POLICY NAME	MAS GIFT POLICY
POLICY OWNER	DIRECTOR – GROUP HUMAN RESOURCES
POLICY DATE	APRIL 2018
APPROVED BY	MAS APPAREL BOARD
LAST REVIEW DATE	January 2026

MAS
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MAS GIFT POLICY

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1.0 PURPOSE

1.1 The purpose of the policy is to set forth the standard guidelines and responsible practices for exchanging gifts and engaging in business entertainment activities with third parties, in a manner that prevents interference with unbiased decision making and conflicts of interest.

2.0 SCOPE

2.1 The policy applies to all MAS employees when exchanging gifts and engaging in business entertainment activities with third parties.

3.0 GUIDING PRINCIPLES

3.1 Giving and receiving business gifts, as well as hosting and accepting business entertainment may build goodwill. However, gifts can also create a perception of conflict of interest which may undermine the integrity of the business relationships and could be subject to potential abuse.

3.2 A gift / entertainment can be defined as anything of value, either tangible or intangible. Examples include but are not limited to;

(a) Tangible gift items such as:

I. Corporate souvenirs
II. Customary gifts such as diaries, calendars, hampers, etc.
III. Products and equipment
IV. Gift Vouchers

(b) Intangible gift items such as:

I. Discounted products or services
II. Loans
III. Specialized trainings /Conferences
IV. Special privileges which are not available to the general public
V. Paid vacations / trips / use of vacation homes
VI. Outings
VII. Meals / snacks
VIII. Tickets to sporting or musical events
IX. Use of recreational facilities
X. Memberships
XI. Favours

3.3 MAS prohibits its employees from exchanging inappropriate gifts such as cash or cash equivalents with any third party. If an employee is unsure whether a certain gift amounts to being 'inappropriate' or could cause a conflict of interest they are required to consult the respective Code Officers, obtain clarification before proceeding and follow necessary protocol. Ultimate decision relating to appropriateness shall lie with the Divisional and Group Code Officers.

3.4 MAS employees are expected to uphold transparency, integrity, follow appropriate protocol and use good judgment when exchanging gifts and engaging in business entertainment.

3.5 Ensure that all gifts irrespective of value, received or given by an MAS employee be recorded in the *Gift & Entertainment Registry*, which is maintained by the respective Head of Department or Code Officer; and the protocols based on value thresholds and other requirements (as set out below) are adhered to.

4.0 GENERAL GUIDELINES

4.1. Giving Gifts

4.1.1 The value limit of any gift/entertainment given shall be less than or equal to USD 50 and all gifts shall be recorded in the *Gift & Entertainment Registry*.

4.1.2 In the event any gift/entertainment given by a MAS employee exceeds the value of USD 50, it must be;

(a) Justified by an appropriate business reason

(b) Approved by the Head of Department, and

(c) Included as an entry in the department's *Gift & Entertainment Register.*

4.1.3 If the gift is in the form of entertainment such as hosting a meal, presenting access to local cultural events; ensure that approval is obtained by your HOD as mentioned in 4.1.2 and is recorded in the *Gift and Entertainment Registry.*

Note: Be prudent with expenses and avoid taking foreign parties and other business guests to overly extravagant hotels.

4.2. Receiving Gifts

4.2.1 Employees shall politely refuse to accept any gifts from third parties, exceeding a value of USD 50.

4.2.2 In the event a MAS employee receives a gift which appears to exceed USD 50 and it cannot be declined without insulting the third party or offending cultural sensitivities and damaging a business relationship, it must be disclosed to the Head of Department, and entered in the *Gift & Entertainment Register* maintained by the Head of Department/ Code Officer and surrendered to the Code Officer.

4.2.3 Gifts received by third parties, are expected to be shared amongst all employees whenever possible.

4.3. Supplier Trainings/ Summits/ Conferences

4.3.1. In the event a current or potential future supplier or service provider invites an employee/s to a business related event such as a training on a product or service that is necessary for work, or a summit showcasing supplier capabilities, or of a substantial cost or value in Sri Lanka or in an overseas location, with the proposal that the respective supplier/service provider would be bearing all costs of such event including travel and accommodation, the following protocols shall be adhered to:

(a) If such invite is extended to multiple parties in the industry, or if the invite is for MAS only, but from an existing supplier/service provider of MAS, the respective Head of Department shall decide whether such event is necessary for the business of the company and obtain approval from the Divisional Code Officer for relevant employees to attend the specified event. No person who attended such a training/conference shall be the sole decision maker in relation to any contract concerning such supplier/service provider.

(b) In the event that such invite is MAS specific and the supplier/service provider inviting MAS is one that is being evaluated for business or is a potential supplier/service provider seeking a relationship with MAS; the respective Head of Department of the employee shall make a decision on participation based on business need, and the company shall bear all costs of the trip which includes travel and accommodation.

(c) In the event any training/ event is included in the contract with the supplier/ service provider, as part and parcel of the service offering there shall be no restriction on attendance by the appropriate employee and such instances shall not be considered gifts or entertainment.

(d) The Head of Department and SBU Code Officer shall decide which employees will benefit most from the event and nominate those persons to attend, regardless of whether the third party has invited a specific person. If the invite is not open to the most suitable employee, no person shall attend.

(e) Any such training, conference, event [other than those in 4.3.1.(C) above, shall be recorded in the Gift & Entertainment Registry with relevant details.

4.4. Training/ Conferences/ Summits'

4.4.1 In the event a third party that is not a supplier or service provider, invites an MAS employee to participate in an event, training, conference or summit overseas, bearing all expenses relating to such program, including travel and accommodation; and such program involves showcasing MAS for best practices, research or collaboration with other industry leaders, brands or experts for the betterment of the industry, the environment or society at large, the Head of Department of that employee shall determine whether there is a valid business case for such participation and shall together with the divisional Code Officer approve such participation.

4.4.2 Participation in such an event shall be recorded in the Gift & Entertainment Registry with relevant details.

5.0 NON-COMPLIANCE

5.1. In the event an employee/s does not follow the specified protocols set out above, it must be reported via one of the following channels:

(a) Inform the respective SBU, Divisional or Group Code Officer

(b) Lodge a complaint via the DNA Helpdesk

- Log on to masdnahelpdesk.ethicspoint.com
- Call 0723 005 005/ 0758 005 005/ 0117 395 005

5.2. The Central MAS DNA Team, respective Code Officers, HR and other accountable parties will maintain the confidentiality of all parties involved in the recording and investigation of the complaint.

5.3. It is the responsibility of all employees to support ongoing investigations by being open, honest and maintaining confidentiality, in the event they are contacted by a member of the MAS DNA Team.

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

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

6.0 RESPONSIBILITY

Party Responsible	**Actions**
MAS Apparel Board	• Approval and sign-off
Director - MAS Group Human Resources	• Ownership and authority to make amendments
MAS Governance Structure	• Addressing non-compliance
Code Officers/ HR	**<u>Monitor Compliance</u>** • Ensure the respective unit adheres to the policy and provide further support if and when required • If the received gifts have been approved for usage, ensure that there is a clear rationale and is fair by all **<u>Maintain the Gift & Entertainment Registry</u>** • Maintain the Gift & Entertainment Registry within the SBU and ensure to record all gift and entertainment exchanges. Gift & Entertainment Registry can be in the physical form of a book or maintained online as long as it is accessible to all Executive employees in the unit/division and captures all the necessary information **<u>Manage the Distribution and/or Disposing of Gift</u>** • Ensure gifts within the unit are distributed /disposed fairly and ethically in a timely manner. *(e.g.: donate as charity, auction them among employees as a bid to support a charity)* **<u>Sustainability</u>** • Ensure to regularly communicate and have educative sessions about the Gift Policy within the respective units, utilizing the resources provided by the Group HR team • Liaise with Group HR and provide regular feedback on the policy and process via **policyinfo@masholdings.com**

Heads of Department/ Line Managers	**<u>Educate</u>** • Ensure that the respective team is aware and adheres to the Gift Policy **<u>Discuss</u>** • Have annual mid-year and seasonal discussions with the team emphasizing the importance of adhering to the policy • Ensure to thoroughly check and evaluate the business reason to exchange gifts/ host business entertainment before granting approval • Monitor and Ensure that the value of any gift exchange or hosting of entertainment does not exceed the value of $50 • Keep the Code Officer informed of any gift exchange/ entertainment hosted and ensure it is recorded in the Gift & Entertainment Registry with a justified reason **<u>Manage Non-Compliance</u>** • Report any violations immediately to an SBU/ Divisional/ Group Code Officer or via the DNA help desk
Employees	**<u>Adherence</u>** • Read, understand and comply with the Gift Policy • Ensure to consult and obtain approval from Line Manager before engaging in Gift and Entertainment exchange • Keep the Code Officer informed of any gift exchange/ entertainment hosted and ensure to record it in the Gift & Entertainment Registry with a justified reason • Refrain from using official gift and entertainment exchange to gain personal benefits or as a personal favour to third parties **<u>Managing Non-Compliance</u>** • Report any activity that may not comply with the Gift Policy to an SBU/ Divisional/ Group Code Officer or via the DNA Help Desk • If in doubt regarding the policy, contact Group HR on **<u>policyinfo@masholdings.com</u>**

7.0 DEFINITIONS

Customers	All MAS customers and their agents
Employees	Permanent employees (full-time, part-time and casual) and non-permanent employees (E.g.: on probation, consultants, interns and trainees) engaged with MAS under contractual terms or letters of engagement.
MAS	MAS Holdings (Private) Limited and its subsidiaries, affiliates and joint venture companies.
Suppliers	All suppliers, direct and indirect service providers, sub-contractors and their agents MAS deals with.
Third parties	Joint venture partners, all service providers, media houses, sub-contractors, agents which MAS deals with and who, in the course of their relationship with MAS, have been provided access to information owned by MAS.
MAS Governance Structure	The Central DNA Team, appointed SBU, Divisional, and Group Code Officers.
Gift and Entertainment Registry	A register maintained by SBU Code Officer or Head of Department [depending on the needs of a division]. This register should be accessible to the divisional code officers who will have visibility into their respective division and easily accessible to the central DNA team.

Contact Us

If you have any questions with regard to the policy, please get in touch with your SBU, Divisional or Group Code Officers, or the DNA Helpdesk. We are happy to help you!

- ***Call the DNA Helpdesk*** *– Call 0723 005 005/ 0758 005 005/ 0117 395 005*
- ***Log on to*** *– masdnahelpdesk.ethicspoint.com*