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Communication on **Progress** 2009

Contents

Message Of Continued Support Of The UN Global Compact	05
The Ten Principles Of The United Nations Global Compact	06
Our Approach To Human Rights And Labour Principles	08
Being Exceptional Woman Go beyond	13
Marks & Start	17
Our Sporting Legacy	19
Our Approach To The Environment	21
MAS Eco Go Beyond Programme 2009	23
Our Approach To Anti-Corruption	29
The Way Forward	30

MESSAGE **OF** CONTINUED
SUPPORT OF THE
UN GLOBAL COMPACT



MAS Holdings is pleased to present its Communication on Progress for the 6th consecutive year.

We as a company have always been in the forefront of corporate citizenship. We started our industry whilst immersing ourselves in the issues of the communities in which we operate. We did this because we genuinely believe that investing in our employees, the community and the environment is our responsibility and is beneficial to all. It was the right thing to do.

Our report highlights the key policies which reflect our commitment to the four Global Compact areas; Human Rights, Labour Standards, Environment and Anti-corruption. Further, we have also given exposure to specific projects and actions undertaken by the organization which further the cause of the ten principles.

We as a Sri Lankan company have never forgotten that our foremost duty is towards our motherland and its people. Based upon this core set of values, MAS Holdings firmly reiterates both its present and future commitment Global Compact and its principles.

Dian Gomes
Group Director
Head, Group HR, Branding and CSR
MAS Holdings (Pvt.) Ltd.



The **Ten** Principles **Of** The United **Nations** Global **Compact**

The United Nations Global Compact (UNGC) is a leadership platform endorsed by businesses that are committed to advance their dedication to sustainability and corporate citizenship. Participants are required to submit a Communication On Progress (COP) annually, an accountability policy to the Ten Principles of the UNGC.

We at MAS Holdings present to you our adherence to the Ten Principles within the core values of Human Rights, Labour Standards, the Environment and Anti-Corruption in our first Annual COP.

HumanRights

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.

LabourStandards

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.

AntiCorruption

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

Our Approach To Human Rights And Labour Principles

MAS Holdings is the South Asian region's largest exporter of apparel with an employee base over 45000 strong. Its operations in the apparel industry span from manufacturing to supply chain and running industrial parks. From its very roots 22 years ago, MAS has approached its business from a strong ethical standpoint, emanating from the principle of 'doing the right thing' championed by its founder and Chairman, Deshamanya Mahesh Amalean. The apparel industry has been often accused of lapses in Labour conditions, especially in Forced and Child Labour and also at times on violating Human Rights. The industry is labour intensive, especially in the apparel manufacturing phase. The pressure for low-cost products from the customers coupled with price competition from other countries where same attention to ethics and principles of fair play create conditions ripe for exploitation of labour laws and norms. It has been noted by many observers and research that even the basic conditions are not met and/or violated by many countries in general and by many companies.

MAS has always worked in a different mould, where employees were always treated with fairness and dignity, and became an integral part in the company's success. This approach, which differed from that of other competing countries always stood us apart.

It also emerged from the strong legal and cultural context of the labour rights in Sri Lanka. Sri Lanka is a signatory to the UN Universal Declaration of Human Rights, with guaranteed constitutional protections. Sri Lanka is also the only outsourced manufacturing nation who has adopted up to 39 ILO conventions. Sri Lanka also has a robust and accessible legal system with a strong tradition of upholding human and labour rights. MAS, whilst adhering to all laws of the land and norms, extends its own positive action programmes and builds industry best practices as part of regular business of the company.

MAS has also worked hard to extend its positive influence across the industry. MAS has been a pioneer supporter of Sri Lankan apparel industry's Garments Without Guilt (GWG) initiative where all major Sri Lankan apparel manufacturers came together to create a minimum standard for human and labour rights running closely parallel to principles of UN Global Compact. These principles are translated into action and monitored with third party verification by SGS.

HumanRights

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.

UNGC principles 1 and 2 are ingrained in MAS Human Resource policies and laws of Sri Lanka. These policies include Policy on non-harassment and abuse, policy on non-discrimination and grievance handling procedures. All employees receive employee handbooks detailing their rights and responsibilities including mechanisms for action should they face any violation of their rights. MAS ensures that all its business units comply with the UN Global Compact principles 1 and 2 by requiring all business units to fully adhere to the laws of the land and human resource policies and procedures. Adherence to these is monitored and evaluated both internally and externally on a continued basis.

All MAS apparel business units in Sri Lanka undergo a social compliance audit once a year based on a model developed by Fair Labour Association (FLA) of USA. This audit is conducted by an internal audit team of MAS. In addition, all MAS apparel business units in Sri Lanka are audited for the Garments Without Guilt standard, WRAP or ETI/GSP standards and in some instances FLA standards. MAS's customers also audit MAS facilities on social compliance in often unannounced visits. No violation with respect to human rights have emerged or reported within the company. No violation with respect to human rights have emerged through the audit processes. No court action has been filed or pending related to Human Rights against the company.

In 2010, MAS will also bring in the business units in the supply chain within the realm of the company's internal social compliance audit process.

LabourStandards

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

For MAS, it has always been important to ensure that our employees have an effective voice at work to contribute positively towards the organization, ability to negotiate work relations efficiently & be an integral part of the decision-making process affecting the terms & conditions of their employment. MAS values the ability to create a collaborative work environment that allows direct & constructive dialogue between the employees and the Management without any fear of harassment and/or discrimination. To meet these aspirations, MAS has created 'Joint Consultative Committee' (JCC) consisting of freely elected representatives from the workforce who meet on a monthly basis with the management to discuss issues.

Joint Consultative Committees

The Joint Consultative Committees (JCCs) at MAS Holdings are an important mechanism for giving employees a voice. While formal employee unions are not present, the company encourages freedom of association and operates with an open door policy. Joint Consultative Committee, present at every MAS facility acts as the forum through which employees are able to air their issues and grievances and allow any problems to be addressed. In addition it allows employees to play an active role in furthering the organization.

The JCC meets once a month and the meetings are attended by employee representatives (elected annually by the employees), representatives from the Human Resource division of the plant and representatives from the senior management. Issues affecting the organization and future plans and direction are also discussed besides handling other employee issues. Minutes are maintained and are made available for review. Suggestion boxes are also used to get employee feedback to be discussed at the JCC.

In addition to tackling grievances effectively, JCCs are also responsible for tackling a variety of projects over the course of the year for the wellbeing of the employees. JCC decisions tend to be well respected as the employee representatives are elected to their post, giving them the legitimacy to act on the employee interest. The elections are held during the Annual General Meeting, and the process is supervised by external parties including representatives from the Labour Department. JCC has helped the organization develop and thrive and simultaneously ensuring the employee interests are addressed.

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

MAS also ensures that no form of forced or bonded labour is utilized in their facilities. All employees are given letters of employment or contracts depending on the type of employment. These ensure that terms of employment including pay, benefits and work conditions are spelled out clearly. Our HR policies cover freedom of movement and sets our procedures for recruitment, overtime/holiday work, night work and leave entitlements. MAS adheres to all labour laws within the countries it operates in. The audit processes check and ensure that these policies and requirements are complied fully.

Principle 5 - the effective abolition of child labour

MAS does not use any form of child labour in their operations. All MAS facilities have policies that govern the recruitment procedure that requires all hires to be above a minimum age of 18 years, exceeding the national standard. MAS also requires all sub-contractors that provide services within the facilities to adhere to the same guidelines.

MAS Compliance

MAS is committed to ensuring our business will take place in ethical, moral, and responsible working environments. All MAS suppliers/ service providers must comply with the laws, rules and regulations of their country, province and locality. MAS is proud to be associated with recognized accredited initiatives like Ethical Trading Initiative (ETI), Worldwide Responsible Accredited Production (WRAP), Fairtrade, & Fair Labor Association (FLA).

We utilize global benchmarks and provide tools for the continual improvement of workplace conditions in the following areas: Forced Labor, Harassment & Abuse, Wages & Benefits, Working Hours, Child Labor, Discrimination, Women's Rights, Freedom of Association, Disciplinary Practices, Record Keeping & Documentation, Health & Safety and Security.

MAS has always taken a proactive role in compliance, clearly demonstrating its adherence to legal and customer requirements. MAS has a zero tolerance policy against child labor, harassment & abuse, forced labor, discriminatory practices and infringement of women's rights as established by law. All suppliers and sub contractors must sign a service agreement to work with MAS and must provide full access to their facility and documents for verification of compliance.

MAS compliance process is driven by the divisional Compliance Managers while a Compliance Officer is present at each business unit. Each business unit also has a Safety Officer and Environment, Health & Safety Team that is responsible for ensuring that health & safety matters are addressed within the business and issues are investigated and addressed.

Each facility undergoes a number of audits both internal and external, addressing procedures, practices and outcomes. MAS Internal Compliance Audit was introduced in 2009, based on FLA standards, unifying the practices across the group, reaching 18 business units in 2009. This will extend to all business units by 2010.

All Sri Lankan business units carry the Garments Without Guilt certification. Based on specific customer/divisional requirements, each business unit goes through a set of audits of which WRAP and/or ETI acts as the baseline, reaching all 21 apparel business units. In addition, 19 facilities are undergoing the Fair Labour Association (FLA) accreditation. The plants also undergo impromptu audits by customer compliance teams.

MAS plants possess WRAP A certification indicating the highest standards in implementation. The two primary facilities that produce apparel for Nike possess 'A' Grade Supplier Status with Nike.

Number of apparel business units in 2009	21
Number of apparel business units covered through the MAS Internal Compliance Audit	18
Number of apparel business units with WRAP A Certification	19
Number of apparel business units with ETI Approval	10
Number of apparel business units with Garments Without Guilt certification	19
Number of apparel business units participating in Fair Labour Association Accreditation	19
Number of apparel business units with no external certifications	0

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

Our commitment to equal treatment of individuals regardless of race, colour, sex, national origin, age, religion, marital status, sexual orientation, gender identity & expression, position they hold, disability or any other factors that are not work related has formulated the No Discrimination Policy. All decisions such as hiring, wages, benefits, promotion, termination and retirement are solely based on merit. Any violations of the above policy can be addressed through our Grievance Procedure, and action will be taken against violators according to our Disciplinary Procedure.

MAS is one of the first companies to add the 'disabled friendly' tag to all of its recruitment advertising, working jointly with the Employers Federation of Ceylon (EFC).

MAS initiated two positive action programmes to address the specific needs of redress structural disadvantages. MAS was a key stakeholder in introducing the Marks & Start programme in Sri Lanka along with Marks & Spencer plc and Motivation (a charity working for rights of people with disabilities). In 2004, MAS launched its flagship employee empowerment programme focusing on women; working on their career advancement, work-life balance, skill enhancement and recognition.



Being Exceptional Women **Go Beyond**

Over 20 years of existence, 45,000 employees and counting, of which 85% women, MAS Holdings felt the need to support and uplift the women who are committed to developing the company they work for, as well as themselves. This powerful initiative of rewarding 'Women of Excellence' not only marks a new era for the apparel industry with a change of perception, but also brings MAS Holdings to a global stage as a forerunner of ethical business. 'MAS has successfully converted the social stigma surrounding 'sweat shops' into respect and appreciation of progressive labour conditions and overall community growth and fortification.



The program has initiatives on four key strategic areas

- **Supporting Career Advancement** – Programmes under this category prepares the MAS women for leadership positions within the organizations starting from the blue collar jobs. Programs under this category such as IT training and English language skills prepare them for future progression while programmes on leadership and motivation, financial management and business etiquette give them confidence to move forward in their careers.
- **Work Life Balance** – The step that moulds the women to balance their work life with that of her family and importantly her own needs. The programmes cover programmes on sexual and reproductive health, company sponsored health week and clinics, counselling programmes and programmes on beauty culture.
- **Skills Development** – The facilities have multiple programmes that help develop their intrinsic skills and talent, ranging from arts & crafts to performance arts and culinary. Some women have taken the full benefit from the training and started their own business either by themselves or as part time. Company events give opportunities to showcase their talents in art as well as performances.
- **Rewarding Excellence** – Awards of recognition are presented to female employees on their overall contribution to the organization as well as their work ethic and motivational skills. The annual Empowered Woman of the Year award celebrates the exceptional achievement of one woman from each facility at a gala ceremony. These women then become role models in the factory as well as the community, and are given training and support to move forward in the career.

MAS went through an appraisal and re-visioning of the programme after a period of five years, which resulted in tightening the programme definitions to focus on initiatives that are conducive to empowerment of women. Within the new parameters, the following table indicates the number of employees who benefited from various types of programmes.

Programme Category	Employee Participation for 2009
Education for Career Advancement	3100
Work-life Balance	27800
Skill Enhancement	4900
Rewarding Excellence	4200

A 'Go Beyond Champion' at each apparel business unit co-ordinates programmes that are structured around the needs and wants of the women working at the facilities. MAS also partners with other organizations such as Unilever and HSBC to provide some programmes.

MAS also publishes an annual booklet chronicling the lives of the Empowered Women. 2009 saw the publication of 'The Women Behind Your Label' celebrating five years of excellence of Women Go Beyond programme.

Marks & Start

Launched in 2004, Marks and Start is a Marks & Spencer's flagship community program and is part of their 'Plan A' which addresses environmental and social issues. Marks & Start creates opportunities for work to people who are disadvantaged, focusing on people with disabilities, homeless, young, and single parents. For these groups of people, 'employability' gives a boost of confidence.

In Sri Lanka, ignorance and disability went hand-in-hand. Women with disabilities face 'double discrimination', and this was one target group who really needed our support. The apparel industry is the largest employer of women in Sri Lanka, and in 2003, Marks & Start programme was piloted for Asia at Slimline, a MAS apparel factory. The programme was conducted in partnership with Motivation UK, a British based charity working for the rights of people with disabilities and Rehab Lanka, a Sri Lankan NGO helping to skill people with disabilities.

The programme was designed to bring in people with disabilities into mainstream employment. The initial project which kicked off in 2004 at the Slimline plant in Pannala, and focused on training women as sewing machine operators. They were supported by 'buddies' to help them transition to a work life in the factory.

The programme was opened up for other suppliers to Marks & Spencer, using the model developed at Slimline. Now the programme has expanded to reach 12 suppliers for Marks & Spencer, and a total number of 191 people with disabilities are currently working in 25 factories.

The programme also provides special assistance for skill development, organises outings and cultural events for their benefit.

In 2009 12 employees with disabilities were recruited to MAS factories through the Marks & Start programme. MAS currently employs 50 people with disabilities through the Marks & Start programme.



Our **Sporting** Legacy

Throughout the years, with our rise to fame as a pioneer in ethical apparel manufacturing, MAS Holdings has been a breeding ground for a generation of sporting heroes. Sport has played a large part of framing our spirit and culture at MAS, and a mindset that is fiercely competitive but also graceful in defeat.

Our approach to sports is also about creating opportunities. We have created opportunities for underprivileged youth in rural areas to rise to global fame through sports. Our commitment towards sustaining our employees and their futures comes from deep within.

MAS provides employees numerous opportunities to engage in competitive sports. They include world class training facilities and foreign coaches in the factories, necessary sporting gear and travel funds among other basic necessities. We provide paid leave for critical competitions and motivation from thousands of colleagues around them.

MAS has in-house facilities for sports such as boxing, fencing, shooting, cricket, table tennis and volleyball. Over 100 MAS athletes have represented Sri Lanka at international meets in 21 sporting disciplines, amongst them, 3 Olympians!



Anusha
Kodituwakku

Nilmini
Jayasinghe

Medalists at the International Women's Boxing Tournament 2009
St. Petersburg - Russia

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.

The environmental challenges that the world is facing looks daunting. We are seeing a continuous erosion of natural capital and our levels of resource consumption is exceeding the carrying capacity of the world. The dangers climate change is posing and what we need to do to address the challenge is overwhelming.

MAS is addressing these challenges with renewed focus and attention. Our journey towards environmental sustainability began in 2007, with the decision to construct the world's first eco-manufacturing plant for apparel. MAS Intimates Thurullie, which was opened in 2008 built our knowledge and competencies around environment and helped us understand how to reduce our impact. All MAS new constructions in the future will be done with strict KPIs related to environment.

MAS is moving from a compliance approach towards sustainability to a proactive one, striving to become a market leader in this area. At present all MAS factories meet all the local environment regulations and possess the Environmental Protection Licence (EPL) issued by the Central Environmental Authority of Sri Lanka. No court action has been filed or pending related to Environment against the company.

MAS began central measurement and monitoring of energy and water use of its facilities in 2009 and set initial targets to reduce energy use by 10% and water use by 20% within 3 years. Specific targets will be set after detailed analysis in 2010. To achieve these targets, MAS is upgrading infrastructure focusing on lighting and thermal comfort, standardizing energy management practices and building competency of energy managers across all business units. Centralised reporting mechanisms were introduced to understand how energy is used in the company and to take steps towards reduction.

MAS Intimates Thurulie, the eco-manufacturing facility set a high standard on reduced energy and water consumption among apparel facilities. MAS Linea AITC, the newest MAS facility opened in 2009 became the lowest energy consuming plant, utilizing all the technologies used at Thurulie and improving the standard by adding skylights to provide natural lighting.

In addition to energy, water use reduction and carbon emissions are also areas of focus. MAS started switching furnace oil based boilers to biomass, making steep reductions of carbon emissions. Stretchline, the first company to do so in 2009 is reducing 3000 tonnes of CO2 through this move. Noyon Lanka and MAS Fabric Park will follow suit in 2010.

In addition to working to reduce the environmental impact, the company is actively working to take the message of sustainability to a wider audience. MAS Eco Go Beyond Programme educates and prepares the next generation towards sustainability touching 29 local schools each year. MAS Intimates Thurulie also acts as a center for knowledge, educating public and industry on sustainability technologies.

The company has started measuring energy and water use as well as carbon emissions related to its operations, and plans to report the same from 2010.



MAS EcoGoBeyond Programme 2009

Eco Go Beyond is a key strategic corporate responsibility initiative launched in 2006, which focuses on sustainable development education and mindsets. Whilst sustainability is emerging as a key global concept it is not taught as part of Sri Lanka's school curriculum; the UNESCO/UNEP sustainable consumption report of November 2000 reiterates this. The model and curriculum was developed by accessing expertise in the field from the United Nations Environment Programme (UNEP), Youth Exchange (YXC) and the Consumer Citizenship Network's (CCN) LOLA toolkit. This initiative is endorsed and supported by the Ministry of Education in Sri Lanka. We came up with the concept of creating an understanding of applicability to youth as tomorrow's leaders.

The first phase of the project comprised of a target group of 8,080 15-18 year olds, and enabled the morphing of 'Sustainable Development' from an abstract concept to a ground reality. More communities were reached and to date, it has impacted 11,260 youth. The program requires an intensive initiation process, with coordinating between the Education Ministry and school principals. School workshops are only conducted thereafter. The activation phase afterwards, brings to life the activities that will instil best practices in Sustainable Development in schools. These programmes culminate in school based exhibitions and award ceremonies.

In March 2009, phase three of the project rolled out, and 29 of the engaged schools were given a 'refresher' training. A total number of 7553 youth were reached. We also had a value addition in the programme in the form of the Youth Leadership Camp. Held at the MAS Institute of Management and Technology in Thulhiriya, the initial camp saw a participation of 55 students and 51 teachers. The piloting of the UNESCO TOOLKIT 'Creating Sustainability Mindsets for Asia Pacific' took place at this camp along with computer aided lectures, group discussions, documentaries and theatre. The students also visited the MAS Green Factory – Thurulie, which we will be discussing in a latter part of this COP.

Celebrating its third year, the MAS Eco Go Beyond Schools Sustainability Awards were held on the 13th October 2009 at the MAS Institute of Management and Technology. The ceremony saw participating schools recognized and rewarded for their contributions towards developing a sustainable future. This year's occasion saw Mr. Nimal Bandara, Secretary of the Ministry of Education honoured as Chief Guest. 26 schools submitted projects, with St. Mary's Maha Vidyalaya in Mathugama winning the first prize. Their project – Sustainable Living Through the 5S Concept – introduced the organizational strategy of 5S to 10 households within the area, providing them with literature and the expertise to implement the policy in their homes. An improvement in the social, economic and environmental sustainability of the selected 5S homes was demonstrated.

The next phase in 2010 will see an expansion in the programme covering a larger geographical area.

Removal Of Invasive Plants At **Bundala**

MAS takes a strong interest in ensuring that our internal activities are socially responsible, but we don't stop there. We have also recognized the importance of our involvement in protecting our external communities and surroundings as well. The Bundala project represents one such example, where MAS Linea Aqua implemented an environmental protection project in Bundala National Park with the hope of reversing damage caused to the park through the extensive growth of invasive plant species.

Bundala National Park is a bird sanctuary consisting of 6212 hectares of land which acts as a wintering site for migratory birds and has been a protected area since 1969. Unfortunately, the park's ecosystem has in recent years come under significant threat due to the growth of plants such as "Proposis Juliflora" and Cactus which have had a negative impact on the growth of beneficial indigenous plant species which are food sources for many animals. If left unchecked, this could seriously impact the numbers of animal species within the park. Another promising factor is that restoration and development of natural habitats has been identified as an important strategy in the development of the tourist industry in Sri Lanka.

Therefore the Bundala Project was identified as a valuable environmental CSR activity by MAS Linea Aqua and launched in 2006. Our direct target was to benefit the wildlife in the park, and we were also aware of the benefits this project would create for the residents in the surrounding environment.

The project commenced after completion of a feasibility study done with the cooperation of the Department of Wildlife Conservation. Linea Aqua employees have been active participants in this effort. In addition, the project enlisted the aid of residents from the area to carry out the clearing and restoration activities.

We have so far cleared approximately 100 hectares of land of the offending plant species and the park is gradually being restored to its original state. Migrant and non-migrant birds have increased by population as a result. Other animals such as elephants are also given ample space to roam within the park boundaries, keeping them safely away from encroaching populated areas.

Short term employment opportunities have been created and labour from surrounding areas has been utilized. This additional means for a livelihood has had a positive effect on the living standards of these communities. The number of local and foreign tourists has also increased providing more employment opportunities, in turn also contributing to the national income.

We have set a goal to clear and restore a total of 200 hectares over the next three years. You can follow our progress in the coming years through our future Communications on Progress!



Revitalizing The River Banks Of Kalu Ganga

The rural village of Bolessagama in the Kalutara District, located in the Southern bank of the Kalu Ganga, has been adversely affected by heavy floods as of late due to soil erosion. A large percentage of the village community falls below the poverty line with most of them being fishermen or casual labourers, and the flooding poses a serious threat to their livelihood.

The Bolessagama Maha Vidyalaya is situated right on the Kalu Ganga river bank. This mixed school has a considerable number of junior students and most of them had been jeopardized by this situation. Employees of the Unichela plant, a part of MAS Intimates had assisted these students several times by providing them with welfare items, stationery, and clothing and even uplifting their living and educational standards. The teachers and students have done a considerable amount during the past few years to alleviate this issue by planting trees along the river bank, but lack of funds and suitable plants diminished the efforts. Unichela joined hands with the village community to plant Kumbuk trees along the river bank.

Kumbuk trees, scientifically known as "Terminalia Arjuna", will support the reduction of soil erosion, and in turn will secure human lives. The Bolessagama Maha Vidyalaya has produced many alumni who work for Unichela, and at present educates over 25 children of our employees. The school even provided shelter for more than five families of Unichela employees during the flood season.

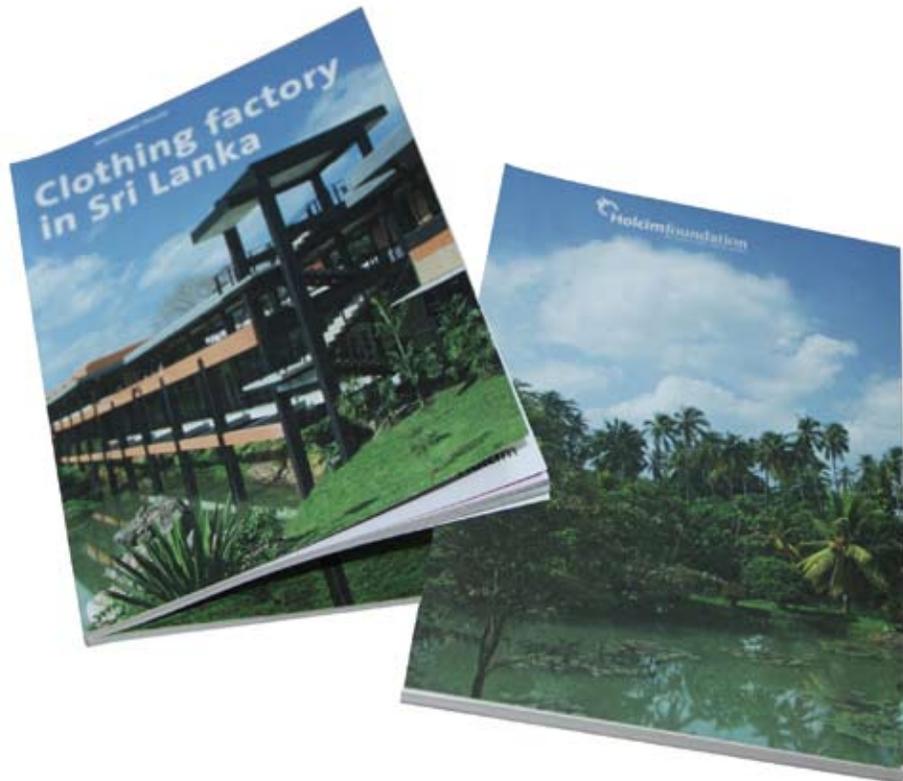
The Pilot Project was the plantation of the trees along the river bank, and several smaller projects were carried out in parallel, such as awareness and educational campaigns, volunteer recruitment, preparation of fertilizer, and tree planting competitions on the river bank to create more enthusiasm among the students. We consulted botanical specialists for project assistance. Yes. We took it seriously.

We are yet to experience the outcome of this project since the trees require at least one year to grow. It will take approximately 7-8 years for these trees to control soil erosion. A total of 300 plants have been assigned to the care of the students, with a certificate to be awarded in recognition of the best nurtured plant. The project will be monitored periodically for 6 months, after which it would be taken over by the community.

Thurulie And Education On Sustainable Construction

MAS Intimates Thurulie was a radical departure from the 'standard' factory model in innovation and worker comfort. The facility innovated a low-cost thermal comfort system, adapting evaporative cooling for tropical humid climates. The factory received LEED Platinum certification from the U.S. Green Building Council, becoming the first new-built factory in the world to do so.

MAS partnered with the Holcim Foundation for Sustainable Construction to disseminate the innovations and the knowledge gathered in the process to a wider audience with specific focus on the construction industry. The foundation published a monograph in 2009, documenting the design and the strategies of Thurulie, which is available for download at the Holcim Foundation website.



Anti-Corruption

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

MAS does not condone corruption at any level and have developed systems and processes to ensure the same. MAS uses a supplier accreditation process that ensures corruption does not come into play when negotiating suppliers and rates. Recruitment, promotion and increments are based on performance and merit, used with rigorous performance management systems. The company collaborates closely with customers and brands on brand protection initiatives to ensure that defective and excess products are managed properly ensuring brand integrity of customers of MAS.

The Way Forward

A strong sustainability ethos has always been present at MAS, throughout its 22 year history. We have approached sustainability from our instinct to do the right thing for our employees and the communities we were based in. Creating opportunities for people within our communities made us proud as a company. Our approach, which came from the heart, won us many plaudits and was always appreciated by our customers.

MAS is strengthening its commitment to sustainability by integrating the key elements into its decision making process and metrics. MAS will release its first Sustainability Report at the end of the year. This will integrate GRI indicators and contain our targets, goals and measurements to act as a comprehensive indicator-based document. We have always shared our accomplishments with our key stakeholders, especially our customers. This report, and the sustainability report that will emerge at the end of the year will be key vehicles that take our message to them.

The principles highlighted by the Global Compact are of the utmost significance to MAS Holdings. The Global Compact gives our company a framework to act within, and a means of ensuring that we are held accountable in our objective of addressing sustainability issues which are of global concern. As signatories we take our responsibilities extremely seriously and we will be continuing to build upon our present actions in the following years.

