

VENDOR CODE OF CONDUCT

Version 1.1 ▶▶



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INTRODUCTION

MESSAGE FROM OUR CHIEF EXECUTIVE OFFICER



To Strengthen our commitment and serve all our customers better, here at MAS we have developed our own Vendor Code of Conduct (“Code”) which is based on the ethical work practices accepted by the industry.

This effort began more than 3 decades ago, where we at MAS have worked relentlessly to incorporate ethical manufacturing practices in to not only our business but also across the manufacturing industry in Sri Lanka. As a result we have been recognized as a respected ethical apparel Manufacturer in the industry Globally by United Nations. We would like to invite you, our trusted partners, to re-affirm your commitment to ethical Manufacturing by signing up this code.

CEO – MAS Holdings
Suren Fernando

CODE OF CONDUCT

MAS Holdings (Private) Limited, its subsidiaries, and affiliates (collectively referred to as "MAS") require its vendors and partners to comply with this Code of Conduct. This Vendor Code of Conduct is a binding agreement between MAS and its Vendors, manufacturers and suppliers ("Vendor/s").

Vendors and factories that engage with MAS are required to comply fully with all applicable national/local laws and regulations including but not limited to those related to labor, immigration, health & safety and environment, of the country in which they operate, and countries in which the products may be sold and manufactured. All requirements of this Code shall act as a minimum standard of compliance in addition to compliance with the applicable laws. Therefore, where the Code falls below the requirements of the local law the local law shall prevail and, where the local law falls short, the Code shall prevail, save and except where compliance with the Code would result in a breach of the local laws.

'Applicable laws' refer to the complete set of legal requirements, regulations, and statutes that are relevant to a vendor's business activities. It encompasses local, national, and international laws governing labor practices, environmental protection, human rights, health and safety standards, anti-corruption, data protection, product safety, and fair competition. Vendors must stay updated on relevant laws and adapt their practices accordingly for ongoing compliance.

The Code should be integrated into the Vendor's work environment, fully explained and, on display in the language(s) understood by the employees. MAS reserves the right to request evidence of the Vendor's compliance with these requirements and standards, and the Vendor agrees to promptly provide such evidence upon request. MAS may at its discretion, require the Vendor to conduct compliance audits at the Vendor's facilities by an accredited third party accepted by MAS. Failure to comply with this Code may result in termination of MAS' engagement with the Vendor.

MAS currently supplies to customers around the world including but not limited to customers from United States, Europe and India. Therefore, MAS may, from time to time, amend this Code or request the Vendors to adhere to specific compliance requirements and/or standards including MAS' customer specific and/or country specific compliance requirements and standards ('Specific Requirements'). The Vendors shall be notified of any such Specific Requirements in writing and it shall form part and parcel of this Code.

This Code maybe be signed electronically by the Vendor. Signing of this Code and transmission by electronic mail document transfer will be acceptable and binding upon the Vendor. By accepting the Code, the Vendor agrees to comply with any amendments and Specific Requirements as notified by MAS from time to time and acknowledges that such compliance requirements are binding on them.

This Code is intended to complement the Supplier Agreement, where applicable. Vendors are expected to review this Code and to return a signed acknowledgement to MAS to _____

_____ at _____

In the event there are conflicts between the Code and the Supplier Agreement, the higher standard should prevail.



LABOUR

PREVENTION OF UNDERAGE LABOUR AND PROTECTION OF YOUNG WORKERS

MAS' Vendors may only employ workers who meet minimum age requirements defined by local law or by the International Labor Organization in countries where no law governs minimum working age. In no case may the Vendor or its affiliates knowingly use underage labor or child labour in their operations.

The Vendor shall notify MAS immediately if it learns of any instance of the use of underage or child labour and shall take immediate and effective measures to remediate the contravention.

The Vendor shall ensure that its workers who are not deemed adults under the applicable laws do not perform work which, by its nature or the circumstances is likely to jeopardize their health, safety or morals.

The Vendor shall not expose its workers under the age of 18 to hazardous conditions, either in or outside of the workplace. In addition to any other data retention requirements which the Vendor is required to comply with, either under this Code or otherwise, all documentary details pertaining to the age of the Vendor's workers below the age of 18 should be recorded and stored by the Vendor for a period of five (05) years, after they have ceased to be employed by the Vendor.

The Vendor shall ensure that all applicable laws and regulations in relation to the rights of women, young persons and children are complied with at all times.

FAIR TREATMENT AND NON-DISCRIMINATION

The Vendor shall ensure that all workers are treated with respect and dignity, irrespective of gender, race, caste, skin colour, age, pregnancy, HIV / AIDS, sexual orientation, marital status, religion, political opinion or affiliation, nationality, union membership, social or ethnic origin, disease or disability and shall have equal treatment and job opportunities, save and except where the job, to be done effectively, requires persons having particular skills. Fair treatment shall also include, but shall not be limited to, permitting employees to carryout religious observance, take prayer breaks and enjoy religious holidays, where such is required by law.

The Vendor shall ensure that in keeping with the requirements of the International Labour Organisation's Convention on Equal Treatment (No. 90 and 111) all workers, regardless of gender, shall receive equal pay including remuneration and benefits for equal value.

Fair Treatment of Women: The Vendor shall not impose requirements which would be seen as interfering with the personal lives of female employees or require the disclosure of information, which is gender specific, and shall ensure that laws regulating the rights of women workers, including expectant mothers and those on maternity, are always adhered to.

At no time shall the Vendor require any worker to carry out a pregnancy test. Female employees shall not be penalized for reasons of confinement or illnesses arising out of the same. Maternity leave shall be granted as prescribed by the law. Female workers returning from maternity leave shall be entitled to return to the same position with the same wages, and benefits as a minimum standard. Pregnant and nursing mothers shall be granted due protection in the working environment and be granted the feeding hour as prescribed by the applicable law. Vendor shall further ensure that welfare facilities such as lactation rooms are provided at all facilities. The Vendor shall not in any event force female employees to take contraception or indicate, expressly or impliedly, that pregnancy shall hinder their progress or continued employment.

CONTRACT OF EMPLOYMENT

All workers should be employed under a contract of employment recognised by local laws of its jurisdiction which clearly state the job description and the wages and benefits that the worker is entitled to. The Vendor shall not use any form of home working arrangement for the production, assembly or value addition of MAS goods and provision of services unless the prior written approval of MAS is obtained. Home working arrangements may be accepted only upon the employer meeting conditions of workers' basic rights and on the provision of acceptable working conditions.

PROHIBITION AND PREVENTION OF FORCED LABOUR

The Vendor must ensure that all its workers are employed freely under their own volition and prohibit the use of forced or compulsory labour, whether in the form of prison labour, indentured labour, bonded labour, involuntary overtime or otherwise. There must be no involuntary retention of identity documents or passport, deposits, or timelines applied to access these. Prison or forced labour shall include any production of any goods or components thereof, in whole or in part, in the Xinjiang Uyghur Autonomous Region (XUAR) of China.

The Vendor shall adopt a policy prohibiting forced labour in its operations and a verification program to ensure its policy implementation. The Vendor should communicate the adopted policy to employees, including managers, supervisors, and other staff within the Vendor's organization. The Vendor should communicate the adopted policy externally to its suppliers and employment agencies where applicable.

The Vendor shall conduct ongoing risk assessments on the risk of forced labour being used in its supply chain and operations and require its suppliers to conduct risk assessments. The Vendor shall maintain a program of monitoring and auditing its suppliers to ensure that they do not use forced labour in the manufacture or production of the goods or services provided to MAS at any time, including in the production of raw materials or component parts for the goods. If the Vendor learns of instances of forced labour in its operations, the Vendor must notify MAS immediately and remediate the violation.

The workers shall have the right to terminate their employment at their discretion by providing a reasonable period of prior notice, without unreasonable penalties being imposed for termination without notice.

WORKING HOURS AND LEAVE

The Vendor shall ensure that its working hours are limited to the legal maximum in accordance with International Labor Organization's standards, or the maximum number of hours prescribed by local law, whichever is lower. Any overtime work must be voluntary, employees shall have the right to refuse to work overtime without fear of any adverse consequences and the Vendor shall ensure that such refusals do not affect the terms of their employment. Further, it shall be the responsibility of the Vendor to ensure that any overtime work carried out by their workers are in line with the legally authorised limits, of its jurisdiction.

A worker shall be provided with at least one (01) day (24 consecutive hours) off in a seven (07) day period. The employees should be entitled to take the statutory leave provided to them, without any penalty for doing so.

The Vendor shall at all times adhere to the local laws, requirements for the provision of breaks, rest days and applicable working hours, as may be specially stipulated in relation to women and young workers.

FAIR WAGE

Vendors shall at a minimum, comply with all applicable wage laws and regulations, including those relating to minimum wages, overtime wages and legally mandated benefits, in a timely manner. The Vendor shall maintain records indicative of monthly and yearly payments made to its workers, specifying wages and any additional allowances paid.

Deductions from wages not provided for by local law shall not be permitted without permission of the worker concerned. Employees shall not be required to pay a recruitment fee at any time during the recruitment process.

BENEFITS AND COMPENSATION

The Vendor shall comply with its statutory obligations relating to contributions to social security and other retirement schemes in the jurisdiction of employment i.e., gratuity, maternity, unutilized annual leave and earned leave payments or any such other social security payments prescribed by local law. In-kind benefits shall be considered as part of an employee's benefits and compensation scheme as per the local law.

THE RIGHT TO COLLECTIVE BARGAINING AND FREEDOM OF ASSOCIATION

Employees must be allowed the right to form and belong to trade unions and any other forms of employee organizations of their own volition and without discrimination, harassment, interference, or retaliation.

Trade union membership or trade union activities shall not be a factor during the recruitment process. Vendor acknowledges that a democratic election and engagement of worker representatives is ensured to create a collaborative work environment by direct and constructive dialogue between the employees and the management.

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PROHIBITION OF HARASSEMENT AND ABUSE

The workers shall be treated with dignity and respect at all times and disciplinary measures shall be taken by the Vendor against those who engage in acts of harassment or abuse in the workplace. Harassment shall include physical, psychological, corporal and sexual abuse, verbal harassment or abuse and other forms of abuse.

There shall be specific focus on all forms of gender-based violence and harassment, including awareness and education on preventing the same.

EFFECTIVE GRIEVANCE HANDLING PROCEDURE

The Vendor shall have in place a structured grievance handling and complaint management procedure to provide recourse to all victims of workplace harassment and abuse, discrimination or any other workplace grievance and the said procedure shall be communicated to all workers.

The Vendor shall take all reasonable measures to ensure that all complaints are handled swiftly, in confidence and minimum reference to the complainant is made and ensure that where appropriate, anonymity of the complainant is preserved to the extent possible.

The Vendor shall take necessary steps to prevent retaliation against complaints made in good faith. A disciplinary procedure shall be established, based on natural justice and fair principles, to handle complaints proved to be true, and disciplinary action taken against the offender(s).

OCCUPATIONAL HEALTH AND SAFETY

The Vendor shall ensure that workers have a healthy and safe working environment with sanitation, fire safety, risk protection and electrical, mechanical and structural safety to carry out their work in alignment with local and international laws and standards at all times.

The Vendor shall ensure that employees are provided with a health and safety demonstration and informed of the clearly marked emergency exits during their orientation.

Further, the Vendor shall ensure that all systems necessary to prevent injury and accidents in the workplace are in place and notices indicating the safety measures that the workers should comply with are displayed around the work areas and employee communal areas. All notices pertaining to the health and safety of workers shall be in languages understood by all employees as well as depicted graphically. Where employees are illiterate the Vendor shall ensure that the employees are aware of, and understand, all the health and safety measures in place.

The Vendor shall take necessary steps to prevent accidents and injury arising out of, linked with or occurring in the course of work or as a result of the operation of the Vendors' facilities and provide the necessary personal protection equipment to its employees where necessary, at its own cost.

The Vendor shall have systems to detect, avoid and respond to potential risks to the safety and health of all employees.

Vendor must provide first aid kits which consist of medical supplies essential for treating at least minor injuries and illnesses suffered by employees.

The Vendor shall provide and maintain at convenient access points an adequate supply of clean drinking water and adequate and suitable washing facilities, on-site, or at easily accessible locations close to the facility.

The Vendor shall ensure that there are in place fire safety measures such as fire drills, alarms and automatic sprinklers appropriate for the workspace and number of workers. The measures shall specifically include at a minimum, the sufficient number of regularly maintained fire extinguishers and fire blankets placed in accessible locations around the workplace. Further, the Vendor shall provide the employees with training on the steps to be followed in the event of a fire. In addition, the employees shall be made aware of the fire departments telephone numbers, the fire exit locations and the fire evacuation points.

DORMITORY HEALTH AND SAFETY

Where the Vendor provides accommodation to its employees, the Vendor shall ensure that the dormitory complies to at least the minimum legal and hygiene standards. Vendor shall conduct routine tests to ensure the structural safety of the dormitory and carryout routine risk assessments. Fire extinguishers and first aid kits should be regularly maintained and provided in accessible locations in common areas, and emergency action plans and exit signs should posted. Vendor shall ensure that hazardous and combustible material used in the production process are not stored in the dormitory.

The Vendor shall ensure that the dormitories maintain good housekeeping rules and have in place fast response measures to deal with emergency situations (for example fire and rescue service numbers, ambulance phone numbers and emergency telephones that can be used by the residence).

ANTI-BRIBERY & CORRUPTION

EMPLOYEES

The Vendor shall at all times comply with the anti-corruption and anti-bribery laws and regulations within the jurisdiction of operation and the U.S. Foreign Corrupt Practices Act (FCPA), the U.K. Bribery Act 2010 (UKBA), United Nations Convention against Corruption (UNCAC) and any other applicable anti-corruption and anti-bribery laws, and shall at no time engage in bribery, corruption or unethical activity in order to obtain an improper advantage.

In addition, the Vendor shall;

- ▶▶ not give or receive anything of value in order to obtain an unfair business advantage
- ▶▶ take steps to prevent conduct that may violate applicable anti-bribery/anti-corruption laws, rules, or regulations, including false or misleading transactions or unrecorded payments, in a Vendor's books, and all records must be reported .
- ▶▶ ensure that he or his agents do not act in such a manner which may, collectively, be referred to as actions of bribery.
- ▶▶ not offer a financial or non-financial benefit to a party which, when observed by a third party, could be interpreted as bribery.
- ▶▶ ensure that the Vendor nor its employees, agents and representatives act in such a manner as to obtain an advantage which, if not for such act, could not have been obtained.
- ▶▶ not obtain a benefit from any third party on the premise of undertaking or procuring the performance of an improper act.

GOVERNEMENT

Vendor Partners may not offer any advantage to any government officials in the course of carrying out MAS Business. In addition, Vendors and their representatives and subcontractors cannot avoid responsibility by acting through others or by ignoring circumstances that indicate that a violation has occurred or is likely to occur. Vendor shall not authorize, offer, promise or give anything of value, directly or indirectly to any government official in order to obtain or retain business, operate its business or to secure an improper advantage.

Vendor shall represent and warrant that it is not wholly or partially owned by any government or government official, and that the Vendor shall notify MAS immediately if any of its owners become government officials or if the ownership of the Vendor company is transferred or sold to a government or governmental official.

NON-SOLICIATION

Vendors and the representatives of Vendors shall not directly or indirectly solicit the employees of MAS Group or its associates to seek employment or other contractual arrangements with the Vendor Partner for his or her own benefit or for the benefit of a competitor during the period of engagement with MAS.

ENVIRONMENT

ENVIRONMENTAL COMPLIANCE

(Air emissions, hazardous materials/ waste, and solid waste)

The Vendor shall protect human health and the environment by complying with all the environmental laws and regulations and have the relevant environmental permits and licenses required by applicable local and international laws and regulations, and best practices particularly in relation to air emissions, solid/hazardous waste and water discharge.

All chemicals shall be contained in properly labelled containers suitable for storing the chemicals safely. Where no laws and regulations pertaining to environmental protection and for the protection of human health exists, the Vendor shall take all reasonable steps to ensure that waste management and the discharge of chemicals into the environment are done so in a safe and controlled manner.

The Vendors shall ensure that all necessary measures are taken to maximise resource efficiency in the process and business and, to minimise the environmental footprint of the organization and to mitigate any negative operational impacts on health of its workers; i.e. abiding as per legal and compliance requirements on Chemical compliance, Environmental compliance and Sustainability as communicated from time to time.

ETHICAL SOURCING

SUPPLY CHAIN

MAS requires all its Vendors to source raw materials and fabrics responsibly. If MAS decides that working with certain companies, regions or countries is not allowed based on ethical, humanitarian or environmental concerns, Vendors must respect and abide by such decisions. The Vendor shall at all times comply with all applicable laws, regulations, statutes, prohibitions, or similar measures relating to the adoption, application, implementation and enforcement of economic sanctions, export controls, trade embargoes or any other restrictive measures, including, but not limited to, those administered and enforced by the European Union, the United Kingdom, and the United States, each of which shall be considered applicable to the Vendor (the "Sanctions and Export Control Laws"). The Vendor's compliance with Sanctions and Export Control Laws shall include, without limitation, obtaining any necessary consents, licenses and requesting or filing any documents with the cognizant regulatory authorities with respect to the exportation and importation of any goods, technology, software, or services.

The Vendor's compliance with the Sanctions and Export Control Laws shall further include the implementation of rigorous due diligence and other controls designed to prevent, deter, and detect any violations of the Sanctions, Export Control Laws, and forced labour laws, including specifically with respect to the human rights abuses in the Xinjiang Uyghur Autonomous Region (XUAR), and any business activity with sanctioned parties, or involving North Korea, Cuba, Syria, Iran, or the Crimea region, all of which are comprehensively sanctioned jurisdictions under applicable law. The Vendor shall not use any supply chain inputs or labour linked to the XUAR and shall conduct heightened supply chain mapping and traceability efforts to identify and immediately terminate any business that may involve XUAR or transferred XUAR labour.

Section 1502 of the Dodd-Frank Act passed by the congress of the United States of America (USA) requires all companies to disclose if they were sourcing conflicting minerals which directly or indirectly finance or benefited illegal armed groups of the Democratic Republic of Congo + 9 neighboring countries (Angola, Burundi, Central African Republic, the Republic of the Congo, Rwanda, South Sudan, Tanzania, Uganda, and Zambia). Therefore in the event MAS Vendor Partners use any minerals such as Gold, Tin, Tantalum & Tungsten (3TG) in the process of production, same has to be declared and disclosed to MAS.

Vendor partners shall ensure that the genuine and true origin of all products are reflected in country of origin declaration(s) made in conjunction with the importation of the products into the destination country, and that no shipment has been illegally transhipped from any other country. Vendor partners shall obtain written certification from vendors and manufacturers (or provide the declaration itself, as the case may be) certifying that the products have been produced within the country. In the event that the customs service of the destination country denies entry or evaluate any claim for penalty or liquidated damages on the grounds of an incorrect origin or incorrect origin declaration or incorrect textile visa or similar document, MAS shall be entitled at its sole discretion to withhold any payment due to Vendor partners for such shipment, and to recover losses and/or damages arising in connection therewith including penalties, liquidated damages assessed by or paid to such customs service.

Vendors who are engaged in manufacturing raw, semi-finished, and finished textile products at all processing levels, as well as accessory materials are required to have 'OEKO TEX Standard 100' certification or equivalent brand nominated for testing. Further, on a timely basis, the Vendors need to disclose all accurate information required to pass the testing carried out by the various brands.

For all products that the Vendor may source, the Vendor shall maintain a due diligence system to ensure that end to end evidence of sourced raw materials and product can be verified upon independent audit or review of your systems and processes and that the necessary documentation, certifications and information can be provided to MAS (if requested).

CARGO SECURITY AND U.S. C-TPAT PROGRAM

U.S. Customs and Boarder Protection (CBP) has instituted a cargo security program entitled Customs – Trade Partnership Against Terrorism ("C-TPAT") to create a more secure environment for the supply chain by preventing contamination of shipments by terrorists. Similarly, other countries including Australia, Dominican Republic, Hong Kong, New Zealand, Canada, Jordan, Japan, South Korea, the European Union (EU), Taiwan, Israel, India, Malaysia, Mexico, Singapore and Thailand, have adopted similar cargo security programs or arrangements intended to assist in securing and facilitating global cargo trade. As a requirement of MAS' Customers' participation in C-TPAT, MAS requires the cooperation and participation of all its Vendors.

INTELLECTUAL PROPERTY RIGHTS

CONFIDENTIALITY

Vendor Partners often come into contact with, or have possession of, confidential or sensitive information and must take appropriate steps to assure that such information is strictly safeguarded. This information could include business strategies, customer information, personnel records, processes and methods. Proprietary, confidential and sensitive information about MAS, MAS' business and MAS employees must be treated with discretion and only be disseminated on a need to know basis with prior authorization from MAS.

Vendors are required to review and execute a non-disclosure agreement with MAS.

MAS LOGO / PUBLIC COMMUNICATIONS

Vendor Partners must never speak to the public or release documents on behalf of MAS. Vendor Partners may not use the MAS name, official logo or any of its intellectual property in press releases or other outside communications without prior approval of MAS. We expect Vendor Partners to assist us in protecting the privacy, confidentiality, and interests of MAS, our current and potential products and services, associates, partners, customers, and competitors, whether at work, at home, in the community or online.

CUSTOMER INTELLECTUAL PROPERTY RIGHTS

Vendor shall not acquire any license or any other intellectual property interest in any Confidential Information disclosed to it by MAS including such information that pertains to customers of MAS. Further, disclosure of Confidential Information shall not result in any obligation to grant the Vendor any right in and to intellectual property in the Confidential Information.

Vendor agrees that during the term of its engagement with MAS and after termination thereof, the Vendor shall not either directly or indirectly register or attempt to register MAS's confidential information or any intellectual property including any patent, copyright and industrial design etc. or technology in whole or in part without the prior written consent of MAS.

TRADEMARKS

Vendor expressly agrees that it shall not have any right, title, or interest in the MAS' trademarks, and MAS shall have the sole right to establish specifications for use of such trademarks.

Neither Vendor nor any of its affiliated companies shall, in any country, apply for or seek registration of any word, trademark, trade name, or logo which is the same as or is confusingly similar to any of MAS' trademarks or which may be used in unfair competition therewith. Vendor further undertakes and agrees that it will not do, or, so far as it is able, allow to be done, any act which may in any way diminish, dilute, or adversely affect the reputation of any of the trademarks or impair the rights and good will of MAS.

BUSINESS DEALINGS

COMPETING WITH MAS

During its engagement with MAS and for two (02) years after the termination thereof, the Vendor Partners may not take advantage of a business opportunity that is intended for MAS which arises in the course of the engagement. Vendor Partners may not act as a competitor by providing or attempting to

APPEARANCE OF IMPROPRIETY

Vendor Partners must not engage in any act which would bring into question the good name and reputation of MAS. Because it is impossible to describe every potential issue, MAS relies on its Vendor Partners to exercise sound judgment, to seek advice when appropriate and to adhere to the highest ethical standards when interacting with or representing MAS. Furthermore, Vendor Partners must act with integrity in all of its dealings, whether directly or indirectly involved with MAS. Vendor Partners must monitor the activities of their employees and must ensure that they do not use MAS's name, property, facilities, relationships, or other assets for personal benefit or for outside work.

SUBCONTRACTORS

Where the Vendor subcontracts the services or goods to be rendered to MAS, the Vendor shall ensure that the third party subcontractor is made aware of this Code and all reasonable steps are taken to ensure compliance of the Code, by the subcontractor.

Sub contractors selection criteria and selection procedure/evaluation or monitoring procedure to be included as an annexure to this main document.

MISCELLANEOUS

The Vendor shall at all times comply with the obligations imposed by the local laws of that jurisdiction and ensure that all permits and licenses required for ethical manufacturing are obtained and are up to date.

The Vendor will make all efforts to assess compliance with this Code and enable authorized persons from MAS to enter the Vendor's premises, with at least five (05) working days prior notice, to assess compliance. Further, in the event gaps in compliance are identified the Vendor shall implement corrective steps as soon as reasonably practicable or within a period provided by MAS. Vendor shall, at any time upon the request of MAS, provide such evidence as MAS in its sole discretion decides as necessary, to certify the compliance with this Code by the Vendors.

The Vendor shall have in place a process for disposing of all raw material, finished product and packaging etc. Destruction of these shall be in the manner agreed to by the Vendor and MAS, in the Vendor's Agreement.

MAS will notify and inform the Vendor Partners of any updates, amendments or revisions to this Code which are made from time to time via email. Any such update, amendment or revision shall be binding on the Vendor Partner upon the receipt of such notice. The most recent version of the Code can be accessed **online by clicking here - <https://www.masholdings.com/life-at-mas/>**

The Vendor shall take all steps to ensure its affiliates, agents and sub-contractors are made aware of the requirements of this Code. Failure by the Vendor to comply with this Code shall be grounds for immediate termination of the Agreement between MAS and the Vendor, where the Vendor fails to take remedial action as soon as practicable.

DEFINITIONS

Any reference in this Code to employee(s), workers(s), his and him shall include all genders, unless specifically stated herein and any reference to MAS shall include any Company falling within the MAS Group of Companies. Any reference to the Vendor shall also include the Vendor's agents, subsidiaries and affiliates.

Some ILO Conventions relied on by this Code are; the ILO Convention on Forced Labour, Freedom of Association, Abolition of Forced labour, Minimum Age Convention and the Occupation Safety and Health Convention.

COMPLIANCE COMMITMENT

We hereby confirm that we consent to abide by the MAS Vendor Code of Conduct which shall supersede all prior and contemporaneous negotiations, understandings and agreements regarding the subject matter hereof.



We agree to comply with the MAS Vendor Code of Conduct, to ensure that all our employees and sub-contractors are informed about its contents and to ensure compliance by all our employees and sub-contractors. If I, or any other representative of my company, have questions concerning the meaning or application of MAS's Vendor Code of Ethics, or any other MAS policies,

I/we shall contact MAS immediately.

I/we are aware that all exchanges of information between me/us and MAS will be treated with confidence.

The Vendor acknowledges that he/she has read and understood this Code and hereby agrees to take all necessary measures to comply.

Name of Vendor : _____

Authorised Signatory : _____

Date : _____

MAS VENDOR CODE OF CONDUCT
ANNEXURE 1 – CHILD AND FORCED LABOR PREVENTION IN SUPPLY CHAIN

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A. Introduction

MAS is committed to ensuring transparency and traceability throughout our supply chain. The ability to trace our components from raw materials to the finished product provides us with the information that we need to uphold this Code, optimize our supply chain and to comply with applicable social compliance laws and international conventions such as the International Labor Organization (ILO) Forced Labor Convention, Uyghur Forced Labor Prevention Act (UFLPA), German Due Diligence Act, French AGEC Law and upcoming several legislatures from the European Union parliament on application of Digital Product Passport (DPP) for Apparel and Textiles (“Laws Prohibiting Child and Forced Labor”).

The UFLPA reinforces the United States (US) stance against the importation of goods produced with forced labor by establishing a rebuttable presumption that any goods, wares, articles, and merchandise mined, produced, or manufactured wholly or in part in the Xinjiang Uyghur Autonomous Region (XUAR) of the People’s Republic of China (PRC), or produced by certain entities¹ are not entitled to entry to the US. The UFLPA establishes a high burden of proof on US importers to comply with specified conditions and demonstrate clear and convincing evidence that (1) the goods are not mined, produced, or manufactured wholly or in part in XUAR, and are therefore outside UFLPA’s scope; or (2) the goods within UFLPA’s scope were not made with forced labor.

MAS is committed to supporting its customers in complying with any legislature in relation to combating child and forced labor across supply chains. This Annexure illustrates MAS’ approach for assisting its customers and provides a non-exhaustive list of documents that may be required to be provided under the existing and upcoming Laws Prohibiting Child and Forced Labor. MAS reserves the right to request for any additional documents from time to time as may be required.

We created this Annexure to communicate the requirements of Laws Prohibiting Child and Forced Labor and to clearly define the expectations that we have of our Vendors. This Annexure provides guidelines that will assist Vendors in understanding the processes for tracing materials and maintaining appropriate documentation. In the event a Vendor is sourcing any material contained in a finished MAS product from other third-party suppliers (upstream business partners), the Vendor shall ensure that the upstream business partners comply with the obligations set out herein.

The guidelines provided herein are intended to offer general information and assistance. They are not a substitute for professional advice. Vendors are encouraged to exercise their own discretion and seek professional advice if needed.

We look forward to working with you and appreciate your commitment to prevention of child and forced labor in our supply chains.

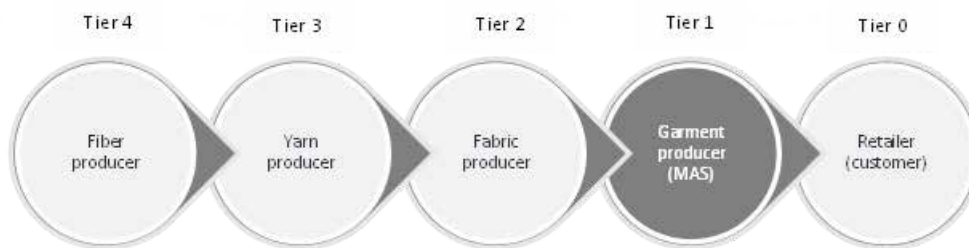
¹See US Department of Homeland Security UFLPA Entity List; <https://www.dhs.gov/uflpa-entity-list>.



B. Supply chain visibility

Supply chain visibility is a critical element for compliance with the Laws Prohibiting Child and Forced Labor. MAS expects all Vendors to support supply chain mapping to provide further visibility into MAS' supply chain.

To adequately respond to statutory and customer inquiries, mapping of a products' entire supply chain from the raw materials to the finished product imported into the end customer country is necessary. Our typical supply chain follows the following flow:



Relevant details for each stage of the supply chain shall be confirmed through a documented chain of custody with each material contained in a finished MAS product. As such, each vendor on the supply chain shall provide the documentation required for supply chain mapping, as specified in section C below. Furthermore, to facilitate mapping efforts, each document shall include key information that connects each step in the transportation and manufacturing processes such as detention number, entry number, bill of lading number, container numbers, contract numbers, purchase order numbers, production or work order numbers, and other relevant information.

C. Documentation Requirements

Each Vendor in the supply chain will also be required to provide documentation, as further described in this section either during a UFLPA applicability review submission or similar inquiry on child and forced labor in supply chains or as may be required by MAS from time to time. In the event a Vendor is sourcing any material contained in a finished MAS product from upstream business partners, the Vendor shall be responsible for obtaining the aforesaid documents from such upstream business partners and providing the same to MAS. The documentation packet shall include an index of the documents provided in the package according to supply chain level, as well as a brief explanation of the purpose of the document. Moreover, the documentation shall be annotated with the key information (as specified in Appendix A and Appendix B) that connects each supply chain level.

1. Demonstrating that goods are outside the scope of the Laws Prohibiting Child and Forced Labor

Goods sourced entirely from outside the XUAR, with no connection to entities on the UFLPA Entity List, shall have adequate documentation supporting the claim.

There are three general categories of documents necessary for tracing products: (1) documents demonstrating the parties participating in the transaction; (2) documentation relating to the payment and transportation of raw materials; and (3) transaction and supply chain records.

Below is a non-exhaustive list of documents expected to be provided by every Vendor in the supply chain of a MAS product when a MAS product is detained in the US as a result of any alleged breach of Laws Prohibiting Child and Forced Labor or as may be requested by MAS from time to time:

Documents demonstrating the parties participating in the transaction

- Invoice
- Purchase order
- Production contract
- Production/work order

Documentation relating to the payment and transportation of raw materials

- Bill of lading
- Foreign customs clearance
- Declaration forms and waybills
- Transportation records
- Manifest

Transaction and supply chain records

- Bill of materials
- Proof of payment
- Certificate of origin (or other document confirming origin)
- Packing list
- Bill of lading
- Manifest

The documentation checklist, containing details that should be included in the documents to demonstrate that the goods are outside the scope of Laws Prohibiting Child and Forced Labor, can be found in Appendix A.

The Vendors are required to maintain the above documents in respect of each shipment of goods for a period of ten (10) years from the date of delivery of the goods to MAS.

2. Overcoming the rebuttable presumption of the use of child and forced labor

Should a good be mined, produced, or manufactured wholly or in part in the XUAR, by an entity on the UFLPA Entity List or any other location specified by the respective government's legislature or upon customer inquiry, there is a presumption that the goods were produced using forced labor. End customer country importers may rebut the presumptions by presenting clear and convincing evidence that the goods do not have any ties with child or forced labor or an entity on the UFLPA Entity List.

Documents/information that governments or customers may request from MAS and its Vendors include but not limited to;

- 1) Supply chain documentation
- 2) Due diligence system information
- 3) Due diligence measures
- 4) Information on supply chain management measures
- 5) Evidence the goods were not mined, produced, or manufactured wholly or in part by Child and forced labor.

Supply chain documentation

See above for documents required for demonstrating goods are outside the scope of Laws Prohibiting Child and Forced Labor.

Due diligence system information

In order to request an exception from the application of the Laws Prohibiting Child and Forced Labor, the customers may request Vendors to sign a code of conduct forbidding the use of child and forced labor and addressing the risk of using government labor schemes in PRC or other countries, monitor compliance with such codes of conduct, conduct independent verification of the implementation and effectiveness of current practices or request that MAS terminate relationship with specific Vendors. As a result, MAS requests that all Vendors in its supply chain be prepared to comply with any of these requirements.

Due diligence measures

The Vendor also shall agree to implement and maintain due diligence measures to prevent, identify, and mitigate the risks of child and forced labor within its upstream supply chain. These due diligence measures include but is not limited to:

- a. Conducting risk assessments to identify areas of potential exposure to child and forced labor.
- b. Implementing policies and procedures aimed at preventing and addressing instances of child and forced labor.
- c. Regularly monitoring and auditing its supply chain to ensure compliance with these policies.
- d. Providing MAS with relevant information and reports upon request concerning Vendor's efforts in preventing child and forced labor.

Information on supply chain management measures

The customers may require MAS and all parties involved in the transaction to implement internal controls to prevent or mitigate the risk of child and forced labor. Whilst Vendors are expected to have their own internal controls to prevent or mitigate forced labor risks, the Vendors shall comply with any requirements of MAS or the customers related to such internal controls as may be communicated to the Vendors from time to time. Moreover, the Vendors are required to demonstrate that documents provided are part of an operating system or an accounting system that includes audited financial statements. MAS and all Vendors involved in the supply chain of MAS' products shall observe and comply customers' supply chain management measures.

Evidence the goods were not mined, produced, or manufactured wholly or in part by Child and Forced labor

The following documents/information or such other documents/information as may be communicated to the Vendors shall be provided when requested by the customer:

- a. Information on workers at each entity involved in the production of the goods such as wage payment and production output per worker;
- b. Information on worker recruitment and internal controls to ensure that all workers in were recruited and are working voluntarily; and
- c. Credible audits to identify child and forced labor. indicators and remediation of these, if applicable

A non-exhaustive checklist of documents that may need to be submitted to satisfy above information requirements can be found in Appendix B.

D. Response timing and recordkeeping

All required documents and information should be gathered both internally, as well as from upstream business partners within five (5) business days of the request from customers or MAS. The supply chain documents as specified herein shall be maintained for ten (10) years from the date of the transaction.

Appendix A: MAS Traceability Document Checklist – Demonstrating goods are outside the scope of the Laws Prohibiting Child and Forced Labor

Product Number/Identifier _____

Documents demonstrating the parties participating in the transaction

- Invoice**
- Product description
- Product quantity
- Product price
- Product number
- Product country of origin
- Buyer's name and location
- Seller's name and location
- Date
- Unique document reference number
- Relevant purchase order number
- Incoterms

- Purchase order**
- Product description
- Product quantity
- Product price
- Product number
- Buyer's name and location
- Seller's name and location
- Date
- Unique document reference number
- Incoterms

- Production contract**
- Effective date
- Producer
- Client
- Services/Project
- Costs
- Quality standards

- Production and/or work order**
- Manufacturer's name
- Factory address
- Requesting party
- Product name
- Quantity

- Price
- Factory production capacity reports
- Evidence the component material volume matches the output volume for the merchandise produced

Documentation relating to the payment and transportation of raw materials

- Transportation Documents** (e.g., bill of lading, customs clearance, declaration forms and waybills, transportation records and manifest)
 - Product description
 - Product quantity
 - Product price
 - Product number
 - Product country of origin
 - Buyer's name and location
 - Seller's name and location
 - Date
 - Vessel/truck/airplane unique identifier
 - Voyage/flight details
 - Unique document reference number
 - Relevant PO number(s)
 - Relevant invoice number(s)
 - Location of departure
 - Location of arrival
 - Incoterms
- Transaction and supply chain records**
 - Bill of Materials**
 - Input product² numbers
 - Input product descriptions
 - Input product quantity
 - Input product prices
 - Input product country of origins
 - Input product commercial document reference number³
 - Manufacturer's name
 - Output product number
 - Output product description
 - Output product quantity

^{*2} Product herein refers to components and products.

^{*3}This refers to the unique number identifying the invoice that was issued in acquiring the input product.

- Proof of Payment**
- Buyer's name
- Seller's name
- Amount
- Transaction reference number⁴
- Confirmation that payment was extended
- Confirmation that payment was received
- PO or invoice reference number

- Certificate of origin**
- Product description
- Product quantity
- Product country of origin
- Seller's name
- Date
- Certifying authority's name
- Certifying authority's mark
- Transactional document reference number⁵

- Packing list** (See transportation documents)

- Bill of lading** (See transportation documents)

- Manifest** (See transportation documents)

^{*4} A relevant commercial invoice or PO number should be referenced.

^{*5}This number ties the certified product to a specific transaction, typically utilizing the transaction's PO, invoice or BOL number.

Appendix B: MAS Traceability Document Checklist – Overcoming rebuttable presumption of the Use of Child and Forced Labor

Product Number/Identifier _____

- Supply chain documentation for demonstrating goods are outside scope of the Laws Prohibiting Child and Forced Labor (See Appendix A)
- Due diligence system information, as requested
- Due diligence measures, as requested
- Information on supply chain management measures, as requested
- Evidence goods originating were not mined, produced, or manufactured wholly or in part by child or forced labor
- Wage payment per worker at each entity involved in production
- Production output per worker at each entity involved in production
- Information on worker recruitment and internal controls to ensure that all workers were recruited and are working voluntarily
- Credible audits to identify forced labor indicators and remediation (if applicable)