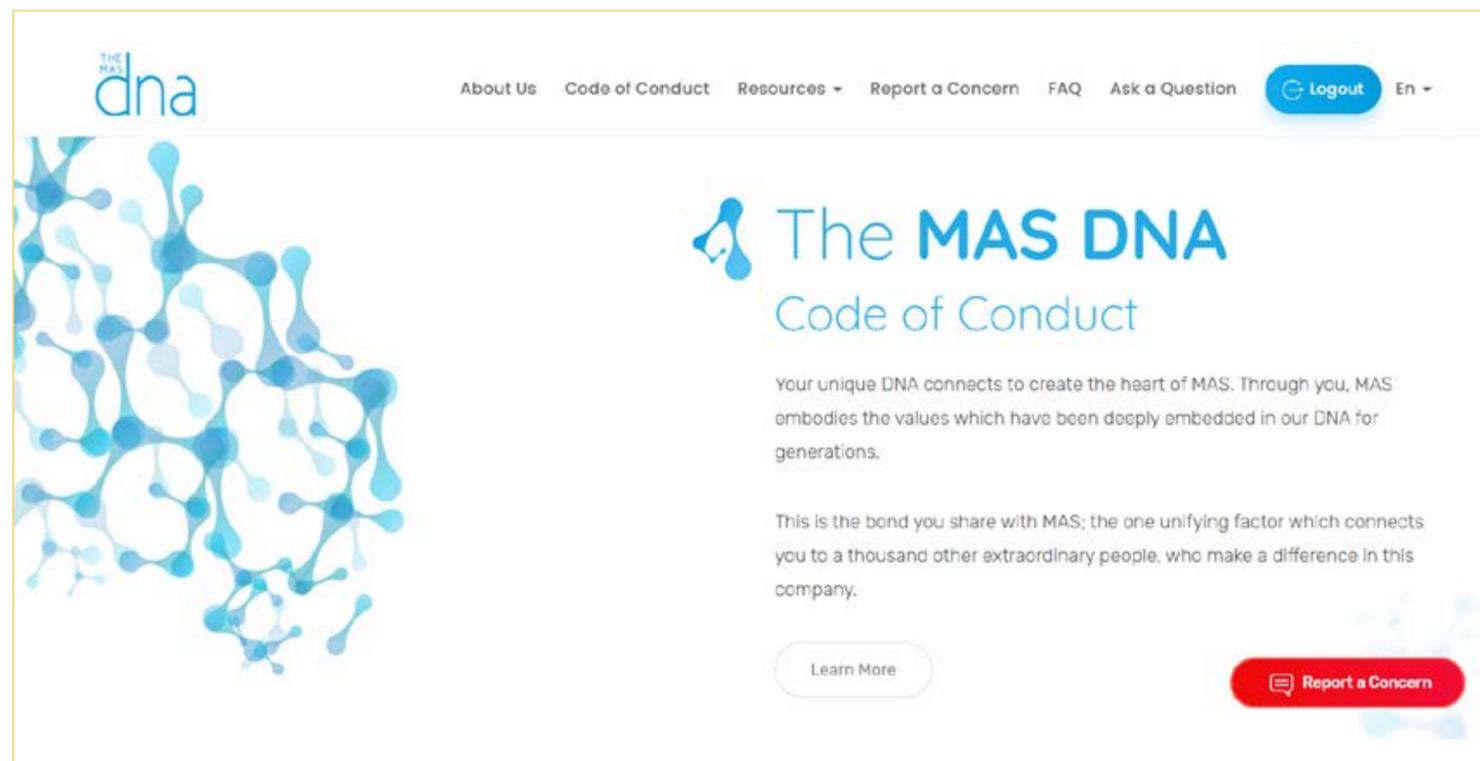
At MAS, we believe that an organisation's performance is strongly correlated with its health, and in light of this we partnered with McKinsey & Co. to assess & enhance MAS' health & readiness to deliver on our 2025 strategies and objectives. For this purpose, an OHI survey is carried out which typically examines 9 health outcomes (motivation, leadership, direction, capabilities, innovation & learning, work environment, accountability,

coordination & control, and external orientation) along with 37 management practices that drive these outcomes. Furthermore, MAS' OHI scores are benchmarked against Fortune 500 companies in order to develop a framework of comparison in relation to the best organisations, globally.

The OHI survey was conducted among the Executives & above cadre in 2018 and 2021, the findings of which helped understand MAS' current state, and map out and continually monitor specific initiatives that need to be carried out to improve health of the respective company, and MAS as a whole.

While the overall achievement of the Group OHI Roadmap in 2022 was 90.80%, the completion percentages of divisional OHI roadmaps were evaluated at the end of the year. Knowledge-sharing sessions were facilitated by the central team among Culture and OHI champions to foster the exchange of best practices and effective strategies to overcome challenges. These collective endeavors contribute to our position as a world-class workplace, as we prioritise effective communication, cultivation, and celebration of MAS' Purpose while creating a work environment that enables employees to thrive and reach their full potential. We continuously strive to enhance these efforts, giving our work meaning and aligning with our strategy for transformative change in 2025.

## MAS CODE OF CONDUCT



Our Code of Conduct the MAS DNA was launched with the senior leadership in 2016, following which the official roll out to the Managers and above cadre was initiated in 2017, and subsequently work continued to implement the same across the rest of the cadre, focusing on the Executive and above population first.

### Roll Out

By the end of 2022, the MAS DNA was successfully rolled out to all employees of the executive and above cadre in both Sri Lanka and overseas locations. The roll out for the executive and above cadre included all DNA related policies and at least 1 refresher was conducted for the year 2022. All new recruits were made aware of the MAS DNA through the onboarding process and both refreshers and

new recruit training have been monitored by the central DNA team on a quarterly basis.

As for the factory floor employees the Equal opportunity and Anti-harassment policy has been rolled out to the entire team member cadre in Sri Lanka and the new recruits are being trained on the MAS DNA through the onboarding process as well. From a total of 9 overseas locations the MAS DNA has been launched to team members in 7 of the plants successfully.

### Policy Deployment

In 2022 the Equal Opportunity and Anti-Harassment and Conflict of Interest policies were revised and shared amongst all employees through awareness material. Leave policies of overseas plants were also revised according to the relevant law of the country.

### MAS Grievance Raising Mechanisms

At MAS, there are various methods of reporting a concern. Apart from speaking to any HR personnel, there is also the Code Officer concept where at three different levels, code officers appointed who are very well versed with the MAS DNA. These code officers are appointed group, divisional and plant levels and each level has at least 1 HR and 1 non-HR code officer appointed. In addition to speaking to HR or code officers, the executive and above

cadre can also raise a concern through our DNA helpdesk by visiting the MAS DNA website, which allows employees to raise any concern with their name or anonymously.

By end of 2022, a DNA hotline managed by a third party was finalized and will be launched in 2023 for the Sri Lankan plants while overseas locations have access to the Navex hotline.

## Grievances Reported

The implementation of various avenues to report grievances through the MAS DNA has led to a significant increase in the number of grievances reported. With the introduction of dedicated channels and platforms, employees now have easier access and more confidence in reporting their concerns, resulting in a surge of reported grievances. These avenues provide a safe and confidential space for employees to voice their complaints, ranging from workplace harassment and discrimination to issues related to working conditions.

By offering multiple options such as anonymous reporting, online forms, and dedicated helplines, MAS DNA has encouraged employees to come forward and seek resolution for their grievances. This increase in reported grievances reflects a positive shift in the MAS corporate culture, as it demonstrates a willingness to address and rectify issues, fostering a more inclusive and supportive work environment.

MAS has a consequence management framework in place which needs to be followed when taking action against grievances. The framework is essential for ensuring fairness, accountability, and maintaining a healthy work environment. It outlines the steps and procedures to be followed when determining appropriate consequences for any DNA

violation. It helps establish a consistent and transparent approach to resolving workplace issues, promoting a culture of respect and trust among employees.

## DNA Pulse Check

A pulse check was carried out to gauge the overall understanding and awareness of the executive and above employees on the MAS DNA. It aimed to gauge their knowledge on reporting channels, procedures, and their confidence in seeking resolution for workplace grievances. The survey helped to identify gaps in knowledge, training needs, and areas of improvement to ensure effective grievance management within the organisation. The overall response was 64%.

## MAS DNA Website Usage

The following was analyzed with regards to the usage of the MAS DNA website since introduction till the end of 2022. Out of the total number of sessions stated above, it was noted that:



### Sessions by New visitors

(First-time users during the year)

77%



### Sessions by Returning visitors

(Users who have initiated at least one session previously)

23%



### Page views

(Pageviews is the total number of pages viewed)

71,838

### Sessions

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

## Governance of the Process

The audit committee is a key component of corporate governance responsible for overseeing DNA reporting (amongst other areas of work), internal controls and compliance. Comprised of independent parties, it ensures transparency, integrity and accountability, safeguarding interests of the organisation by providing effective oversight of DNA matters.

2  
0  
2  
2



## SOCIAL SUSTAINABILITY SCORING TOOL: ENHANCING INTERNAL MEASUREMENTS

In 2020, MAS implemented the Social Sustainability Scoring Tool as an exclusive internal measurement. This tool aimed to promote social sustainability within the organisation by introducing approved Key Performance Indicators (KPIs) on social sustainability parameters to individual CEO Goal Sheets.

**The Social Sustainability Scoring Tool calculates an aggregated score for each facility, providing a comprehensive assessment of their social sustainability performance.**

Subsequently, each CEO is allocated a minimum level of achievement based on the individual tool result of the facilities under their purview.

In 2022, we utilised this scoring tool to evaluate 50 facilities, considering 32 indicators applicable to manufacturing units and 19 indicators for non-manufacturing units. The assessment covered all main divisional CEOs as well as the leader of a standalone entity.

The implementation of the Social Sustainability Scoring Tool has enabled MAS to monitor and enhance social sustainability across its operations. By aligning the organisation's goals with social sustainability parameters, we aim to foster a more sustainable and responsible business approach.



# Thriving Communities



**Our commitment: Be an enabler for positive impact in all communities we work in**

MAS actively engaged in a range of Corporate Citizenship Initiatives throughout 2022. With a dedicated budget surpassing LKR 496 million, the company invested substantially in initiatives that sought to make a positive impact on society.

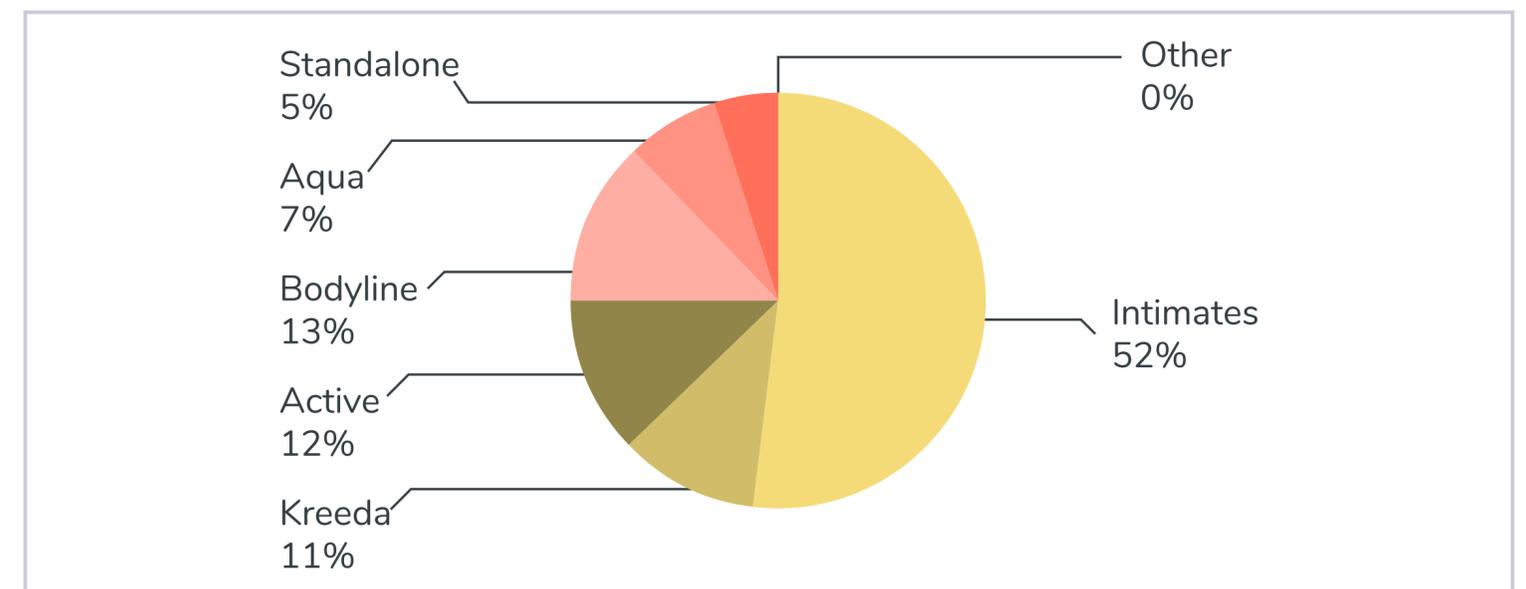
Given the unprecedented challenges posed by the ongoing pandemic, MAS recognised the urgent need to prioritise good health and well-being (SDG 3). By directing significant resources and efforts towards this goal, MAS aimed to address the pressing health concerns and mitigate the adverse effects of the pandemic on communities.

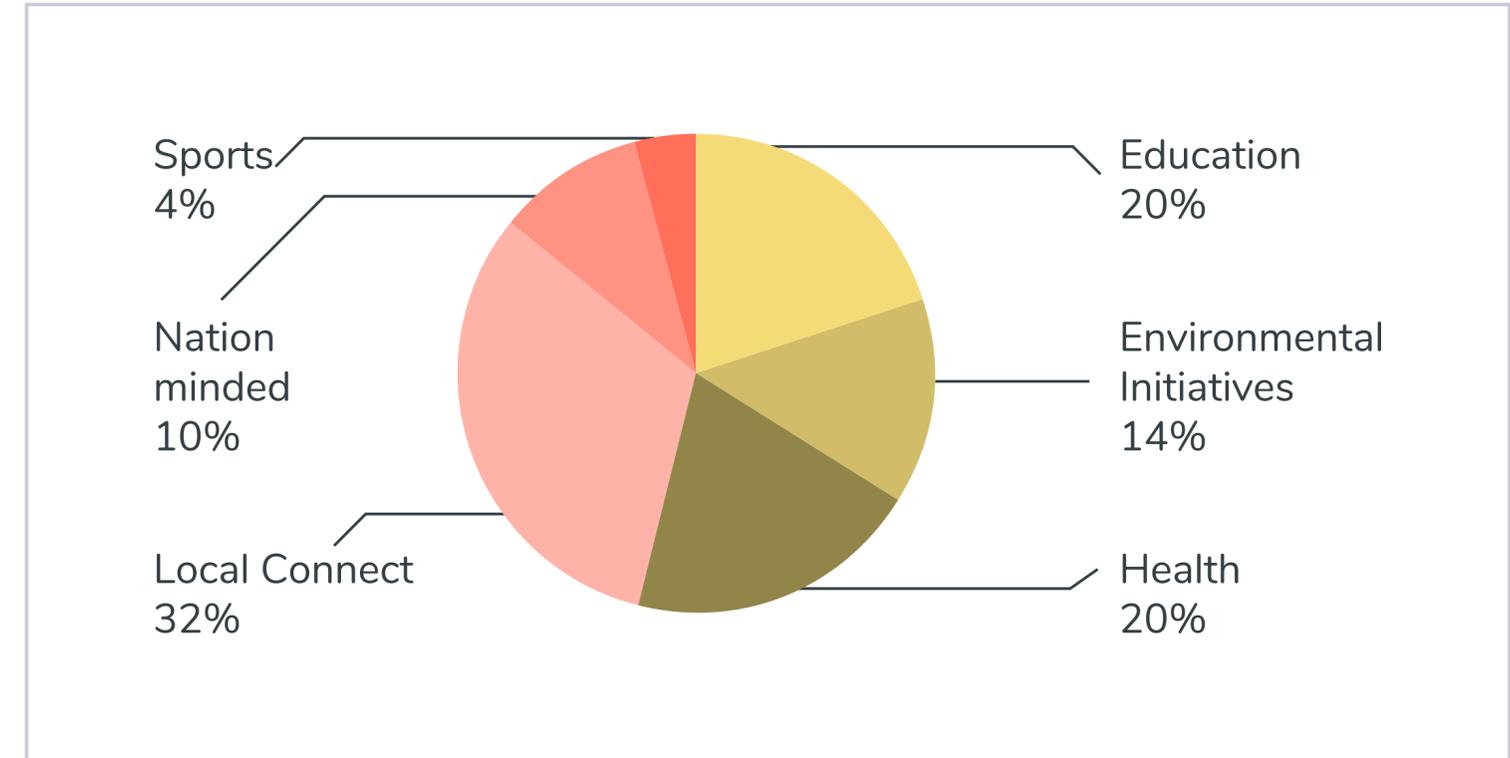
Furthermore, MAS remained steadfast in its pursuit of promoting quality education (SDG 04) and sustainable cities and communities (SDG 11). Through these ongoing initiatives, the company aimed to enhance educational opportunities, empower individuals, and foster inclusive and resilient communities.

MAS firmly believes that by aligning its Corporate Citizenship Activities with the United Nations Sustainable Development Goals (SDGs), it can contribute towards a more equitable and sustainable future. By focusing on these critical areas, MAS seeks to create a positive impact

and contribute to the betterment of society, both during challenging times and beyond.”

Division	No. of Activities
Intimates	524
Kreedaa	116
Active	116
Bodyline	130
Aqua	66
Standalone	51
Other	3





**Corporate Citizenship Activities**

	2022
Number of activities	1,020
Number of beneficiaries	2,723,485
Number of volunteers	30,733

**Corporate Citizenship Activities distribution among the categories**

Category of Intervention	Number of Activities
Education	207
Environmental Initiatives	143
Health	204
Local Connect	325
Nation minded	97
Sports	40

# MAS Eco Go Beyond Sustainable Schools Programme



The objective of this programme is to create and raise awareness on the concept and practice of sustainable development; to provide an opportunity for the implementation of the knowledge gained, leading to an educated and active youth community who will lead and promote sustainable livelihoods in their communities. With six project topics covering various aspects of sustainability, this programme encouraged young minds to actively engage in conservation, management,

and adaptation practices. Through a structured implementation process, the programme empowered students to take the lead in creating positive change within their schools and communities.

## PROJECT TOPICS

### **Biodiversity Conservation / Forest Restoration / Plant Nurseries**

- » Students involved in this project topic focused on preserving and restoring natural habitats, establishing plant nurseries, and raising awareness about the importance of biodiversity conservation.

### **Water Conservation and Management**

- » Students developed strategies to conserve water resources within their schools, such as rainwater harvesting, water recycling, and implementing water-efficient technologies. They also educated their peers and the community on responsible water usage.

### **Energy Conservation and Management**

- » This project topic emphasised the efficient use of energy by implementing energy-saving measures, raising awareness about renewable energy sources, and promoting sustainable practices to reduce carbon footprints.

### **Waste Management (Disposal and Recycling)**

- » Students explored methods of waste reduction, recycling, and proper waste disposal. They educated others on the importance of waste management and worked towards creating a cleaner and greener environment.

### **Adaptive Solutions for Persons with Disabilities:**

- » This project topic focused on developing inclusive solutions to address the needs of persons with disabilities within schools and surrounding communities. Students worked towards creating a more accessible and inclusive environment for everyone.

### **Smart Agriculture**

- » Students learned about sustainable agricultural practices, including organic farming, vertical gardening, and hydroponics. They explored innovative techniques to maximise crop yield while minimising resource consumption.

## PROGRAMME IMPLEMENTATION STEPS

### **Initial Awareness Programme with Principal and Teacher In-Charge**

- » The programme started with an awareness session for school principals and teacher representatives, highlighting the importance and objectives of the MAS Eco Go Beyond Sustainable Schools Programme.

### **Project Proposal Nominations**

- » Schools nominated four students who would work on one of the six project topics. Each student submitted a project proposal outlining their ideas and plans.

### **Awareness for Students and Parents**

- » An awareness campaign was conducted to inform students and parents about the programme, its goals, and the significance of sustainability. This ensured the involvement and support of all stakeholders.

### **Student Selection**

- » After a thorough interview process, two students were selected from each school to participate in the programme. These students became project leaders and ambassadors for sustainability within their respective schools.

### **Project Grant Disbursement**

- » To kickstart their projects, each selected student received a project grant of LKR 50,000. This funding helped cover the initial costs of materials, equipment, and resources necessary for project implementation.

### **Monthly Project Progress Review Meetings**

- » Regular progress review meetings were held to assess the students' project development, provide guidance, and address any challenges they encountered. These meetings also encouraged knowledge sharing and collaboration among participants.

### **Leadership and Capacity Building Programme**

- » To enhance the students' leadership skills and capacity to drive sustainable initiatives, workshops and training sessions were organised. These activities aimed to equip students with essential skills like project management, communication, and problem-solving.



## PROJECT EVALUATION

Upon completion of the projects, comprehensive evaluations were conducted to assess the impact, effectiveness, and sustainability of the initiatives implemented by the students. Feedback and recommendations were provided for continuous improvement.

### **Reward and Recognition Programme**

- » Outstanding students and projects were recognised and rewarded for their dedication, innovation, and impact on sustainability. This not only motivated the students but also inspired others to actively participate in sustainable practices.

## PROJECT IMPACTS

### **Increasing sustainability awareness among the students and community**

- » The MAS EGB Sustainable School Programme had a significant impact on raising awareness about sustainability among the participating students and the broader community. Through their projects and initiatives, students actively promoted the importance of environmental conservation, resource management, and sustainable practices.



**Practicing sustainable waste management practices:**

» Students' projects played a vital role in implementing sustainable waste management practices within their schools and communities. They actively engaged in activities such as bio gas generation, compost creation, upcycling, and reuse. By adopting these practices, they contributed to reducing waste generation and promoting a circular economy.

**Increasing green cover and plant nurseries:**

» One of the noteworthy impacts of the students' projects was the increase in green cover. By establishing plant nurseries, conducting tree plantation drives, and promoting afforestation efforts, students actively contributed to the preservation and restoration of natural habitats. Their efforts helped to enhance the biodiversity and ecological balance in their surroundings.

**Promoting internal cultivation for economic benefits:**

» Through their projects, students encouraged internal cultivation within their schools and homes. By practicing techniques such as organic farming, vertical gardening, and

hydroponics, they not only gained firsthand experience in sustainable agriculture but also reaped economic benefits. The availability of fresh produce from these initiatives helped reduce expenses and promote self-sufficiency.

**Developing essential skills**

» The students' involvement in the MAS EGB Sustainable School Programme had a transformative impact on their personal development. By actively participating in the planning and execution of projects, students honed their communication skills, leadership abilities, negotiation skills, and teamwork. These skills are crucial for their future success and empower them to be effective changemakers in society.



Number of trees planted

34,328



Forest area increased m<sup>2</sup>

208,310



Smart agriculture-cultivated trees

17,136



Collected glass bottles for recycling (kg)

33,734



Collected plastic bottles for recycling

1,050



Collected paper for recycling and reuse (kg)

1,020

# Sustainable Education Programme for Trainee Teachers



Education played a crucial role in shaping the future generations and fostering a sustainable society. In line with this vision, the Sustainable Education Programme for Trainee Teachers aimed to equip aspiring educators with the knowledge and practical skills necessary to promote sustainable practices within their future classrooms and communities. Through a one-day programme, this initiative sought to enhance their understanding of sustainable education, provide hands-on experience in environmental conservation activities, and foster a mindset of sustainable project implementation among their students.

## PROGRAMME OBJECTIVES

The primary objectives of the Sustainable Education Programme for Trainee Teachers as follows:

### Increased knowledge on Sustainable Education

- » Trainee teachers engaged in comprehensive lectures that covered a wide range of topics, including global problems, Sustainable

Development Goals (SDGs), the significance of traditional beliefs and practices, the triple bottom line, environmental policy instruments, international agreements, consumerism, waste management (7 waste, 3R), cleaner production, and the role of business and civil society in shaping a zero-carbon economy. By acquiring this knowledge, trainee teachers were better equipped to incorporate sustainability principles into their teaching methodologies.

### Practical engagement activities

- » To complement the theoretical knowledge, the programme included hands-on activities that focused on environmental conservation and sustainable practices. Trainee teachers participated in activities such as biodiversity enhancement through tree plantation, promoting sustainable lifestyles through upcycling sessions, and exploring advanced agricultural practices like organic cultivation and smart agriculture. These activities provided trainee teachers with a practical understanding of sustainable practices and instilled a sense of environmental stewardship.

### Fostered sustainable project thinking

- » Trainee teachers had the opportunity to implement sustainable projects within their future classrooms. By encouraging project-based learning and providing guidance on sustainable project design, the programme aimed to develop a tendency towards sustainable thinking among trainee teachers. This approach enabled them to empower their students with the knowledge and skills needed to address environmental challenges effectively.

## PROGRAMME DURATION

The Sustainable Education Programme for Trainee Teachers spanned one full day. This condensed timeline ensured a comprehensive and immersive experience, maximising the trainee teachers' exposure to various aspects of sustainable education and practical engagement activities. By condensing the programme, participants were able to delve deeply into the subject matter while minimising disruption to their regular academic schedule.

## PROGRAMME CONTENT

The programme was designed to cover both theoretical and practical aspects of sustainable education. The following content areas were explored:

### Lectures on Sustainable Education

- » Trainee teachers attended lectures that provided a comprehensive overview of sustainable education. These lectures addressed global environmental issues, the significance of the SDGs, the importance of traditional beliefs and practices, the triple bottom line approach, environmental policy instruments, international agreements, consumerism, waste management, cleaner production, the role of business and civil society in achieving a zero-carbon economy, customer demand for sustainable products, eco-product design, and sustainable sourcing.

### Practical Engagement Activities

- » Biodiversity Enhancement: Trainee teachers actively participated in tree plantation activities to promote biodiversity and raise awareness about the importance of preserving ecosystems.
- » Promoting Sustainable Lifestyles: Through engaging upcycling sessions, trainee teachers learned creative ways to repurpose and reuse materials, encouraging their future students to adopt sustainable consumption practices.
- » Advanced Agricultural Practices: Trainee teachers explored organic cultivation and smart agriculture techniques, emphasizing sustainable farming methods that conserved resources and minimised environmental impact.

The Sustainable Education Programme for Trainee Teachers was a vital initiative that equipped future educators with the knowledge and practical experience necessary to foster sustainability within their classrooms and communities. By providing a comprehensive understanding of sustainable education principles, hands-on engagement in environmental conservation activities, and promoting a mindset of sustainable project implementation, the programme empowered trainee teachers to create a positive impact on the environment.



## MAS GIRLS IN STEM 2022



In 2022, MAS took a groundbreaking step by launching the MAS Girls in STEM programme, an initiative aimed to inspire and educate selected female students from seven schools in Sri Lanka, encouraging their pursuit of STEM (Science, Technology, Engineering, and Mathematics) disciplines. The programme, curated to address science-based topics often overlooked in traditional academics, integrated engaging activities such as quizzes, presentations, and experiential sessions at the MAS innovation hub, Twinery.

With only 10% of Sri Lankan schools offering STEM subjects at the collegiate level, and limited initiatives for women in STEM, the need for such programmes was undeniable. The MAS Girls in STEM programme sought to bridge this gap, emphasizing the importance of STEM education in an increasingly competitive job market where 75% of new jobs demand STEM qualifications. Furthermore, it aspired to break down gender stereotypes discouraging girls from entering STEM fields, empowering them with skills, confidence, and inspiring female role models.

Throughout nearly a year, the programme engaged students through a blend of in-person and online events, covering diverse topics like innovation, FemTech, Conservation Technology, Aerospace, Motorsport and Wearable Technology. It culminated in a Giveback

Programme, where participants shared their newfound knowledge and experiences with younger students in their schools, igniting their passion for STEM. This programme saw participation from seven prestigious schools, including St. Bridget's Convent, Methodist College, Musaeus College, Muslim Ladies College, Ladies College, Holy Family Convent, and Visakha Vidyalaya. Successful participants received certificates of completion, recognizing their dedication and achievements. The MAS Girls in STEM programme not only opened doors for young women in Sri Lanka but also fostered a supportive network of like-minded peers and mentors, propelling them towards a future rich with STEM opportunities.

# MAS Kreeda Elevate

**MAS Kreeda Elevate focuses on socio-economic empowerment of women by creating value added products from fabric off cut waste generated in MAS Kreeda Balangoda.** It is implemented in partnership with five District Secretariat (DS) offices in Rathnapura District, namely, Balangoda, Imbulpe, Opanayake, Welingepola and Kahawatta. Initiated as a project focusing on improving fabric waste value enhancement performance, the project gained traction as a community empowerment initiative promoting female entrepreneurship in a locality which had very low (<35%) female employment rates during Covid-19 pandemic times.

The project involves multiple internal and external stakeholders such as the Vocational Training Authority (VTA), Rural Development Bank (RDB) and Grama Niladharis in addition to the DS offices. MAS Kreeda Balangoda works with the stakeholders in selecting suitable individuals, provides trainings on sewing and craftsmanship, creates awareness on managing finances, etc. while continuously providing fabric off cut waste as raw material for creating value added products such as carpets, bags, pillow fillings and dusters with many women

doing sewing operations in their own homes, thereby generating an income while managing their household responsibilities.

The project was initiated in January 2021 and it is continuing at scale as of April 2023.

**Impact Created:**

By the end of 2022, the project had made below positive impact to the community and the planet.

 New women entrepreneurs introduced **472**

 Family members impacted **1,200**

 Internal and external stakeholder categories involved aligning with MAS's Community Engagement Model (CEM) **12**

 Fabric waste value enhanced **255 tons**

 Fabric waste value enhancement of MAS Kreeda Balangoda moving away from waste energy recovery **45% increase**

 CO2e reduction in GHG emissions associated with waste disposal **23 tons**

The project is expected to enhance craftsmanship to access high-end green markets, facilitate connection with markets for sustainable products, create financial literacy and promote self-run business models while continuing to monitor and provide feedback to the female entrepreneurs involved. Further, we plan to scale the project within and outside of Sri Lanka as horizontal deployment.

The project received national level recognition as one of the six Best Sustainability Projects at the Best Corporate Citizen Awards 2022 organised by the Ceylon Chamber of Commerce.

2  
0  
2  
2



# Manudam Mehewara



The “Manudam Mehewara” project was an initiative that addressed the pressing issue of food insecurity among vulnerable communities in Sri Lanka during 2022. With the country experiencing its worst financial crisis and a subsequent nutritional crisis, it was deemed crucial to intervene and provide support to those most affected. The rationale behind this project lies in its mission to identify adversely affected families, source and distribute emergency relief, and offer long-term sustainable solutions to combat rising food insecurities.

The selection criteria for beneficiaries was carefully designed to ensure that assistance reaches those who need it the most.

The project focused on low-income families,

particularly those headed by women, persons with disabilities, daily paid workers, small/micro businesses, farmers, and families without fixed incomes.

By targeting these vulnerable groups, the project aimed to alleviate the burden of food insecurity on those who are already facing multiple challenges.

The project’s collaboration with religious leaders, rural development societies, Sarvodaya Shramadana Societies, and the endorsement of Grama Niladari ensured a comprehensive and inclusive approach to beneficiary selection. This partnership with key stakeholders in local communities strengthens the project’s credibility and ensures that assistance is provided to those who truly require it. However, the project goes beyond short-term aid and aims to continue relief operations until a sustainable national

benefit transfer system is launched. This long-term approach demonstrates a commitment to addressing the root causes of food insecurity and building resilience within communities.

Furthermore, the project’s emphasis on offering long-term sustainable solutions, such as home gardening, is crucial in countering the effects of rising food insecurities. By promoting self-sufficiency and empowering communities to grow their own food, the project not only addresses immediate needs but also creates avenues for long-term food security.



Manudam Mehewara is deeply rooted in the urgent need to combat food insecurity caused by the ongoing economic crisis. Through strategic beneficiary selection, collaboration with key stakeholders, and a comprehensive approach to relief operations, the project strives to make a sustainable and meaningful impact on the lives of those most affected.

**Impact created**

-  Alleviation of food insecurity
-  Empowerment of vulnerable groups
-  Economic stability
-  Enhanced community relations
-  Promotion of sustainable solutions
-  Awareness and advocacy (nutritional and financial crisis)

**Stakeholders**

1. Sarvodaya
2. Sponsors
3. Grama niladari
4. Local religious leaders
5. Rural development societies
6. Employees and volunteers
7. Local communities
8. Media
9. General Public

**Total investment**

 Total Project Cost  
**Rs.323.5 million**

 MAS Contribution  
**LKR 100 million**

 No. of Beneficiaries  
**119,926 Families**

 Districts Covered  
**25**

District	Families
Ampara	5,561
Anuradhapura	4,461
Badulla	3,808
Batticaloa	3,440
Colombo	11,186
Galle	2,942
Gampaha	5,703
Hambantota	3,349
Jaffna	8,000
Kalutara	4,860
Kandy	6,657
Kegalle	4,028
Killinochchi	3,588
Kurunegala	4,315
Mannar	2,733
Matale	4,400
Matara	3,000
Monaragala	5,123
Mullativu	2,887
Nuwara Eliya	6,276
Polonnaruwa	3,663
Puttalam	3,574
Ratnapura	3,752
Trincomalee	8,000
Vavuniya	4,186

2  
0  
2  
2



Our Planet  
Changed  
for Good



# Our Planet Changed for Good



Our focus on the impact we have on the planet and our commitment to positive change led us to establish five key commitments in the areas of emissions, waste, chemicals, water, and biodiversity. These commitments reflect our dedication to leaving the planet in a better state than we found it.

To address the critical challenge of climate change, we are actively working to limit our emissions. Since 2017, we have been following a roadmap to reduce our carbon footprint by generating more renewable energy than we consume. Additionally, we have joined the Science Based Targets initiative (SBTi) to further formalize our commitments. By 2025, we aim to achieve an absolute reduction of 25.2% in our emissions footprint compared to our 2019 baseline.

Effective waste management is crucial to avoid harming the environment and landfills. To go beyond disposal methods, we are committed to valuing waste and giving it new life. Our goal is to reuse, repurpose, or recycle 100% of the non-hazardous waste generated through our manufacturing processes by 2025.

As pioneers in responsible chemical use, we have prioritised managing chemicals in our manufacturing processes and supply chain. Since joining the Zero Discharge of Hazardous Chemicals (ZDHC) as value chain affiliates in 2017, we have been driving the journey forward. By 2025, our commitment is to eliminate the use of toxic chemicals in our products and processes.

Recognizing the importance of water as a scarce resource, we prioritise water resilience and safeguarding. We collaborate with partners to develop tools for metering and analyzing consumption, aiming to improve efficiency in manufacturing and among our workforce. Our target is to reduce water intensities by 65% at our wet processing facilities compared to the 2011 baseline, while ensuring minimal impact on our communities.

To restore the biodiversity that may have been affected by our facilities, we have undertaken the ambitious goal of creating and restoring habitats across 25,000 acres by 2025. We are committed to enhancing ecosystem services and preserving biodiversity beyond our physical presence.

Our commitments in emissions, waste, chemicals, water, and biodiversity exemplify our dedication to driving positive change and leaving the planet better than we found it. Through these commitments, we aim to combat climate change, transform waste into value, responsibly manage chemicals, safeguard water resources, and champion biodiversity restoration.



# Our 2022 Journey



## Our Planet Progress Snapshot

\*Progress on indicators as of December 2022



### Emissions

11.5%

Scope 1 and 2 absolute emission reduction form 2019 baseline

Goal: 25.2 % reduction on scope 1 and 2 emissions based on 2019 baseline



### Waste

63.8%

of all waste value enhanced by recycling, reusing, upcycling or turned to new resources

Goal: Value enhance 100% of non-hazardous waste



### Chemicals

99.8%

of MAS chemicals at ZDHC Level 1 status

Goal: Be zero toxic in our products and processes



### Water

36%

reduction in water usage per kilo of product in textiles, knitting and elastics manufacturing

Goal: Reduce our water intensities by 65%



### Biodiversity

9,651 acres

of habitats restored

Goal: Restore biodiversity in 100x the space we occupy



In 2022, MAS took significant strides towards environmental sustainability, demonstrating a strong commitment to mitigating its ecological impact. As a company, we have prioritised renewable energy, waste reduction and value enhancement, emissions reduction, and chemical compliance, while also focusing on biodiversity conservation through strategic partnerships.

One of our key challenges that we've continuously encountered, particularly in specific geographies such as Sri Lanka, has been the need for renewable energy adoption. In 2022, we managed to find a solution to this obstacle in one of our strategically important geographies, Indonesia, by partnering with local

energy providers to access 100% renewable electricity across all Indonesian facilities. It is our hope that partnerships such as these continue to be important tools in finding solutions to these issues across other geographies as well. The implementation of another 7 MW solar power project at MAS Fabric Park, Sri Lanka's largest roof-mounted solar PV system, showcased our commitment to renewable energy solutions despite local challenges. Our efforts in limiting emissions and promoting climate action were recognised by the Carbon Disclosure Project (CDP) in 2022, where the company earned a "B" rating.

## MAS successfully reduced its emission footprint by 11.5% compared to the 2019 baseline, demonstrating its commitment to mitigating climate change.

In the space of transforming waste, we have value enhanced 63.8% of all waste, highlighting the team's dedication to efficient waste management and resource utilisation.

MAS continues to focus on chemical compliance, with 99.8% ZDHC MRSL compliance achieved for local operations' process chemicals by utilising accepted products from ZDHC Chemical Gateway Level 1 or above.

Our sustainability journey in 2022 provided valuable insights into the complexities of environmental sustainability. Through our experience in executing large scale projects in Sri Lanka and other geographies, MAS recognised the importance of collaboration and partnerships in achieving impactful change. Our successful partnership with The Wildlife Foundation (TWF) in Kenya to conserve the

Nairobi National Park Wildlife Dispersal Area exemplified the power of working together to protect biodiversity.

These efforts were honored with multiple Presidential Environmental Awards, among the most prestigious recognitions for sustainability efforts in Sri Lanka, underscoring the exceptional dedication and achievements in environmental sustainability.

Despite the challenges faced in Sri Lanka due to the economic crisis of 2022 and the ensuing political turbulence, and in many of our other geographies as significant global headwinds continued to impact industries, MAS remained committed to creating a sustainable future, building on the achievements of 2022. With significant accomplishments such as the signing of renewable electricity agreements and the participation in significant solar power projects, MAS continues to make significant strides a more sustainable approach within the apparel industry.

MAS aims to further reduce its emissions, improve waste management, and increase renewable energy usage, in 2023 and beyond, trusting that these efforts will solidify our position as an industry player with a genuine commitment to environmental sustainability.

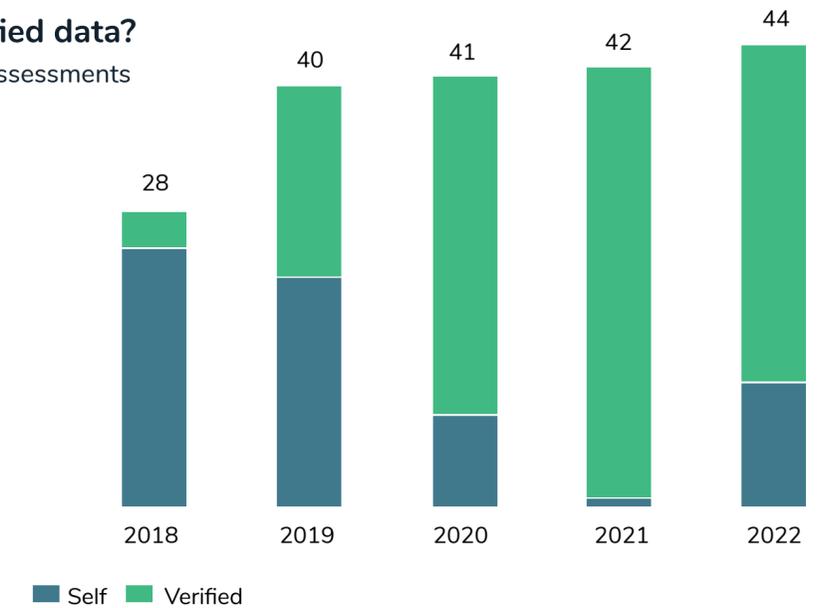
## SETTING STANDARDS

Recognizing the need to ensure that our sustainability efforts and performance are measured in alignment with globally accepted standards, MAS facilities continued to engage with the Higg Facility Environmental Module (FEM) as a tool to standardise the measurement of sustainability performance within our operations.

### Higg FEM Performance

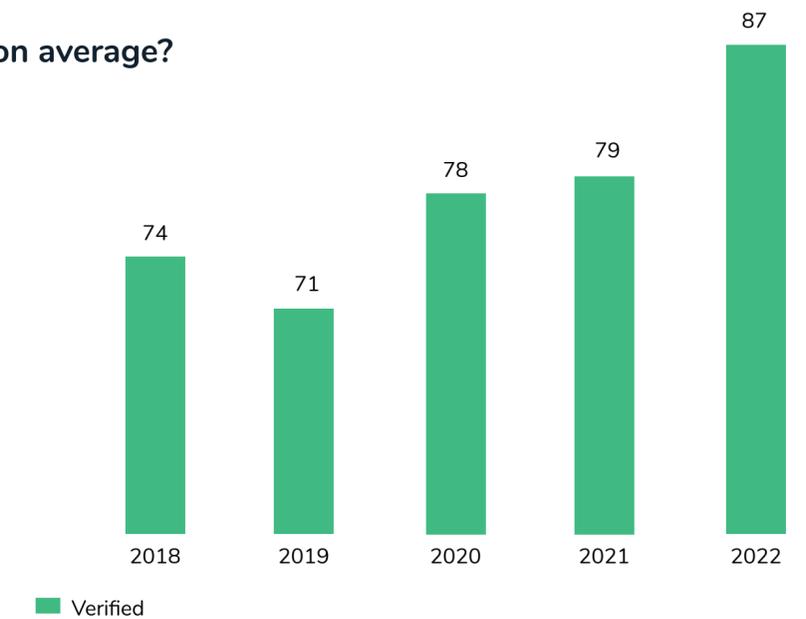
#### How many of facilities have verified data?

Number of facilities per year with posted assessments



#### How are my facilities performing on average?

Average FEM total score by year



Some of our key plants has performed as below.

## MAS FABRICS (PVT) LTD - INTIMO DIVISION

### HIGG FACILITY ENVIRONMENTAL MODULE REPORT



This report offers a summary of a facility's verified Higg Index environmental assessment.

#### MAS FABRICS (PVT) LTD- INTIMO DIVISION

THULHIRIYA, SRI LANKA

HIGG ID

154723



USING THE HIGG INDEX SINCE: 2021

FACILITY TYPE

Final Product Assembly  
Printing, Product Dyeing and Laundering

INDUSTRY SECTOR

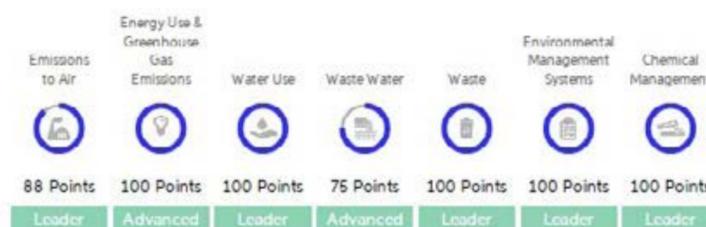
Apparel



MAS FABRICS (PVT) LTD- INTIMO DIVISION

2022 Verified By  
SqT & API

#### Environmental Impact Areas



#### 2021 - 2022 Comparison

IMPACT AREA	POINTS	LEVEL
Emissions to Air	+63	▲
Energy Use & Green House Gas Emissions	+10	▲
Water Use	0	●
Waste Water	0	●
Waste	+43	▲
Environmental Management System	0	●
Chemical Management	+4	●

## UNICHELA (PVT) LTD, - PANADURA

### HIGG FACILITY ENVIRONMENTAL MODULE REPORT



This report offers a summary of a facility's verified Higg Index environmental assessment.

#### UNICHELA (PVT) LTD.- PANADURA

NO. 124, HORANA ROAD, PANADURA  
PANADURA

HIGG ID

11866



USING THE HIGG INDEX SINCE: 2017

FACILITY TYPE

Final Product Assembly  
Printing, Product Dyeing and Laundering

INDUSTRY SECTOR

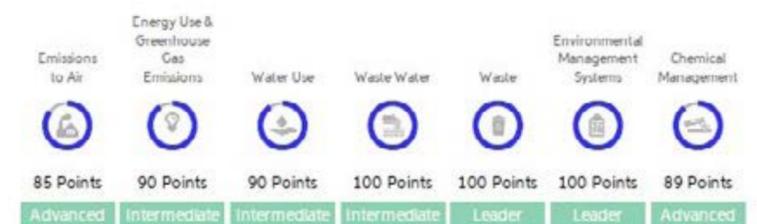
Apparel



UNICHELA (PVT) LTD.- PANADURA

2022 Verified By  
SqT & API

#### Environmental Impact Areas



#### 2021 - 2022 Comparison

IMPACT AREA	POINTS	LEVEL
Emissions to Air	+5	●
Energy Use & Green House Gas Emissions	0	●
Water Use	0	●
Waste Water	0	●
Waste	+23	▲
Environmental Management System	0	●
Chemical Management	+2	●

2  
0  
2  
2

# BODYLINE PRIVATE LIMITED

## HIGG FACILITY ENVIRONMENTAL MODULE REPORT



This report offers a summary of a facility's verified Higg Index environmental assessment.

**BODYLINE PRIVATE LIMITED**  
HORANA, SRI LANKA

HIGG ID  
50314



USING THE HIGG INDEX SINCE: 2017

FACILITY TYPE  
**Final Product Assembly**

INDUSTRY SECTOR  
**Apparel**



**BODYLINE PRIVATE LIMITED**

2022 Verified By  
Bureau Veritas

### Environmental Impact Areas



### 2021 - 2022 Comparison

IMPACT AREA	POINTS	LEVEL
Emissions to Air	-60	▼
Energy Use & Green House Gas Emissions	-10	▼
Water Use	+10	●
Waste Water	0	●
Waste	+7	●
Environmental Management System	+3	●
Chemical Management	+59	▲



# SILUETA (PVT) LITED

## HIGG FACILITY ENVIRONMENTAL MODULE REPORT



This report offers a summary of a facility's verified Higg Index environmental assessment.

**SILUETA (PVT) LIMITED**  
LOT 14, ZONE 01, BIYAGAMA EPZ,  
WALGAMA, MALWANA MALWANA

HIGG ID  
29014



USING THE HIGG INDEX SINCE: 2017

FACILITY TYPE  
**Final Product Assembly**  
**Printing, Product Dyeing and Laundering**

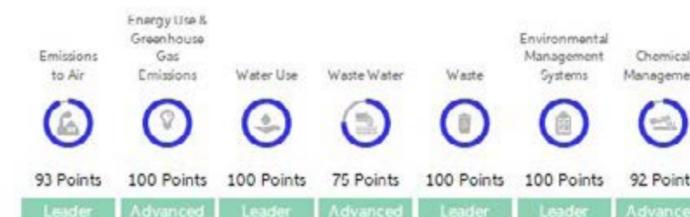
INDUSTRY SECTOR  
**Apparel**



**SILUETA (PVT) LIMITED**

2022 Verified By  
SqT & API

### Environmental Impact Areas



### 2021 - 2022 Comparison

IMPACT AREA	POINTS	LEVEL
Emissions to Air	+25	▲
Energy Use & Green House Gas Emissions	0	●
Water Use	+10	▲
Waste Water	0	●
Waste	+16	▲
Environmental Management System	0	●
Chemical Management	+2	●



## MAS KREEDA - SYNERGY

### HIGG FACILITY ENVIRONMENTAL MODULE REPORT

This report offers a summary of a facility's verified Higg Index environmental assessment.



**MAS KREEDA - SYNERGY**  
A 3, SEETHAWAKA INDUSTRIAL PARK,  
AVISSAWELLA

**HIGG ID**  
123026



USING THE HIGG INDEX SINCE: **2018**

**FACILITY TYPE**  
Final Product Assembly  
Printing, Product Dyeing and Laundering

**INDUSTRY SECTOR**  
Apparel



**MAS KREEDA - SYNERGY**

**2022** Verified By  
SgT & API

#### Environmental Impact Areas



#### 2021 - 2022 Comparison

IMPACT AREA	POINTS	LEVEL
Emissions to Air	+28	▲
Energy Use & Green House Gas Emissions	0	●
Water Use	-10	▼
Waste Water	+25	▲
Waste	0	●
Environmental Management System	0	●
Chemical Management	0	●

## LINEA AQUA - HANWELLA

### HIGG FACILITY ENVIRONMENTAL MODULE REPORT

This report offers a summary of a facility's verified Higg Index environmental assessment.



**LINEA AQUA - HANWELLA**  
KAPUGODA, SRI LANKA

**HIGG ID**  
22849



USING THE HIGG INDEX SINCE: **2017**

**FACILITY TYPE**  
Final Product Assembly

**INDUSTRY SECTOR**  
Apparel



**LINEA AQUA - HANWELLA**

**2022** Verified By  
SgT & API

#### Environmental Impact Areas



#### 2021 - 2022 Comparison

IMPACT AREA	POINTS	LEVEL
Emissions to Air	+14	▲
Energy Use & Green House Gas Emissions	0	●
Water Use	0	●
Waste Water	0	●
Waste	+21	▲
Environmental Management System	0	●
Chemical Management	+36	▲

# MAS FABRIC (PVT) LTD - MATRIX

## HIGG FACILITY ENVIRONMENTAL MODULE REPORT

This report offers a summary of a facility's verified Higg Index environmental assessment



### MAS FABRICS (PVT) LTD - MATRIX

MAS FABRIC PARK, KURUNEGALA ROAD, THULHIRIYA, SRI LANKA

HIGG ID  
124179



USING THE HIGG INDEX SINCE: 2018

FACILITY TYPE

- Final Product Assembly
- Printing, Product Dyeing and Laundering
- Packaging Production

INDUSTRY SECTOR

Apparel



MAS FABRICS (PVT) LTD - MATRIX

2022 Verified By  
Control Union

Environmental Impact Areas



2021 - 2022 Comparison

IMPACT AREA	POINTS	LEVEL
Emissions to Air	+27	●
Energy Use & Green House Gas Emissions	+10	▲
Water Use	+10	▲
Waste Water	0	●
Waste	-9	●
Environmental Management System	0	●
Chemical Management	+10	●



# MAS ACTIVE (PVT) LIMITED - LINEA INTIMO

## HIGG FACILITY ENVIRONMENTAL MODULE REPORT

This report offers a summary of a facility's verified Higg Index environmental assessment



### MAS ACTIVE (PVT) LIMITED - LINEA INTIMO

MALWANA, SRI LANKA

HIGG ID  
6003



USING THE HIGG INDEX SINCE: 2017

FACILITY TYPE

- Final Product Assembly
- Printing, Product Dyeing and Laundering
- Material Production (textile, rubber, foam, insulation, pliable materials)

INDUSTRY SECTOR

Apparel



MAS ACTIVE (PVT) LIMITED - LINEA INTIMO

2022 Verified By  
G&T & API

Environmental Impact Areas



2021 - 2022 Comparison

IMPACT AREA	POINTS	LEVEL
Emissions to Air	+12	▲
Energy Use & Green House Gas Emissions	0	●
Water Use	0	●
Waste Water	0	●
Waste	+55	●
Environmental Management System	0	●
Chemical Management	0	●



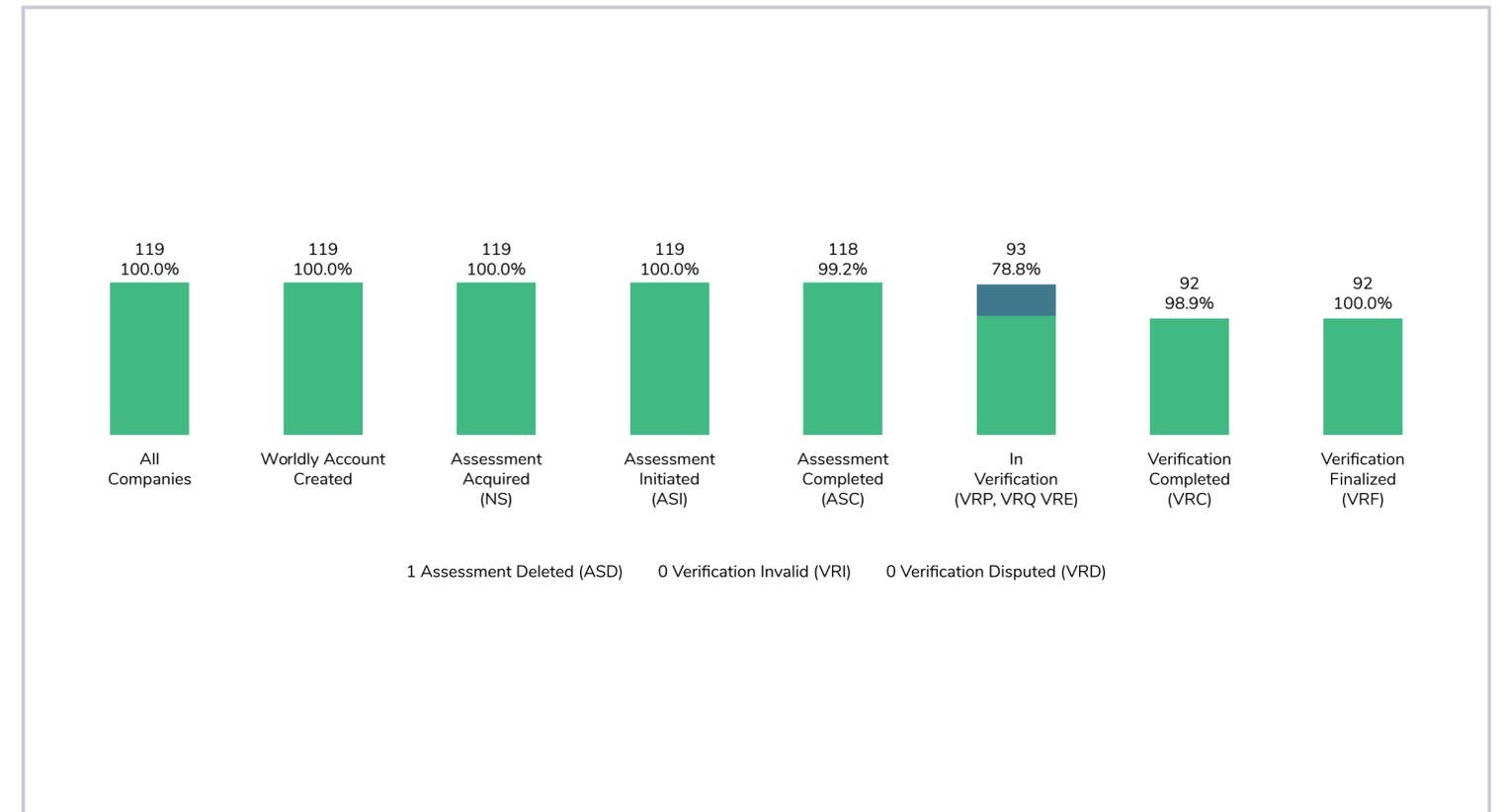
2  
0  
2  
2

## SUPPLY CHAIN CONNECTIVITY



Understanding the importance of continued supplier engagement, the MAS Sustainable Business team and the Group Sourcing team created an opportunity to connect with our global supply chain partners. 119 suppliers within the top 80% spend of our

supply chain connected and shared the Higg Facility Environment Module (Higg FEM) with MAS and 92 of them have completed the relevant verification.



2  
0  
2  
2



# Limit Emissions

**2025 Commitment: Reduce our emissions footprint to achieve 25.2% absolute reduction, from a 2019 base year.**

Over the past few years, MAS has diligently monitored and improved our energy efficiency while increasing the usage of renewable energy sources in our operations to minimise our carbon footprint. In addition to these efforts, we have taken a further step by becoming a signatory for the Science-Based Targets initiative (SBTi), pledging our commitment towards achieving absolute reductions in carbon emissions. In 2020, our near-term targets were approved and validated by SBTi, marking a significant milestone in this journey.

Our official commitment to the SBTi is articulated as follows:

**MAS Capital (Pvt) Ltd commits to reduce absolute scope 1 and 2 GHG emissions 25.2% by 2025 from a 2019 base year\***

Progress to date:

**11.48%**

**MAS Capital (Pvt) Ltd also commits that 85% of its suppliers by spend and 100% of joint ventures in scope 3 investments, will have science-based targets by 2025.**

Progress to date:

**36%**

*\*The target boundary includes biogenic emissions and removals from bioenergy feedstocks.*

## SBTi PERFORMANCE

Year	2019	2020	2021	2022
Target Emissions (Ton CO2 eq.)	168,832	161,741	154,650	147,559
Actual Emissions (Ton CO2 eq.)	168,832	137,382	156,420	149,446
Expected Reduction %	0%	4.2%	8.4%	12.6%
Actual Reduction %	0%	19%	7.4%	11.48%

Annually, MAS will strive to reduce its absolute emissions by 4.2% or more for the remaining period of the commitment through several initiatives. These initiatives include increasing rooftop renewable energy, sourcing sustainable and climate impact-neutral biomass, purchasing Renewable Energy Certificates (RECs), electrifying thermal sources, and improving energy efficiency. MAS also continues to publish its detailed emission performance on [cdp.net](https://www.cdp.net) through the Carbon Disclosure Project, as it has done for 2020, 2021, and 2022.

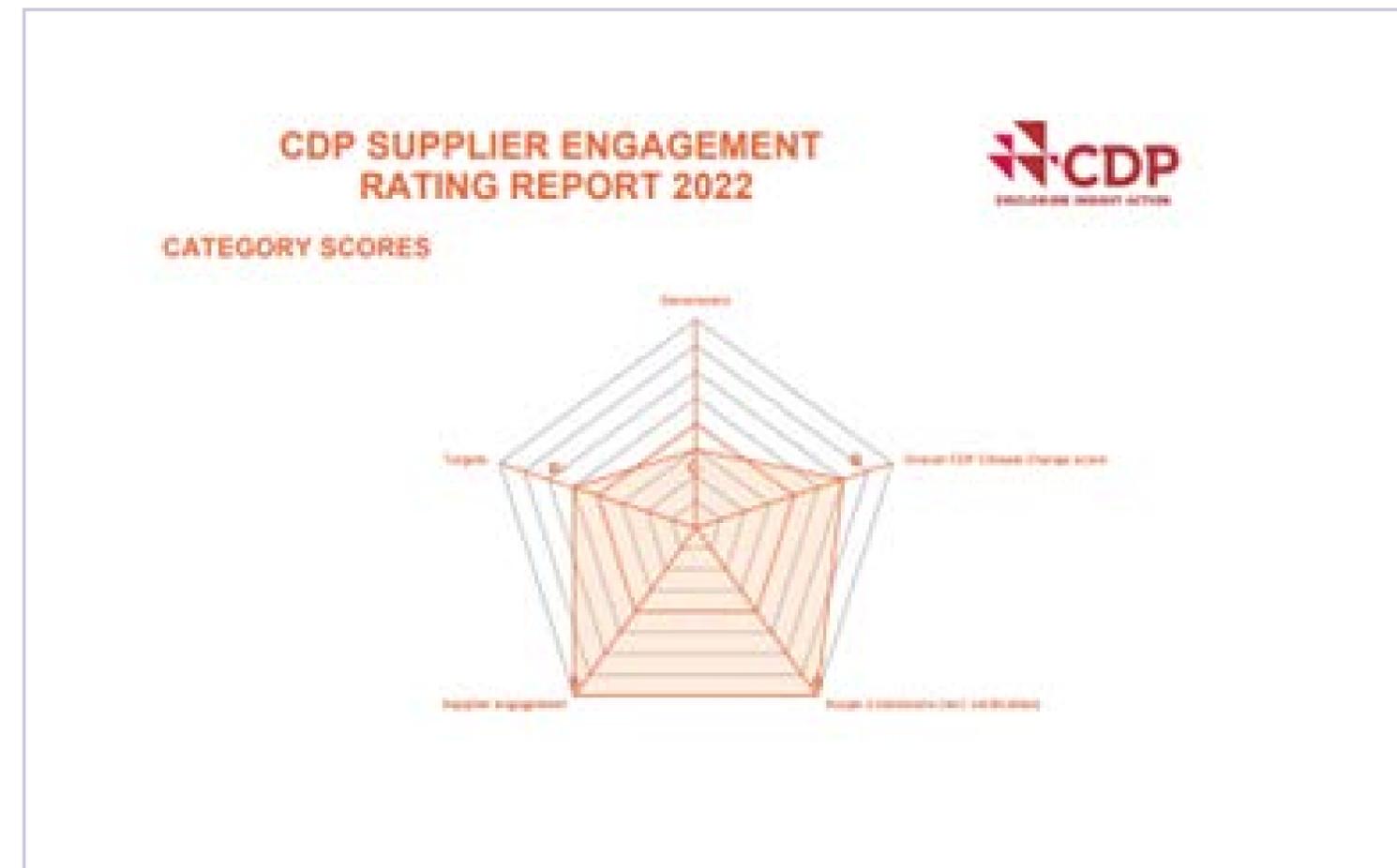
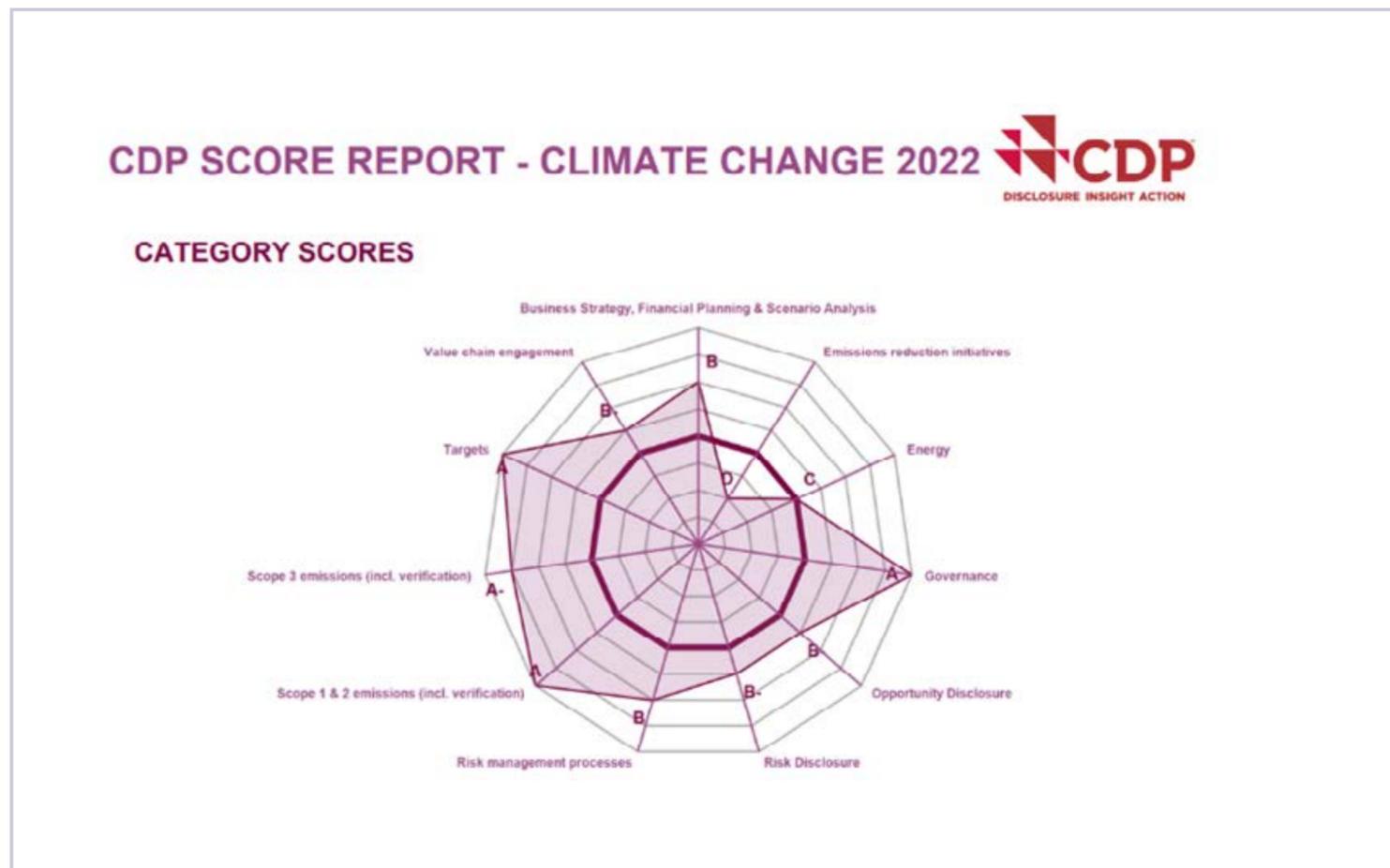
2  
0  
2  
2



## CARBON DISCLOSURE PROJECT SCORE

MAS achieved a Climate Change Score of B in the Overall category, and a score of A- under the Supply Chain category, improving two steps, compared to its 2021 performance.

2  
0  
2  
2



**Supply Chain Commitments:**

MAS regularly engages with their supply chain to enhance supply chain commitment towards energy efficiency:

- » Connect with Higg FEM on 60% of the supply chain (by spend)
- » 36% committed to science-based targets

## ENERGY MANAGEMENT SYSTEM AT MAS

MAS has been deploying the Schneider Energy Management System (EMS) since 2011, which has been connected to measure major electricity usage points stored in a centralized server. The EMS can be accessed through the internet to check the facilities' energy consumption 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.

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.

MAS' energy managers usually generate weekly reports, according to department, to see whether the respective departments operate within the budgeted costs.

Currently, our teams are working to convert the Energy Management System to Utility Management System covering multiple sources of energy, water, steam and compressed air.

## EMISSIONS DATA

An online sustainability data reporting platform called "Panthera" was implemented, providing the teams with a powerful tool that automates and enhances the process of gathering and managing sustainability data. It has increased the accuracy and efficiency of data collation and monitoring, while reducing the time and effort required for data reporting.

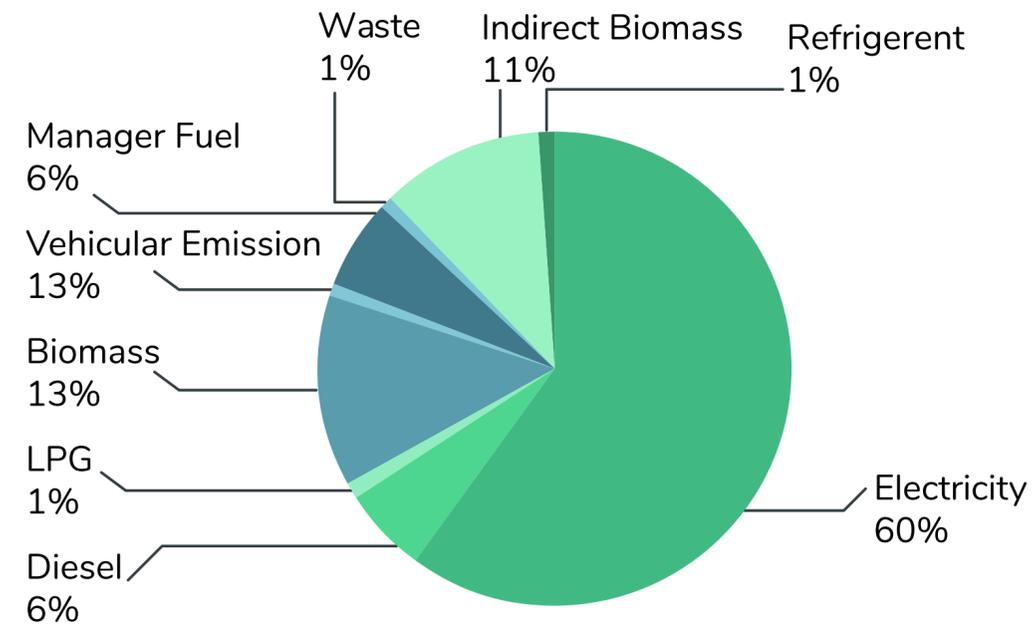
The platform allows MAS divisions and facilities to track reporting status and provides a centralized location for data verification with easy access to supporting evidence. Automated email notifications keep stakeholders informed, and robust data security measures ensure the confidentiality of information. The platform also offers report generation options and simplifies data and KPI calculations. Our platform streamlines sustainability reporting, empowering organisation to make data-driven decisions and progress towards our sustainability goals.

As facilities were able to reduce its emission by 11.5% from the base year, the below graph represents the emission source wise breakdown of MAS Capital (Pvt) Ltd, where 84% of emissions are generated from electricity and biomass usage. MAS was able to achieve its emission reduction targets through its

renewable energy initiatives, rooftop solar PV, and sustainable biomass usage.



Emission by Source



In 2022, the MAS took a significant step towards promoting sustainable biomass usage by launching its first sustainable biomass justification and standard. This standard aims to establish a standardised framework for the usage of biomass within its operations, especially towards replacing traditional biomass with short rotation biomass considered as climate neutral biomass varieties such as

Gliricidia. The sustainable biomass standard implemented focuses on responsible sourcing of biomass, ensuring sustainable and certified sourcing, while preventing deforestation and biodiversity loss.

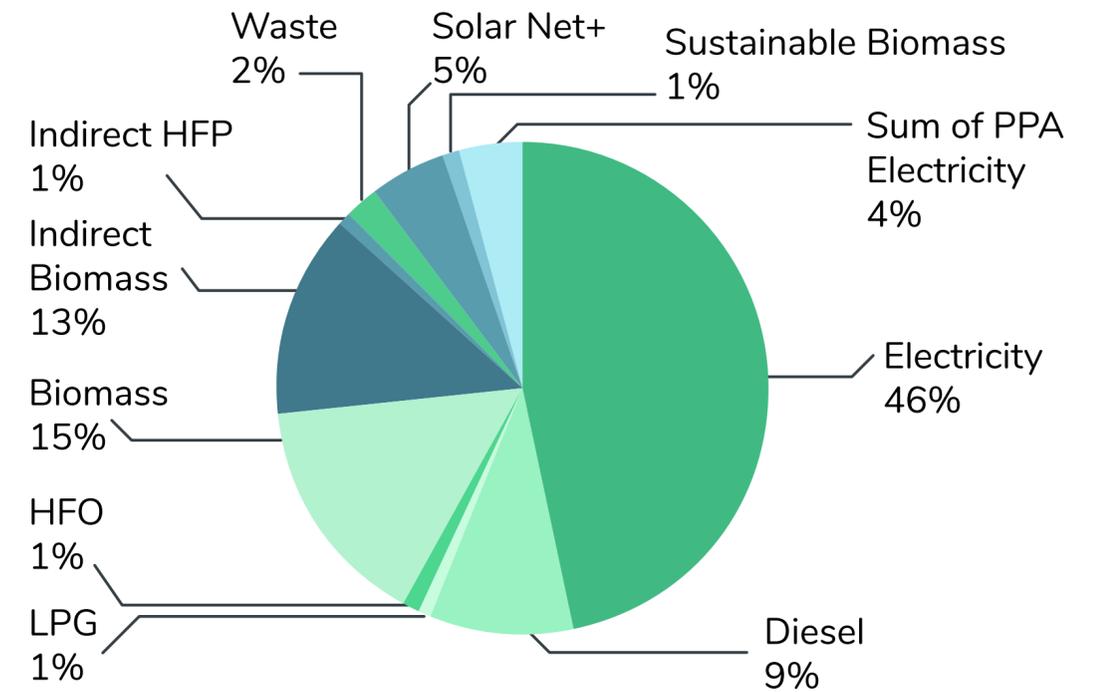
### MAS Energy Mix

The largest energy source within MAS operations in 2022 was electricity at 46% of the energy mix, while more than 15% of the energy was generated through biomass. 29.92% of the MAS energy footprint was renewable energy during 2022.

Purchased heat and steam are produced by MAS Fabric Park (MFP) and are therefore reported separately as MFP Biomass and MFP Heavy Fuel Oil.

All non-manufacturing sites outside of Sri Lanka are excluded in the current energy calculations. Energy sold to the grid through the Net Plus programme is excluded, as it is a carbon credit project.

Energy Purchased



## PROJECT PHOTON

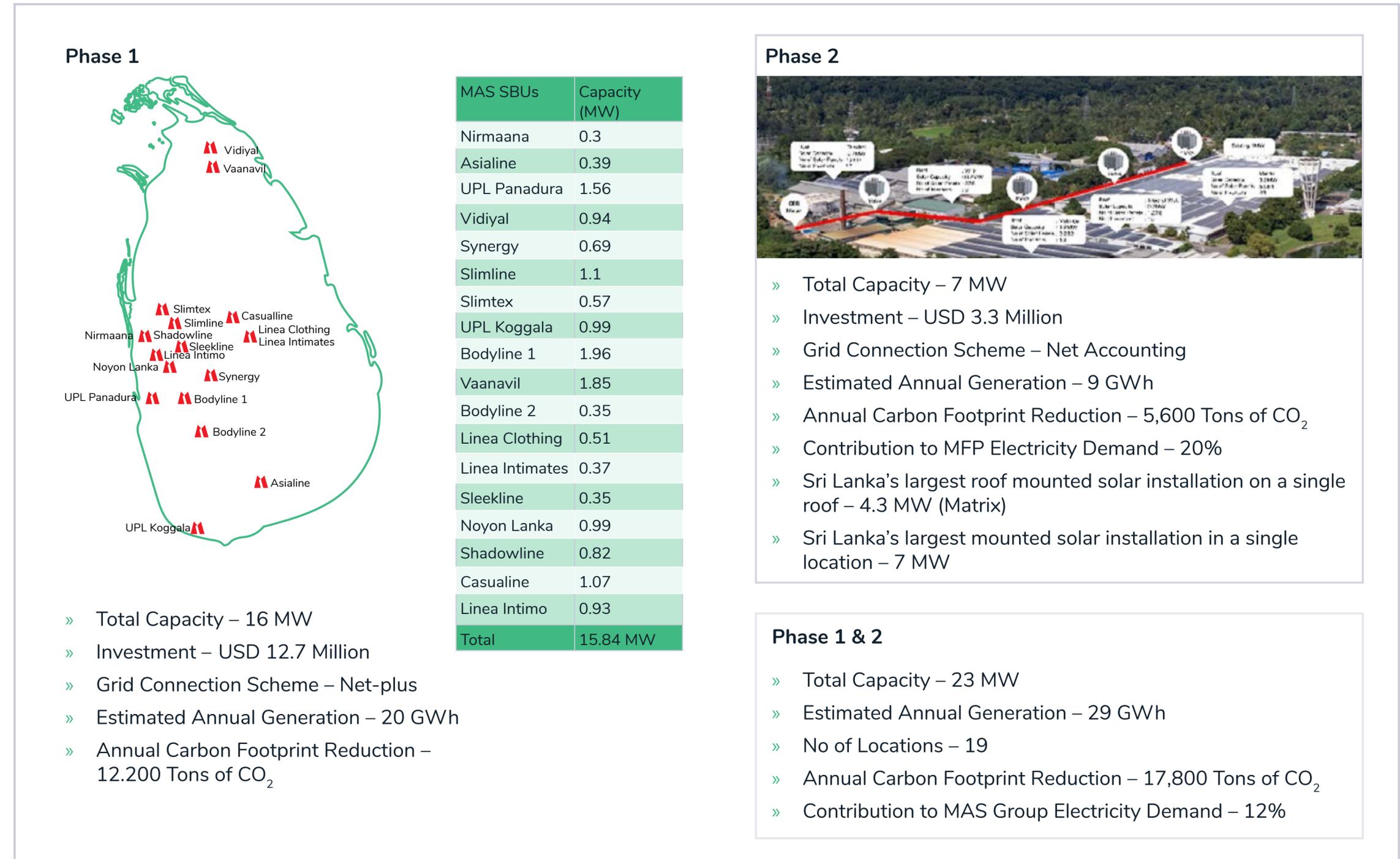
Although our commitments to the Science Based Targets initiative was initiated in 2020, our work in addressing climate change started many years ago with initiatives such as Project Photon, our multi-roof solar installation initiative.

We completed as Sri Lanka’s largest solar rooftop project, where we implement solar installations with over 23 MW of capacity installed on 25 rooftops, making Matrix the largest solar roof in Sri Lanka. All electricity harvested from each site is exported to the National Grid, generating a supplementary income for our business. The MAS photon project is able to reduce its annual carbon footprint by 17,800 Tons of CO<sub>2</sub> each year.

This initiative was implemented as part of the Sri Lankan government’s renewable energy drive, which aligned with MAS’ long-term sustainability goals for 2025.

6 MWp in Thulhiriya was implemented for the year 2022, bringing the total implementation to 23 MWp.

## MAS SOLAR PV PROJECT - PHOTON



2  
0  
2  
2



### MAS Indonesian facilities signs agreement for 100% renewable electricity

All four MAS Indonesian facilities sign for Renewable Energy Certificate (REC) partnership agreement with PT Perusahaan Listrik Negara (PLN). Based on this agreement the facility will collaborate with PLN for a period of five years, purchasing geothermal energy sourced from the Kamojang Geothermal Power Plant for 100% of electricity requirement.

The REC is a green product of the state-owned electricity firm, PLN, facilitating customers to use renewable energy in a transparent, accountable, and internationally recognised manner, without incurring investment costs for infrastructure development registered in Tradable Instrument for Global Renewables (TIGR) Registry. As Indonesia aims to increase its renewable energy share in the energy mix to 23% by 2025, and 31% by 2050, the REC supports the government's drive to promote clean energy in cooperation with Clean Energy Investment Accelerator (CEIA) Indonesia.

The facilities include:

- » MAS Arya 1
- » MAS Arya 2
- » PT Silueta Indonesia
- » Prym intimates Indonesia



# Transform Waste

## Our commitment: Value enhance 100% of non-hazardous waste

The apparel industry has been known to be one of the largest contributors to the problem of waste globally, with both pre- and post-consumer waste being a critical issue that has raised the need for regulation in this space. In fact, the apparel industry is globally known to contribute approximately 4% of the world's waste, and fast fashion has long since battled its waste problem.

Throughout its supply chain and product life cycle, significant amounts of waste are generated, contributing to environmental pollution. From fabric remnants during production and unsold inventory to garments discarded after use, the industry's waste footprint is substantial.

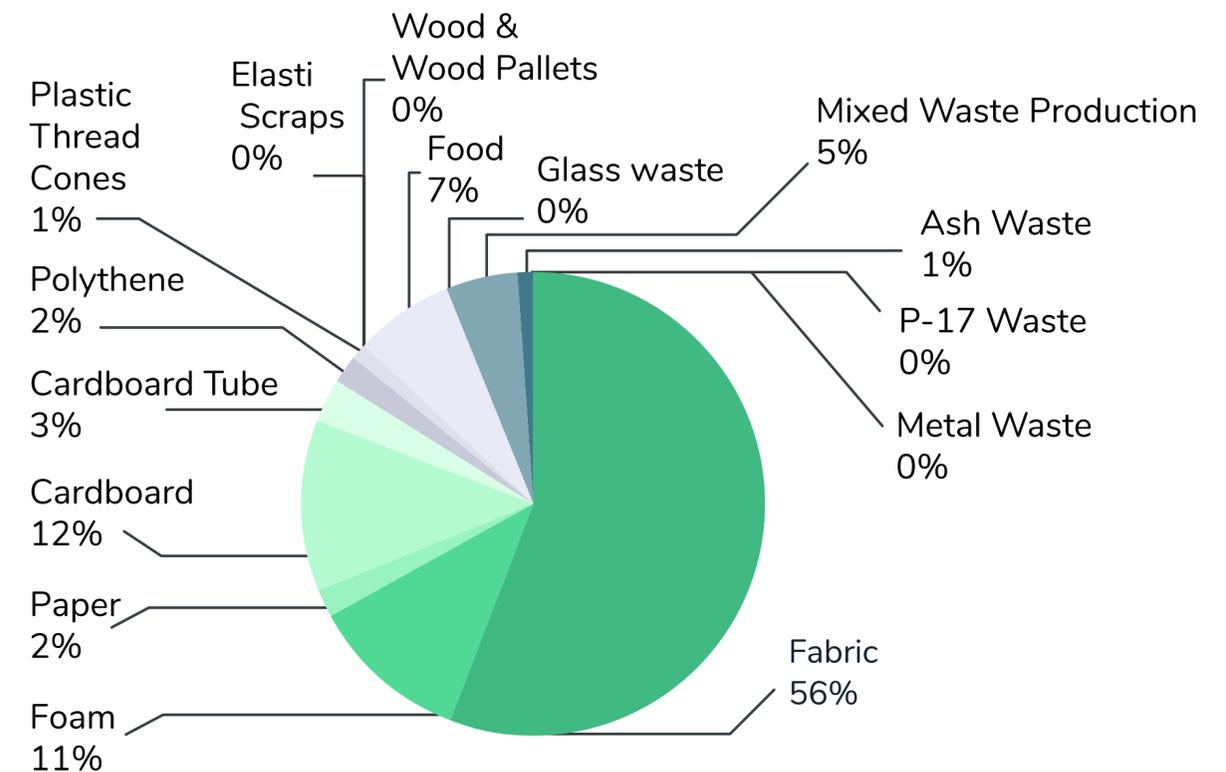
To address this issue, transformative measures are being implemented, with companies making sustainable material choices, opting for eco-friendly alternatives and recycled fabrics. Embracing circular economy practices, such as garment recycling and rental services, helps extend the lifespan of clothing items. Supply chain transparency and the slow

fashion movement also play a role in reducing waste and promoting a more sustainable apparel industry.

## 2022 PROGRESS

Classification of our waste in 2022, we diverted 99.9% of our overall waste away from landfills, and continued our efforts to reuse, repurpose or recycle the waste generated through our manufacturing and operations. 63.8% of all waste was value enhanced by recycling, reusing, upcycling or being turned into a new resource, passing our targeted values.

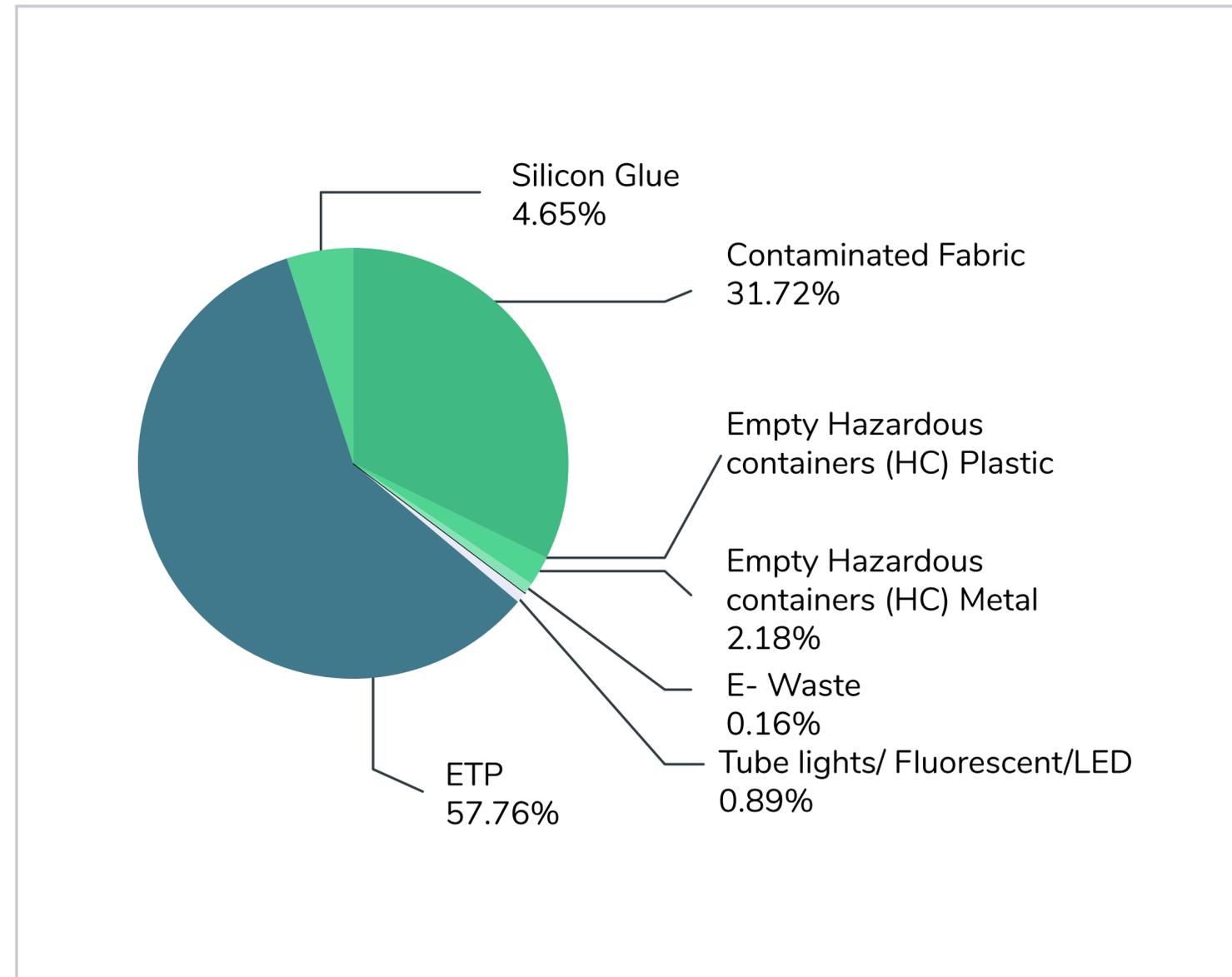
Non-Hazardous Waste Produced By Mas Sri Lankan Operations



MAS was able to eliminate all production waste including fabric waste being sent to landfills while the majority of non-hazardous waste is used for energy recovery, waste to steam production, and recycling.

**Hazardous (Solid) Waste Produced through Sri Lankan Operations**

Effluent treatment plant sludge (ETP) is the major non-hazardous waste type generated in MAS operations. All our hazardous waste types are diverted from landfilling and dispose through energy recovery.



2  
0  
2  
2



## GROUPWIDE EFFORTS

In 2022, strategic business units across MAS conducted many initiatives to manage waste, not only within their own operational boundaries, but also in the communities. Provided here is a snapshot of some of these activities carried out in Sri Lanka.



### BADAGAMUWA CONSERVATION FOREST

**Location**  
Badagamuwa Conservation Forest, located on the wayside of Kurunegala – Dambulla Road, Sri Lanka

**Organiser**  
MAS Matrix

**Campaign**  
Waste collecting

**supported by**  
The Department of Forests and the Municipal Council in Kurunegala

**Area of Distance cleaned**  
1.5 km



### BEACH CLEANUPS

**Location**  
Sarakuwa Beach

**Organiser**  
Noyon Lanka

**Campaign**  
National Marine Conservation Week for the year 2022

**Partnered by**  
Marine Environment Protection Authority




### BEACH CLEANUPS

**Location**  
Negombo Beach

**Organiser**  
MAS Kreedha Methliya

**Number of employees**  
350

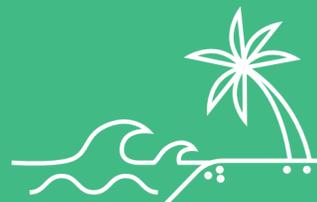
**Partnered by**  
Pearl Protectors and Clean Ocean Force

**Area of Distance cleaned**  
1.5 – 2 km

**Clean-up impact:**  
Nurdles: 16 kg  
Polythene bags: 60 kg  
PET bottles: 150 kg  
Glass: 43 kg  
Slippers & Other: 332 kg

2  
0  
2  
2





## BEACH CLEANUPS

### Location

Waikkal beach

### Organiser

MAS Kreedha Embellishment team

### Partnered by

Pearl Protectors to restore shoreline after X-Press Pearl disaster

### Clean-up impact:

Nurdles 40 kg



## WASTE MANAGEMENT PROGRAMMES

### Location

Mihintale Temple

12 locations

### Organiser

MAS Kreedha Mihintale

### Waste bins provided:

106 separate waste bins for different types of waste.

### Clean-up impact:

PET bottles (10 kg)

Polythene (6 kg)

Food waste (15 kg)

General trash (7 kg)

### Donations

Noyon Lanka

Stretchline

Trischel

Linea Intimo

MAS Fabrics Intimo



## WASTE MANAGEMENT PROGRAMMES

### Location

Horton Plains

### Organiser

Shadeline

### Bags Donated:

5,000 eco-friendly paper

### Project duration:

5 years and ongoing



## WASTE MANAGEMENT PROGRAMMES

### Location

Yala National Park

### Organiser

Linea Aqua

### Guidanced by

The Department of Wildlife Conservation

### Project:

Clearing up single use plastics



# Responsible Chemical Use



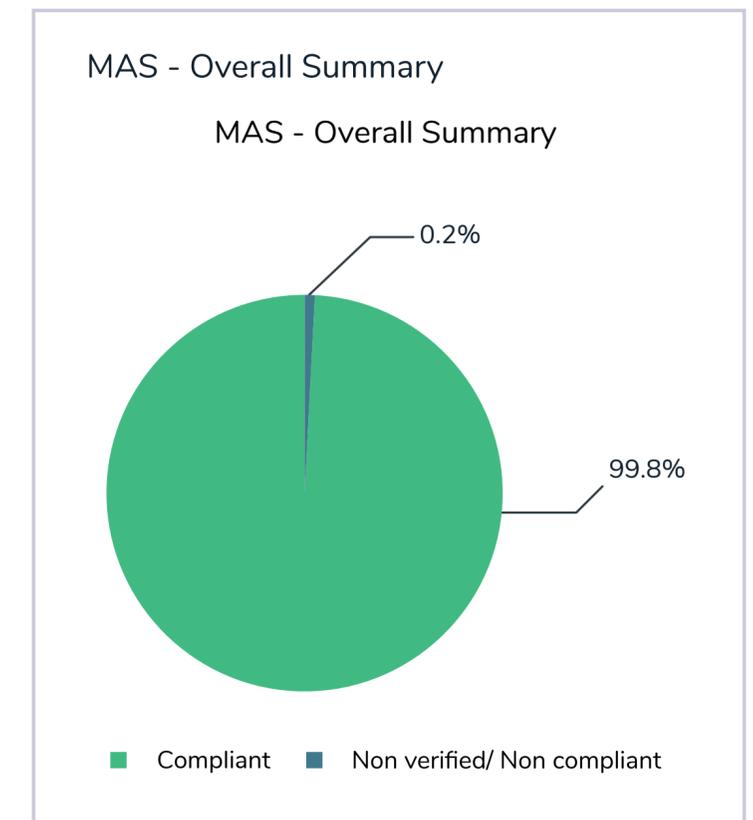
## Our commitment: Be zero toxic in all products and processes

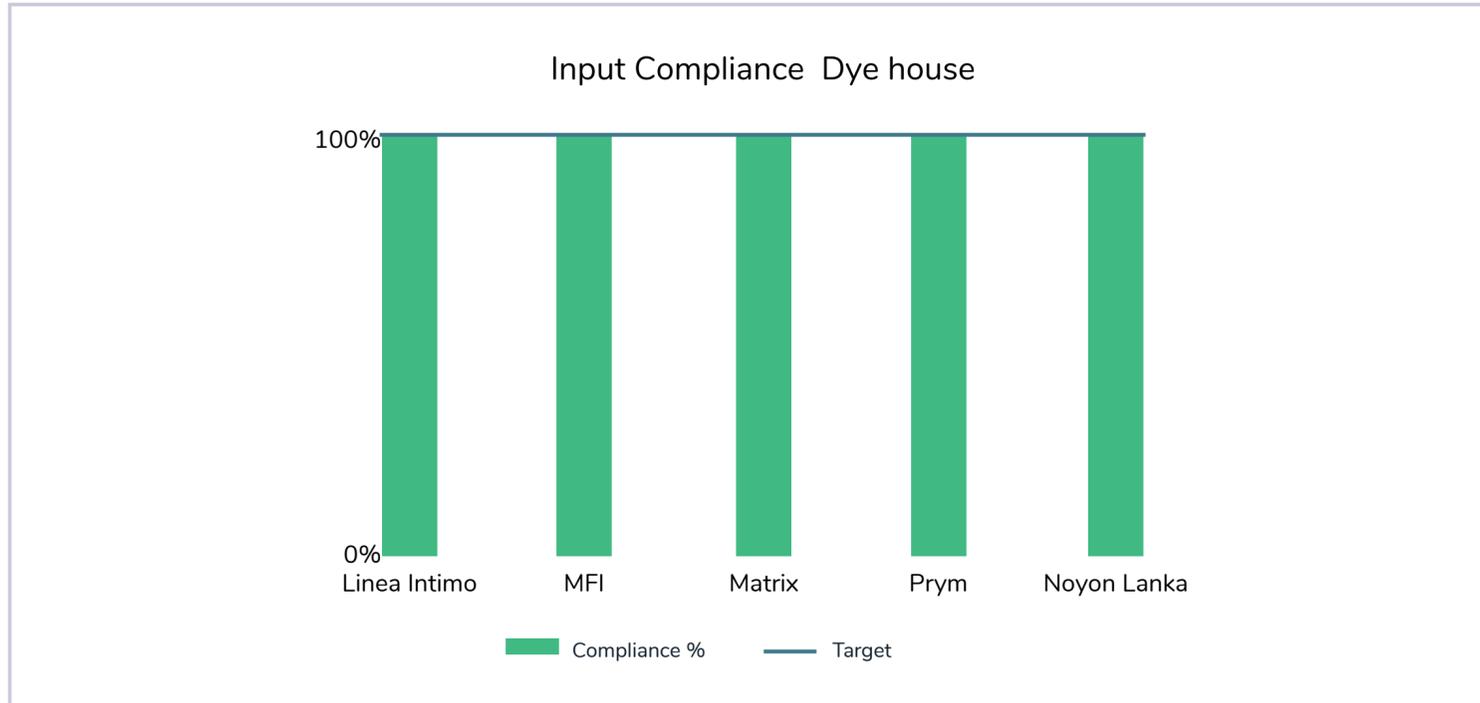
MAS has been committed to responsible chemical use since 2013. As the first Sri Lankan apparel manufacturer to join the Zero Discharge of Hazardous Chemicals (ZDHC) initiative in 2017, our aim is to use safer chemicals for products and processes by 2025. We actively shape sustainable chemical management through our involvement with ZDHC by representing ZDHC Manufacturing Restricted Substances List (MRSL) Council, ZDHC Academy Steering Committee and Supplier Advisory Group.

Our operations and supply chain facilities are benchmarked in the three areas of Input, Process, and Output.

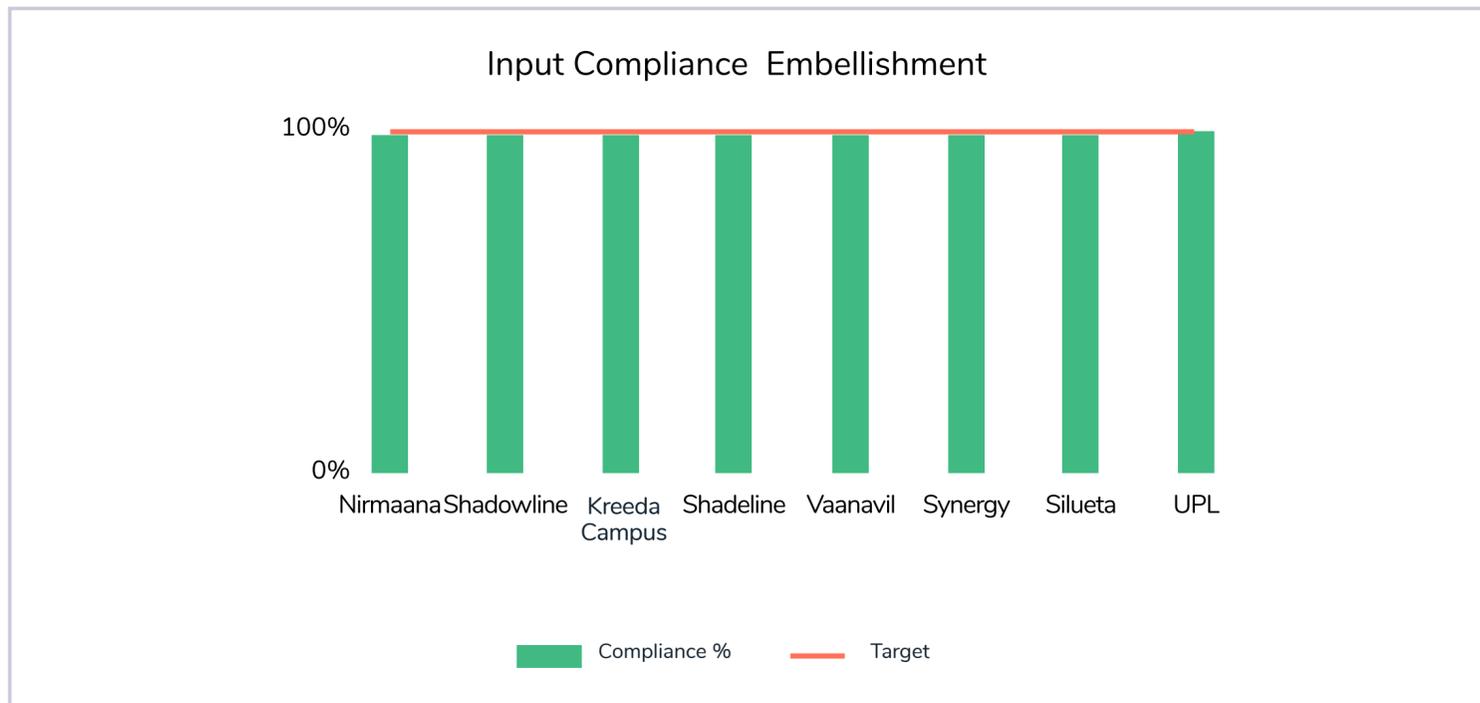
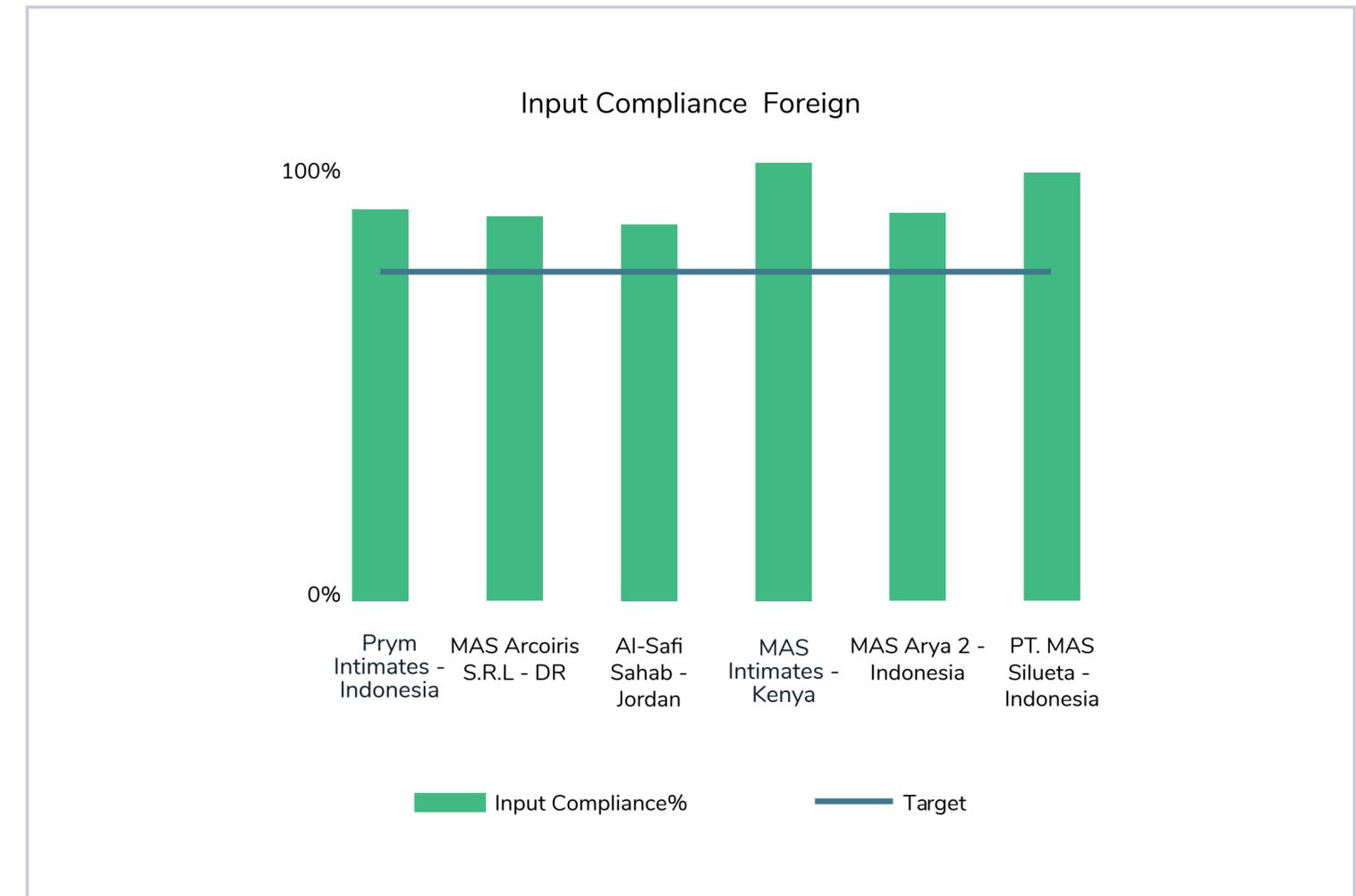
## INPUT

In 2022, we achieved 99.8% ZDHC MRSL compliance for local operation process chemicals by using ZDHC Chemical Gateway Level 1 or above accepted products. Our dye houses and embellishments achieved 100% and 99.6% ZDHC MRSL compliance, respectively.





We have further extended our ZDHC MRSL input compliance monitoring across foreign facilities and ended the year achieving the target of 75%.





## PROCESS

In 2022, we performed chemical assessments at strategic business units (SBUs) in Sri Lanka, using MAS ScaE, with many SBUs successfully reducing initial corrective action plans (CAPs). In addition to this, all Sri Lankan wet processing facilities completed Higg FEM self-assessments and most facilities completed the verifications to successfully benchmark Chemical Management practices.

A ZDHC Technical Industry Guide (TIG) Training was also conducted for the MAS chemical management champions of wet processing facilities in Sri Lanka, in order to enhance the chemical management knowledge and skills within our teams.

## OUTPUT

In 2022, all our applicable local wet processing facilities underwent wastewater testing according to ZDHC Wastewater Guidelines and achieved both MRS L and conventional parameter compliance, confirming zero discharge of hazardous chemicals within the output.

## SUPPLY CHAIN EFFORTS

In 2022, a number of our embellishment subcontractors achieved 100% compliance with the ZDHC Chemical Gateway L1, while the majority achieved 99% compliance.

We conducted Higg FEM assessments and on-site 3rd-party verifications for subcontractors, and by the end of the year, noted that a significant number had achieved a Chemical Management score of over 70% and had fully complied with the ZDHC wastewater guidelines.

In 2022, we also expanded the coverage of the Higg FEM implementation to our raw material suppliers and obtained the module access covering 63% of suppliers based on our raw material purchases. In 2023, we plan to extend our efforts to monitor input compliance and wastewater compliance to our top 20 spend based suppliers.



# MAS Fabrics Intimo becomes a Bluesign® System Partner

Aligning with the group wide Plan for Change sustainability strategy, MAS Active intends to use safer chemical inputs within all the product and processes with the intension of mitigating negative impact to the environment.

Bluesign's System Partner programme is the most stringent global sustainable chemical certification which focuses on highest sustainability criteria such as resource efficiency, environmental impact, occupational health and safety and consumer protection.

MAS Fabrics Intimo was able to successfully receive Bluesign Partnership as the First Facility in MAS and as the first Asian seamless textile mill with its commitment for sustainable business. With this, MAS Active now gains the ability to produce Bluesign approved products, minimise supply chain impact while enabling our customers to extend their sustainable product portfolio.



**Director – Group Sustainable Business,  
Nemanthie Kooragamage**

“We are excited to have MAS Fabrics – Intimo become a Bluesign® SYSTEM PARTNER, as it is an important step forward in our journey of achieving our Plan for Change targets. Staying true to the company's core values and moving towards our purpose, MAS believes our commitment to ethical manufacturing will lead us to achieve sustainable and profitable growth as a team. Our long-term ambition is to onboard all our dyeing facilities as Bluesign® SYSTEM PARTNERS in time to come”.



**Chelan Goonetilleke, Chief Executive Officer of MAS Active**

“Environmentally sustainable manufacturing is at the heart of what we do at MAS and this feat is a true testament to the efforts by our teams at MAS Active to reduce harmful chemicals in our manufacturing process. I am extremely proud of all our teams who have made this investment to secure a more sustainable future for our communities, country, and environment. This being a first for MAS, we will sustain our commitment towards safer chemical management practices in our manufacturing.”

A dyeing facility of MAS Active based at MAS Fabric Park in Sri Lanka, MAS Fabrics (Private) Limited – Intimo Division was established in 2020 to expand the pioneering seamless garment manufacturing of MAS Active Division. The 147,000 sq ft fabric mill with in-house knitting and dyeing facilities can produce 7.4 million pieces per year for brands including lululemon and Nike. The ISO 14001, ISO 45001 and ISO 14064 accredited facility currently uses Bluesign® APPROVED chemical substances and aims to increase its utilisation of Bluesign® APPROVED textiles to 100% by 2025.

2  
0  
2  
2



# Safeguard Water



**Our commitment: Achieve zero impact to MAS' operations and mitigate negative impact to the environment and community.**

## ADOPTING AMBITIOUS GOALS

MAS believes strongly in our obligation to set ambitious, transformative goals. In our effort to establish a truly sustainable organisation, our aim is to continuously improve our efforts and urge our people to take courageous steps wherever possible.

In 2015, we set ourselves a target of reducing water intensities at our wet processing facilities by 65% from the base year 2011. This ambitious target was based on the assumption that we would be able to move the bulk of our water-intensive operations into waterless technologies, such as waterless dyeing.

However, the exploration of these technologies has since revealed that they are not as adaptable to our business model, and therefore have not yet been fully adopted at our facilities.

Considering this, the teams have taken a collective decision to recalibrate our water goals for 2025 to accurately reflect our ambition, based on our current capabilities. Therefore, this goal has now been modified to reduce the water consumption to 45 litres per head per shift.



## 2022 PROGRESS

In the year 2022, the company’s textile and seamless knitting manufacturing made a combined intensity reduction of 36% from base year of 2011. The current average intensity for the apparel sector is 58.84 litres per head per shift. Current figures show that out of 30

apparel facilities, approximately 5 facilities have achieved 45 litres per head or lesser intensity.

MAS used more than 2.3 billion litres of water for its operations in Sri Lanka in year 2022.

## COMMUNITY LED INITIATIVES

In addition to addressing the commitment to safeguard water within our own operations and facilities, we believe strongly in the co-existence of our business operations within a healthy eco-system. This is why efforts have been made across the group to conduct initiatives to extend these initiatives to our neighbouring communities,

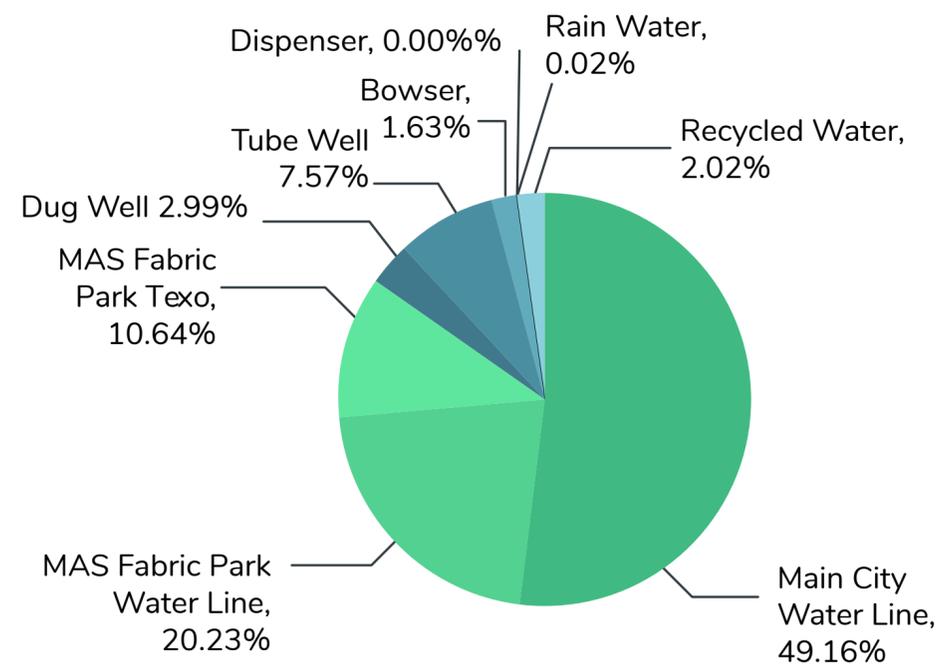
### Mini Agro-Ecosystem

Linea Aqua was among the first factories in the world to achieve water neutrality, by treating wastewater in a sewage treatment unit. Most of the treated water is used for chillers, and the treated water has been used to irrigate 120 square feet of land dedicated to vegetable cultivation since 2022. Further cultivation has included the planting of Kumbuk and Ceylon Ironwood trees, which are known to have water purification properties.

### Water Smart Initiatives & Awareness Programmes

Launch of “Water Smart” project at Sri Rathnasara College, Waga, followed by an awareness programme, aims to fulfil water accessibility targeting schools, focusing on infrastructure, accessibility, and ground water re-charging. A better plumbing system with taps and tiled sinks were installed and provided to the school. Another water smart initiative was at Boralugoda Maha Vidyalaya with eight taps with eight wash basins being installed to provide clean water.

Water by source in MAS Sri Lanka operations in 2022



# Champion Biodiversity

## Our commitment: Restore biodiversity in 100x the space we occupy

The systems that sustain all life on Earth, including humans, depend on biodiversity. Biodiversity is of utmost importance due to its invaluable contributions to the health and well-being of our planet. It is the foundation of thriving ecosystems and provides a range of benefits. Biodiversity ensures ecosystem stability, enabling ecosystems to adapt to environmental changes and recover from disturbances. Preserving and promoting biodiversity is crucial for sustaining the delicate balance of life on Earth and ensuring a prosperous and resilient future for both nature and humanity.

In mapping out our sustainability goals, MAS considered how we could positively impact and restore the biodiversity that we may have displaced by the physical presence of our facilities and operations, leading to the commitment of actively contributing to the restoration of biodiversity in the spaces where we operate. MAS made a pledge to restore habitats and enhance ecosystem services in 100 times the area that it currently occupies.

This meant restoring and replacing 100 x 250 acres, which led us on our 'journey to 25,000 acres'.

SDG 15 focuses on life on land, and commits to protecting, restoring and promoting the sustainable use of terrestrial ecosystems, sustainably managing forests, combatting desertification, halting and reversing land degradation, and halting biodiversity loss.

With strong alignment to SDG 15, our journey to 25,000 acres recognises that, without a balanced and thriving ecosystem, no business or community could survive in the long term; and so, we acknowledge the responsibility of businesses to intervene in deforestation and restore life and habitats.

In order to achieve this goal, MAS chose six models to engage and deploy habitat creation across multiple fronts, including restoration, afforestation, invasive removal and enrichment, analog forestry / social forestry, forest gardens, and conservation.

## 2022 PROGRESS

Since 2017, cumulatively MAS has completed 9,650 acres of biodiversity restoration against our target of 25,000 acres, with 7,086 acres being completed in 2022.

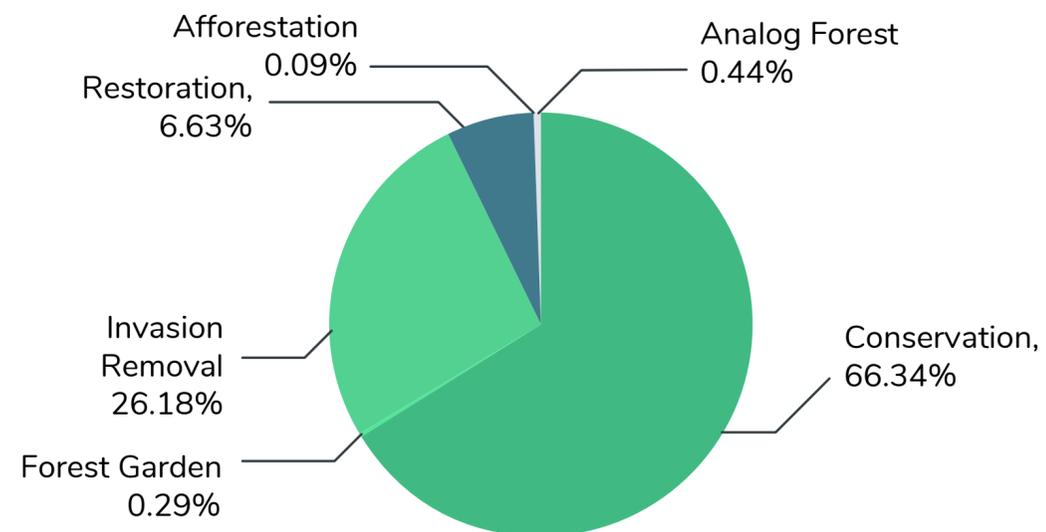


2  
0  
2  
2



MAS has completed a significant acreage through conservation (66.34%), invasive removal (26.18%) and restoration (6.66%) projects globally. In 2022, a consequential area of 6,250 acres was conserved due to the partnership with The Wildlife Foundation (TWF) in Kenya, and a cumulative total of 6,404 acres have been conserved up to 2022. Invasive removal and restoration projects have contributed approximately 2,527 and 640 acres, respectively, to the overall restoration target.

### Cumulative MAS Project Classification



2  
0  
2  
2



## GROUPWIDE EFFORTS

### Kenya Conservation Project with The Wildlife Foundation Kenya



MAS Intimates and MAS Kreeda have partnered with The Wildlife Foundation (TWF), Kenya to conserve 6,250 acres of the Nairobi National Park Wildlife Dispersal Area. MAS and TWF have committed to collaborate on this unique conservancy project for the next five years, with the collective hope of uplifting and empowering the community to help change our planet for

good. The project commenced in March 2022, in Machakos and Kajiado Counties (Empakasi) where land is owned by the Indigenous Maasai People of Empakasi.

The project is an extension of TWF's ongoing conservancy model, through which TWF leases lands from local owners to promote wildlife

conservation and better land use practices. Through this partnership, MAS has been able to expand TWF's existing conservancy of 5,000 acres to a total coverage of 11,250 acres. The conservancy model utilises both monetary and non-monetary incentives to encourage landowners and local communities to keep land unfenced for wildlife and livestock to move freely in the outskirt lands of the park.

Through the conservancy model, MAS and TWF provide financial incentives to landowners, to keep private lands open and unfenced for wildlife movement. The financial incentives also contribute towards reducing human retaliation against lions and other predators to protect their livestock as well as support and improve the education of the children in the area by providing landowners with lease payment schedules that are aligned to the start of the children's school terms. This is coupled with initiatives to raise awareness on community-based conservation, place community rangers to mitigate human-wildlife conflict, train youth and women on topics such as beekeeping, biogas, and promote the use of technology to innovate solutions for conservation challenges.

This conservation project not only contributes considerably to MAS' target of restoring 25,000 acres of habitat but has also created an opportunity for MAS to engage holistically with its local community in Kenya.

## In Situ Turtle Conservation Project



During the nesting period of turtles in the Southeast coast of Sri Lanka, many nests and hatchlings are lost due to various anthropogenic and natural causes. To address this issue, MAS partnered with a local environmental organisation Wildlife and Ocean Resources Conservation society to start an in-situ turtle conservation project in the Panama area.

From Oct 2021 to July 2022 period 102 turtle nests that would otherwise have been lost

to egg poachers and natural causes such as predations, were protected. Out of these protected nests 11,435 turtle hatchlings were safely released to the ocean after incubation time.

## Kokavil Reforestation Project



In the northern part of the country there are large scale soil quarries that were utilised for the rapid road construction that took place in the area. After the projects were completed, the quarries were abandoned without any rehabilitation. Since these quarries were originally forests, MAS Intimates Vidiyal identified the need to rehabilitate them and do its best to recover the ecological balance of the area. The resulting project has replanted 54 acres of quarry land after removing invasive

species that had taken hold in the area. The project will continue until the restoration efforts have taken a firm hold on the ground.

## Mangrove Plantation



The project was initiated with MAS Capital and DIMO with partnering of the Galle Wildlife Conservation Society of Sri Lanka and anticipating the plantation of 1,000 mangrove plants at Kapu Ela, Galle. The objective of the project is to contribute to erosion prevention by stabilizing sediments with their tangled root

systems and to keep water clean and clear by filtering pollutants and trapping sediments from the land.

## World Oceans Day at Prym



World Oceans Day was celebrated on 8th June to shed light on the importance of oceans while highlighting the negative impact of human activities. Prym Intimates Indonesia under “Prym Green Team” took part in protecting & preserving the coastal ecosystem by planting Mangroves. In collaboration with local NGO,

contributed a new 1,000 mangrove buds contributed to a significant impact of retaining seashore from water erosion.

## Lunugamevehara Biodiversity Conservation Project



MAS Kreeda has continued its Lunugamwehera National Park (NP) invasive removal efforts with the Federation of Environmental Organisations (FEO) and approval from Department of Wildlife Conservation. It is one of the key projects commenced in 2021 and expanded in 2022 with several phases up to 150 acres. This project mainly focused on the eradication of invasive plants such as *Eupatorium odoratum* (Podi sinnyo Maran) and *Lantana camara*

(Gadapana), enhance flora (plant) species density of the national park and reduce negative effects to the fauna (animals) while supporting livelihood of the local community which was impacted with COVID 19. Other than MAS Kreeda several other MAS and non-MAS organisations supported the execution of this project.

# Awards and Recognition

2  
0  
2  
2

## Presidential Environmental Awards 2021-2022 Environmental Sustainability Apparel Sector



MAS Holdings has been recognised and awarded at the Presidential Environment Awards 2021 – 2022 for their exemplary commitment to safeguarding and protecting the environment. The awards ceremony, organised by the Central Environment

Authority (CEA) under the guidance of the Ministry of Environment, was held on April 28, 2023, under the patronage of President Ranil Wickremesinghe.

MAS Holdings was honored with two Gold Awards, a Bronze Award, and a Merit Award in recognition of their significant contribution towards environmental conservation, building an environmentally friendly industry, and encouraging society to adopt environmentally friendly activities.

Bodyline - Gold award



Noyon Lanka - Gold award



MAS Active Contourline - Bronze award



MAS Kreedaa Mihintale - Merit award



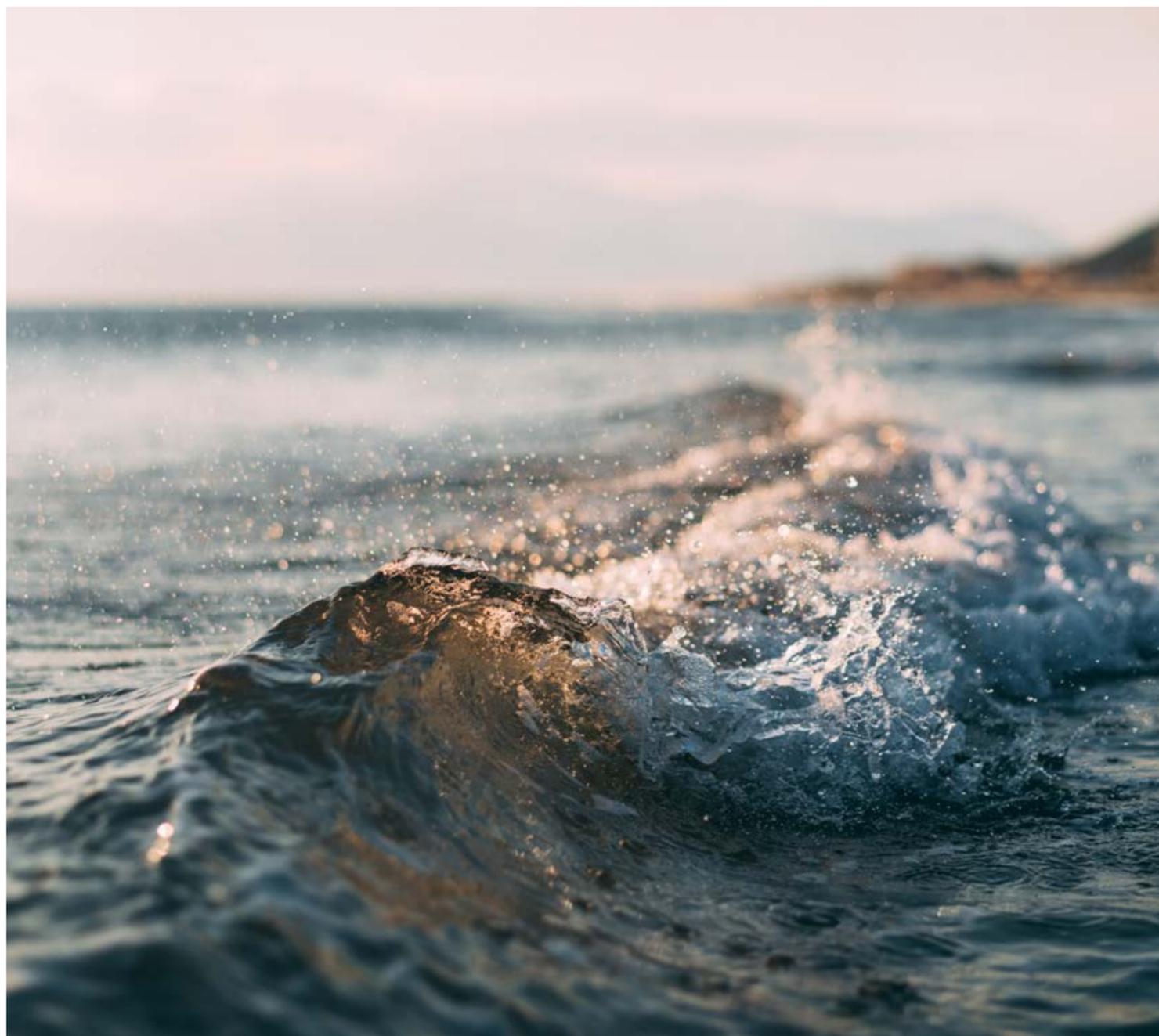
## OTHER AWARDS

Best Sustainability Projects Award (2022):  
MAS Kreedaa Balangoda's Project ELEVATE

GREEN Productivity Award (2021):  
MAS Kreedaa Synergy and Mihintale plants



# The MAS Foundation for Change



Sustainability has been part of our DNA since the inception of MAS, and the Plan for Change tackles challenges in changing Products, Lives, and the Planet for Good.

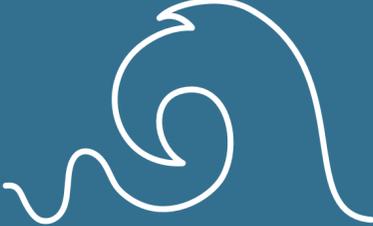
But while the Plan for Change itself is an ambitious and stretching plan, the world today is rife with challenges that requires solutions of a scale that cannot be achieved by one organisation alone.

While we at MAS will keep working to achieve our Plan for Change commitments, we also know that the challenges our world faces, require solutions developed through collaboration, innovation, and scale.

The MAS Foundation for Change, an independent, not-for-profit organisation, was established in 2022 to expand and accelerate our efforts to create solutions for these solutions, by building partnerships with programme implementers, innovators, and donors.



As a non-profit, charitable institution, the MAS Foundation for Change also seeks to create long-term, positive impact in our wider communities, through research, advocacy, and education, as well as our key impact areas:



## CLEANER OCEANS

Eradicating the ongoing pollution of oceans and inland waterways



## LIFE ON OUR PLANET

Protecting and restoring terrestrial and marine ecosystems



## ACCESS TO WATER

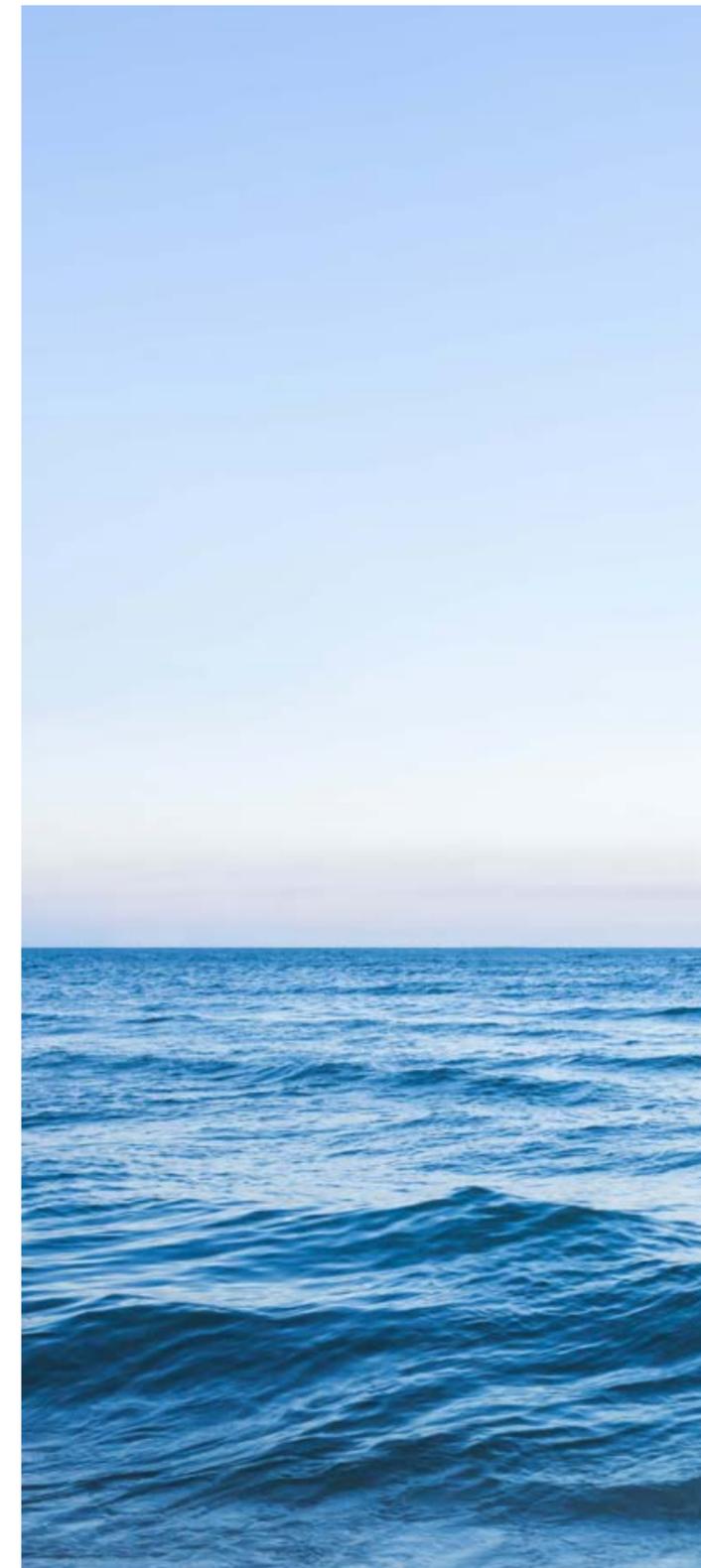
Improving access to fresh water in disadvantaged communities

 **ACTION**

 **EDUCATION**

 **RESEARCH**

 **ADVOCACY**



### Cleaner Oceans

**Our aim: To eradicate the ongoing pollution of oceans and inland waterways**

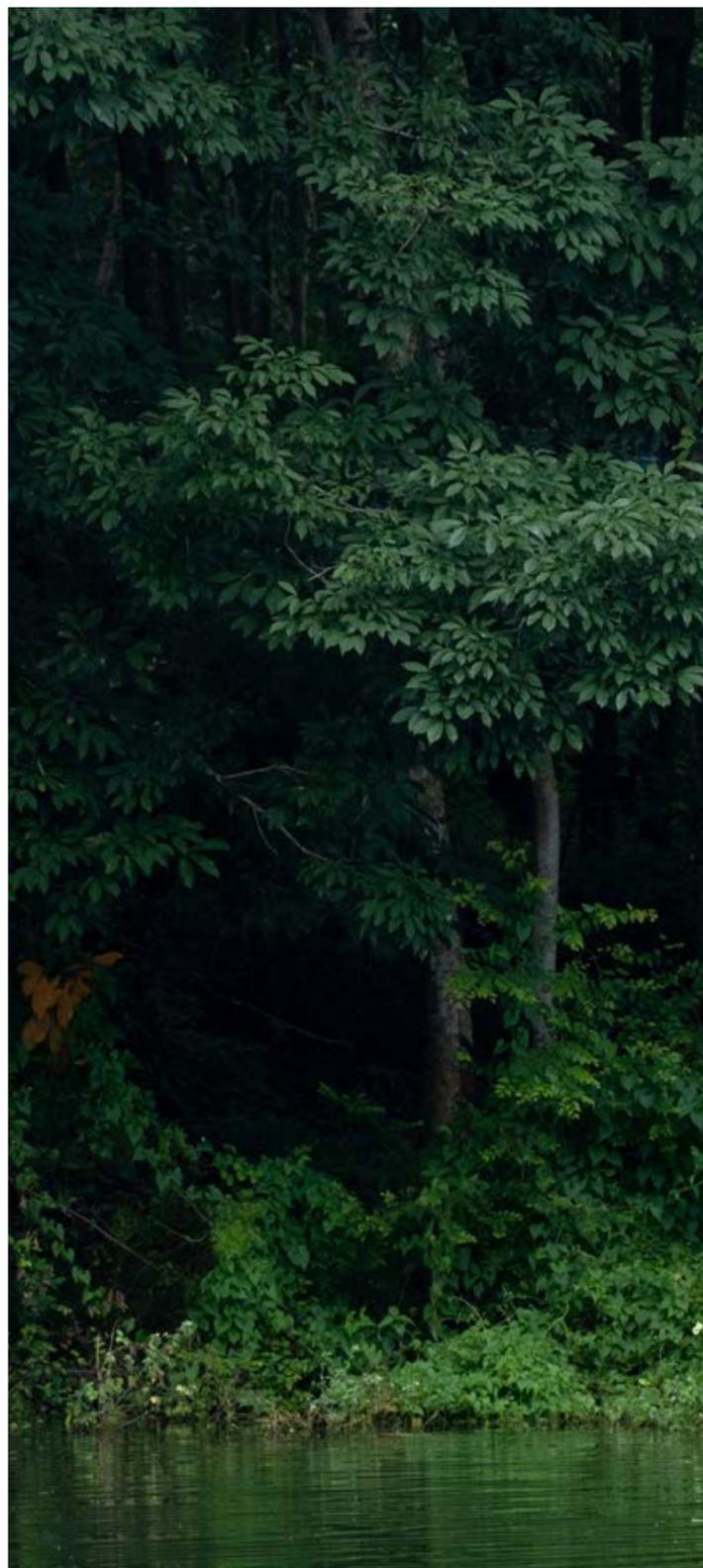
The oceans around Sri Lanka are beautiful and biologically rich ecosystems – which are steadily filling with plastic. To preserve the health and security of our world’s oceans, it is critical that we act now. The MAS Foundation for Change aspires to lead the charge against marine plastics through long-term partnerships and first-of-kind initiatives, aligning our work for Cleaner Oceans with SDG 14 – Life below Water.

In its inaugural year, the MAS Foundation for Change focused on ‘Cleaner Oceans’ pillar, with the expansion of the ‘Ocean Strainer’ pilot floating trash trap project, which was introduced by MAS Holdings in 2020, in collaboration with customers and other likeminded partners. By the end of its first year of operation, the MAS Foundation for Change had established over 20 Ocean Strainers, and kept an estimated, collective 1 million kilograms of waste away from the ocean.

The Foundation aims to install 200 Ocean Strainers by the year 2025, believing that ocean pollution-preventing innovations can help to drastically reduce the trash entering Sri Lanka’s seas through its waterways.

2  
0  
2  
2





## Life on Our Planet

**Our aim: To protect and restore terrestrial and marine ecosystems**

MAS has always been concerned about the biodiversity that we may have displaced with the physical presence of our plants and facilities. That's why the MAS Foundation for Change has committed to champion biodiversity by creating and restoring habitats.

MAS Holdings has committed to increase biodiversity and enhance ecosystem services across 25,000 acres – that is 100x the area that we occupy. The MAS Foundation for Change will complement this work by conducting large scale projects in ecosystem conversation, for which opportunities and partnerships were scoped in 2022.



## Access to Clean Water

**Our aim: To improve access to fresh water in disadvantaged communities**

Ready access to fresh, clean water is a basic need and a fundamental human right. Whether for drinking, domestic use, or food production - safe and readily available water is critical for public health and sustainable economic growth.

The MAS Foundation for Change will focus its efforts to improve access to fresh water in disadvantaged communities within the countries that MAS operates, aligning our work with SDG 6 - Clean Water and Sanitation. Opportunities for projects and partners in this area were scoped in 2022.

2  
0  
2  
2





## HOW WE WORK

The MAS Foundation for Change seeks to facilitate partnerships between innovators, implementers, and investors.

**Innovators** are our solution partners. They are the inventors and owners of technologies and practices that solve these global and local problems. By partnering with us, innovators can reach the communities which need solutions and access funding for pilot projects or scale-up of existing solutions.

**Implementers** are our execution partners. They are the organisations and individuals on the ground, that know the locations and communities who are facing these challenges and who can implement and maintain these solutions. They may be public, private, or non-profit. By partnering with us, implementers can access innovative solutions to these problems and fund their scale-up.

**Sponsors** are our funding partners. They are the donors who want to provide the grants to pilot or scale the solutions we offer. They may be public, private, or non-profit. By partnering with us, investors can choose to fund innovative, tested, and easily implementable solutions.

The MAS Foundation for Change operates on a unique operational mechanism in which 100% of donor funding is directed towards projects in the field with MAS Holdings absorbing all overhead costs. In its first year alone, this distinctive model attracted global and local partners including the International Union for

the Conservation of Nature (IUCN), Parley for the Oceans, Adore Me, the Laudato Si Challenge Foundation, Solar Impulse (part of Sail Lanka Yachting Group), Clean Ocean Force Lanka, and the Galle Conservation Society.

More information on the MAS Foundation for Change can be found on <https://www.masholdings.com/the-foundation/> and by emailing [Foundation@masholdings.com](mailto:Foundation@masholdings.com).

# Alignment to the 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, uphold responsibilities to people and the planet, and set the stage for long-term success.

## HUMAN RIGHTS

- Principle 1:** Businesses should support and respect the protection of internationally proclaimed human rights; and
- Principle 2:** make sure that they are not complicit in human rights abuses.

## LABOUR

- Principle 3:** Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- Principle 4:** the elimination of all forms of forced and compulsory labour;
- Principle 5:** the effective abolition of child labour; and
- Principle 6:** the elimination of discrimination in respect of employment and occupation.

## ENVIRONMENT

- Principle 7:** Businesses should support a precautionary approach to environmental challenges;
- Principle 8:** undertake initiatives to promote greater environmental responsibility; and

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

## ANTI-CORRUPTION

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

For more information on our engagement with the **United Nations Global Compact**, and to see our annual Communication on Progress, please visit:



<https://unglobalcompact.org/what-is-gc/participants/6398>

# Other UN Initiatives



## 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 organisation 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. 1. Establish high-level corporate leadership for gender equality.
2. 2. Treat all women and men fairly at work, respecting and supporting human rights and nondiscrimination.
3. 3. Ensure the health, safety and well-being of all female and male employees.
4. 4. Promote education, training and professional development for women.
5. 5. Implement enterprise development, supply chain and marketing practices that empower women.

6. 6. Promote equality through community initiatives and advocacy.
7. 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.

