POLICY NAME	MAS LEAVE POLICY [E & ABOVE]
POLICY OWNER	DIRECTOR – GROUP HUMAN RESOURCES
POLICY DATE	-
APPROVED BY	MAS APPAREL BOARD
LAST REVIEW DATE	January 2026

MAS
CHANGE IS COURAGE

MAS LEAVE POLICY [E & ABOVE]

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1. PURPOSE OF THIS POLICY

Leave represents periods of rest and recuperation, and MAS believes that this ensures occupational health and work life balance; and enables the continuity of good and acceptable work performance of its employees.

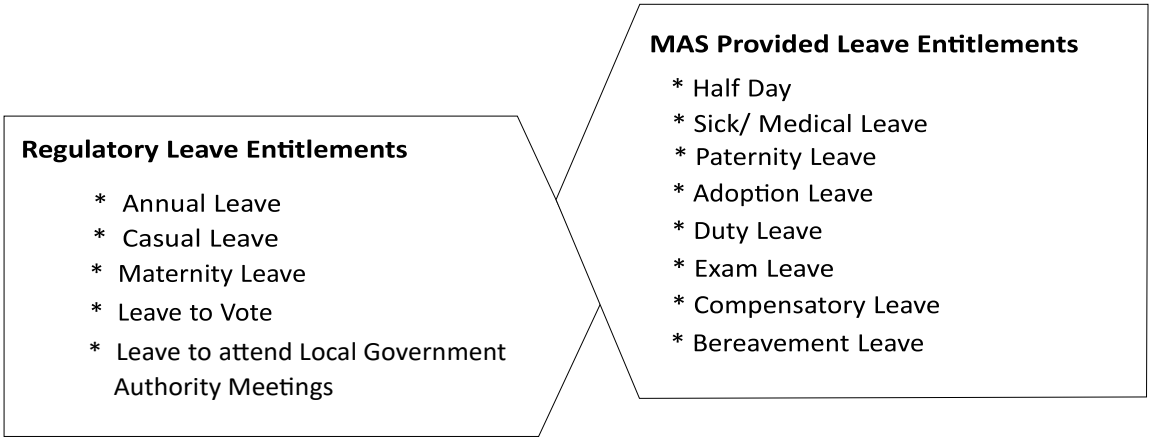
The purpose of this policy is to establish a procedure that adheres to statutory requirements and set a company standard under which employees obtain their leave entitlement, whilst supporting the evolving trends of employees' lifestyles.

2. SCOPE

This policy is applicable to all MAS employees who are governed by the Shop and Office Employees' (Regulation of Employment and Remuneration) Act No.19 of 1954 (as amended), hereinafter called "the Shop & Office Employees' Act."

3. TYPES OF LEAVE

Employees belonging to the Shop and Office Employees' Act are eligible for the following types of leave:



3.1 ANNUAL LEAVE

- In respect of the first year of employment (which is defined as the period from January to December in the year of joining) during which an employee has been continuously in employment, the employee earns the following leave, which can be utilized in the second calendar year of employment:

Date of Joining the organization	Number of days of Annual leave earned during the first year of employment (to be utilized in the second year of employment)
Between January 1 and March 31 of the previous year	14 days
Between April 1 and June 30 of the previous year	10 days
Between July 1 and September 30 of the previous year	07 days
Between October 1 and December 31 of the previous year	04 days

- From the third calendar year of employment onwards every employee is entitled to 14 days of Annual Leave.
- Dates on which annual leave is taken should be agreed on by both the employer and the employee concerned.
- In the event an employee resigns, or employment is terminated, annual leave should be applied for when giving notice of termination/ resignation.
- Annual Leave on termination shall be calculated including the leave to which he is entitled in respect of the year preceding the year of termination, and in respect of the year of termination (i.e. one day in respect of each complete month if such period is less than ten (10) months; and fourteen (14) days, if such period is not less than ten (10) months.)

3.2 CASUAL LEAVE

- Leave must be applied for in advance, where the reason for the absence is one that could not have been foreseen, the management may at its discretion approve such leave.
- Casual leave can be utilized for personal reasons, illness or other reasonable causes.
- In the year he/she commences employment, a new recruit will be entitled to leave at the rate of one (01) day for each completed two months. The Company will allow this as half (½) day for each completed month of service.
- In the second year and subsequent years of employment every employee is entitled to seven [7] days of Casual Leave.
- No more than 2 days of Casual leave can be taken consecutively.
- Upon termination of employment, the remaining casual leave for that year cannot be utilized by the employee for the purpose of covering the notice period.

3.3 HALF DAY – ANNUAL AND CASUAL LEAVE

- Employees are entitled to utilize their respective annual and casual leave entitlements as half days.

3.4 SICK AND MEDICAL LEAVE

- Leave for illness will be granted according to the nature of the illness and the doctor's advice, at the discretion of the management.
- A medical certificate must accompany every application for sick leave in excess of two consecutive days.
- Subject to exception set below, sick leave will be granted from an employee's allocated casual leave. If additional days are required more than the allocated 2 days of casual leave, sick leave will be deducted from annual leave.
- In addition to the employee's annual and casual leave, the company may grant a maximum of 21 days of special leave for communicable diseases (such as chicken pox, measles, mumps, sore eyes, etc.).

The number of days to be granted as leave will be based on the doctor's advice and at the discretion of the management.

- The Company may grant additional leave for other medical reasons (such as broken limbs, surgery, malaria, dengue, chikungunya, and other such serious epidemics). A maximum of 10 days can be granted for the purposes mentioned above and will be over and above an employee's annual and casual leave entitlement.

- Applications for such leave will be approved at the discretion of the management and should be supported by doctor's prescriptions, medical certificates and other related documents.

- Where incurable diseases are concerned sick/medical leave will be considered on a case by case basis. Whether such leave is on the basis of "paid "or "unpaid" will be decided by management on a case by case basis.

3.5 MATERNITY LEAVE

- The entitlement for all live births, regardless of existing number of living children is eighty-four (84) working days (excluding weekends and Statutory Holidays).

- For stillbirths (under the definition of maternity benefits/ based on valid medical recommendation), the entitlement is forty-two (42) working days (excluding weekends and Statutory Holidays).

- Fourteen (14) days out of the aforesaid Eighty-four days of maternity leave can be taken prior to confinement and the rest can be taken after the birth of the child.

3.6 PATERNITY LEAVE

- At MAS, we believe that our male employees too need to be supported at the time of having a new-born child. For this purpose, male employees will be granted ten (10) working days as paternity leave.

- Paternity leave shall be taken as ten (10) working days when required, within one [1] year of the date of birth of the child. Five days of this leave shall be taken consecutively. Hospital certificate showing the date of birth of the child shall be produced when applying for paternity leave [in the first application of such leave].

- If the employee so wishes he may apply for up to two (2) days of the above mentioned 10 working days of paternity leave prior to the birth of the child so long as such is taken no more than one month prior to birth. Within a month of taking the 2 days HR shall require you to present the birth certificate of the child.

3.7 ADOPTION LEAVE

- A female employee adopting a child is entitled leave depending on the age of the child adopted:

    - If the child is one (01) year or less – same duration of leave granted for a biological child.
    - If the child is between one (01) to five (05) years old – half of the duration of leave granted for a biological child.

- A male employee who adopts a child shall be entitled to ten (10) days of paternity leave within one (1) year from the date of adoption. Five days of this leave shall be taken consecutively.
- Application for leave should be informed to the Line Manager and HR, three (03) months in advance of the date of adoption; and must be supported by Legal documents confirming the adoption.

3.8 LEAVE TO VOTE AT ELECTIONS

- This will be governed by the rules and regulations of the respective legislation and in consultation with the Employers' Federation of Ceylon (EFC).

3.9 LEAVE TO ATTEND LOCAL GOVERNMENT AUTHORITY MEETINGS

- An employee duly elected to serve any local government authority shall be entitled to avail paid leave to attend meetings of the respective institution which she/he is elected to. Provided, however, a letter inviting her/him for the meeting by the relevant local government authority will have to be produced to the human resources division of the company at least one week prior to the requirement. Duty leave shall be applied for such requirement upon acknowledgment.

3.10 DUTY LEAVE

- Where an employee is required to participate in or represent the Company at any international, national event (e.g. oratory, sports etc.) duty leave shall be granted for the duration of that event.
- Duty leave will be approved upon submission of documentary proof & will be reviewed on needs basis.
- Duty leave is in addition to the allocation of entitled leave.

3.11 EXAM LEAVE

- Confirmed employees are entitled to paid exam leave in addition to the individual leave entitlement, in the event they sit for examinations related to the job scope from a recognized institute, that lead to career advancement and organizational growth. Such paid leave will be approved by the Head of Department and informed to HR.
- One (01) working day prior & the day of the examination will be granted as leave where it is the first sitting for that particular examination while in employment at MAS.
- If the employee is sitting for the exam a second time, exam leave will only be granted for the day of the examination.
- The maximum number of days granted under exam leave shall be ten (10) days per year. In the event the employee wishes to take any additional leave for exam purposes, leave will be deducted from the individual leave entitlement for the specific year. If such leave has been exhausted, it will be treated as no-pay leave.
- An individual embarking on such courses should inform their department Manager and the HR Manager in writing of such an endeavour & the planned dates of leave for the examination.
- Individuals joining MAS should, at the time of recruitment, inform the department manager & HR Manager in writing of such exams that are already undertaken or planned within the course of the calendar year of joining.

- Note: it is the responsibility of the Line Manager & the HR Manager to obtain such information at the time of recruitment.
- Application for Exam Leave shall be made two (02) weeks in advance and should be supported by proof of examination timetable and other supporting documents.

3.12 COMPENSATORY LEAVE

- If an employee works on a statutory holiday, a compensatory day will be added on to their leave entitlement on or before 31st December of the same year.
- Where a statutory holiday falls on a weekly holiday the Company will be closed on a weekday in lieu of such holiday.
- Where an employee is required to work on Sunday or a Poya day, compensatory leave will be granted with the prior written approval of the Manager. However, such leave will only be granted where such employee's presence at work on the holiday is mandatory and is not to complete the normal tasks already entrusted. This shall include instances of travel time on a Sunday, Poya or statutory holiday, when the employee is travelling for the purposes of work, so long as the employee is required to travel on the Sunday, Poya or statutory holiday in order to meet work requirements.
- An individual is entitled to only one such compensatory leave per month, unless such compensatory leave is required as lieu leave mandated by law. Where an individual exceeds this limit, it should be informed to the HR Department in order to review on a case by case basis.

3.13 BEREAVEMENT LEAVE

- If an employee who has already exhausted their individual leave entitlement requires additional leave for situations such as bereavement of "immediate family members", subject to approval of the Line Manager and at the discretion of the company, a maximum of 10 working days will be granted.
- For the purposes of this clause "immediate family members" shall mean parents, siblings, children, spouse and parents in law.

3.14 UNAUTHORIZED LEAVE AND CESSATION OF SERVICES ON EMPLOYEE'S OWN CONDUCT AND VOLITION

- This refers to an event where the employee does not report to work on working days, without prior approval of the line manager.
- In such case, it is the responsibility of the Line Manager/ Head of the Department (HOD) to immediately inform HR Department of any absence which had not been informed to the Line Manager / HOD on the first day of such absence.
- In the event, the employee does not report for two (02) consecutive days without approval and without informing the Line Manager, HOD or HR Department; the HR Department will inform such employee to report to work on or before a reasonable date, via a telephone message followed by another message equivalent to an email and/or a letter.
- Thereafter, if the employee does not report to work within 3 days of such email or letter as instructed, he/she will be considered to have no interest in continuing employment with the Company and

his/her contract will be considered terminated by his/her own conduct and violation of the Contract of Employment.

Note: - The employees should always keep their contact details updated with HR.

4. PROCEDURE

4.1 PLANNED LEAVE

- Application for leave should be submitted a minimum of three (03) working days prior to the planned day of leave.
- Where 3 or more days of leave are required, application for same should be submitted at least ten (10) working days prior to the first day of leave.
- Employees should apply for leave on the Oracle System - Absence Management and obtain approval from the line Manager at the least. (Note: that this is the minimum requirement & the procedure could vary from SBU to SBU & depending on the designation of each individual). Thereafter, it should be informed to the Human Resource Department.
- In the event an employee fails to apply for leave on the Oracle System - Absence Management, such leave shall be considered leave without pay.
- When requesting for leave whatever outstanding work should be handed over to suitable colleagues for continuity of the business & the Manager must be informed of the arrangement

4.2 EMERGENCY LEAVE

- When emergency leave is required but the employee is not in a position to obtain prior approval, the immediate Supervisor should be informed of the inability to attend work & reasons for same before 9.00 am on the day the employee is unable to report to work.
- Upon returning to work an application for leave should be completed and submitted on the Oracle System - Absence Management.

Note: Not submitting an application of leave upon return to work will be considered as “unauthorized absenteeism”, except in emergencies such as sickness, bereavement or a vehicle accident etc.

5. GENERAL GUIDELINES

- The ‘leave year’ or ‘year of employment’ is January to December for all employees.
- When leave days are counted, only working days are taken into account.
- Annual leave must be earned before the end of the leave year. Carrying forward of Annual Leave is only permitted up to the end of January in the following year. Every request for leave must be made on the Oracle System - Absence Management and must have the approval of the applicant’s superior.
- If an employee has been absent from work without prior notification or without notifying on the day emergency leave is taken, and there is no valid reason to have been absent from work without notification as per the procedure; employees can be sent on “no pay” even where there is balance leave to the credit of such employee.

6. MANAGING NON – COMPLIANCE

6.1. Report non-compliance of the policy via one of the following channels;

- Speak to your SBU, Divisional or Group Code Officer
- Lodge a complaint via the DNA Helpdesk [Log on to masdnahelpdesk.ethicspoint.com]
- Call the DNA Hotline applicable to your country of employment

6.2 The Central MAS DNA team, all Code Officers and other accountable parties will maintain the confidentiality of all parties involved in the recording and investigation of the complaint.

6.3 It is your responsibility to support ongoing investigations by being open, honest and maintaining confidentiality, in the event you are contacted by a member of the Central MAS DNA Team or a Code Officer.

6.4 Retaliation against an individual for; lodging/ attempting to lodge a complaint, supporting a victim, or participating in investigations; amounts to non-compliance of the MAS DNA (Code of Conduct) and the policy.

6.5 Reporting unfounded false allegations with wrongful intentions of malice, in a bid to tarnish reputations, amounts to non-compliance of The MAS DNA.

7. RESPONSIBILITY

Party Responsible	Actions
MAS Apparel Board	• Approval and sign-off
Director - MAS Group Human Resources	• Ownership and authority to make amendments
MAS Central DNA Team	• Addressing non-compliance
Code Officers	**Monitor Compliance** • Ensure the respective unit adheres to the policy and provide further support if and when required **Manage Non-Compliance** • Record and investigate all violations in a timely manner
	Sustainability • Ensure to regularly communicate within the respective units on the Leave Policy and the procedure for applying leave • Work with HR to ensure new Recruits receive mandatory education and training about the importance of responsible application of leave • Liaise with Group HR and provide regular feedback on the policy and process via **policyinfo@masholdings.com**

Line Managers	**Educate** • Educate your team on the Leave Policy and Oracle system - Absence Management **Ensure Adherence** • Ensure to be fair and supportive to employees when they request for leave (as per the policy) to balance their domestic and/or other responsibilities • Ensure that employees adhere to the policy and apply leave on the system as per procedure **Manage Non-Compliance** • Report any violations immediately to an SBU/ Divisional/ Group Code Officer or via the DNA help desk
Employees	• Read, understand and comply with the Leave Policy • Apply leave responsibly and as per the procedure set out in the policy • Ensure to seek approval from the line manager when applying for leave • Provide any supporting documentation if needed (e.g.: for sick/ medical leave) • If in doubt, contact the Central MAS DNA team at Group HR via **policyinfo@masholdings.com** • Report any activity that may not comply with the Leave Policy to an SBU/ Divisional/ Group Code Officer or via the DNA Help Desk

8. DEFINITIONS

Party Responsible	Actions
Confinement	Labour resulting in the issue of a child, whether dead or alive, or the issue of a viable foetus.
Stillbirth/ Viable Foetus	A foetus of at least 28 weeks gestation and in the case of doubt, at least one of the following conditions should be satisfied for the foetus to be considered 28 weeks old – a. the length of the foetus should be at least 12 inches, or b. the weight of the foetus should be at least 2 lbs.
Week	The period between midnight on any Saturday night and midnight on the succeeding Saturday night.