



MARGA  
GROUP

AFFILIATES, SUBSIDIARIES AND ASSOCIATES:

MARGA ASIA LIMITED

MARGA GLOBAL TELECOM LIMITED

MARGA LANDMARK DEVELOPMENT Co., LTD

GLOBAL CALL LIMITED

COMMUNICATIONS ON PROGRESS 2016



# MARGA GROUP

## Statement from the Board of Directors

To our stakeholders,

We are pleased to confirm that Marga Group with its member companies including Marga Asia Limited, Marga Global Telecom Co., Ltd, Marga Landmark Development Co., Ltd and Global Call Limited reaffirm our support to the Ten Principles of the United Nation Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

We are one of the first foreign direct investors in Myanmar history to pledge 2% of annual profits for the sole use in sustainable CSR initiatives as an integral part of our MIC permit. Throughout the years, we have endeavoured and will continue to mobilize every member of our board and staff force to embrace and act upon our mandate of commitment to community work and social responsibility.

In our first annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and we strive to align our policies and practices with its principles.

We also commit to share this information with our stakeholders using our primary channels of communication so that together we can improve the economic, environmental and social well-being of the communities we work, live and operate in.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Alex Wong', written in a cursive style.

Alex Wong  
Executive Director

# OUR STORY

Marga Group is a diverse international corporate with a local Myanmar presence. Our story is built upon an unwavering commitment to excellence supported by our diverse and deep experiences in our industries. Our shareholders and directors are comprised of world-class professionals from Hong Kong, Korea, Australia and the United Kingdom. Individually and collectively, our team has completed landmark projects around the world.

Our core competencies lie in real estate and telecommunications, and we aim to become the most trusted and reputable foreign business in Myanmar.

## Our CSR Mission

### Firm-Wide Culture of Social Responsibility

While commercial success is paramount to any business, commitment to community care is equally, if not more, important for us. Marga Group is one of the first foreign direct investors in Myanmar history to pledge 2% of annual profits to corporate social responsibility on our investment license.

Marga Group has a mandate of making long-term, sustainable contribution to the social and community work in the Golden Land. Under the mandate, we set up two initiatives namely Marga Community Care (MCC) in 2013 and Marga Youth Foundation (MYF) in 2014.

We emphasize direct service, communication and actions as we implement our mandate. To date, Marga Group and its member companies, through the above-said initiatives, implement and maintain one of the country's most comprehensive CSR programs that aim to benefit the lives and address the needs of different groups and communities, and to manifest the messages of sharing, sustainability, responsibility, fairness and harmony.

In the past few years, more than 100 Marga employees, family and friends came together to care, to give, to share and to make a difference in the communities where we work and live.

#### Marga Community Care (MCC)



Marga Community Care is an initiative that advocates responsive, direct and continuous actions to relieve and assist in the needs of deprived communities and disaster-hit victims.

#### Marga Youth Foundation (MYF)



Marga Youth Foundation sets out to nurture and empower young people in their pursuit of excellence in academics and professional development. It also aims to cultivate channels for exchange of ideas and trends with international delegations and experts.



# HUMAN RIGHTS

## Assessment, Policy and Goals

“We support and respect human rights regardless of gender, race, religion, age and physical abilities. We embrace diversity and advocate inclusiveness, unity and harmony. We endeavour to employ practical means to eradicate prejudice, abuse and alleviate poverty, and provide a platform for our employees to practise acceptance, mutual respect and compassion.”

## Principles

### Principle 1:

**Businesses should support and respect the protection of internationally proclaimed human rights.**

### Principle 2:

**Make sure businesses are not complicit in human right abuses.**

# HUMAN RIGHTS

## Implementation

We believe and practise the internationally proclaimed principles with respect to human rights. We are an equal opportunity employer and corporate citizen who value and have respect for people from different religious backgrounds, gender, race, marital status and physical outlook. We also believe in unity and harmony in the midst of diversity.

We support people's rights to a safe and secure workplace amongst the proclaimed human rights. Therefore, we are committed to creating a safe workplace and encourages all its stakeholders including employees and contractors, to embrace safety as a personal and collective responsibility. We have hired a safety manager at the construction site of our current real estate project to develop and execute health and safety plans in the workplace according to legal guidelines.

We have set up two foundations to raise the society's awareness of the importance of practical and sustained actions to alleviate the needs of the communities with scarce resources and means, to empower the young people to pursue their aspirations, and to nurture inclusiveness, peace and harmony. Since inception, our two foundations have already implemented close to 100 CSR programs and initiatives through community service, long-term sponsorship, donation in cash and in kind, and direct aid. Most of these programs and initiatives are on-going, spanning across impoverished children and families, natural disaster-stricken communities, young people from diverse ethnic backgrounds, community leaders, scientific and technological research projects, and environmental awareness and conservation.



# HUMAN RIGHTS

## Measurement of Outcomes



During the year 2015-2016, Marga Group's community-based CSR programs and initiatives reached out to and provided community service and funds to over 2,000 children from more than 20 schools, 2 elderly homes, 2 general hospitals and 1 children hospital, and over 1,800 disaster afflicted households. Over the past 18 months, Marga Group initiated and pledged long-term and sustainable partnerships with various communities including a multi-ethnic orchestra and children's choir, 2 universities and 3 local NGOs.

We made a pledge of 10-year sponsorship to Orchestra for Myanmar, the first multi-ethnic youth orchestra in support of their mission of promoting



diversity, inclusiveness, peace and harmony. This year, being the second year of our sponsorship, Marga was instrumental in bringing renowned musicians and music professors from Hong Kong, Taiwan, Malaysia, United States and Spain to provide training for existing orchestra members, and training of musical talents in Kachin State and Kayin State. Our funds also contributed to the formation of the new children's choir composed of talented children from selected orphanages and monastic schools that Marga supported, and a number of international schools in Yangon. The orchestra held 6 public concerts this year, reaching out to more than 4,000 people from both local Burmese and international communities with their music and message on inclusiveness and harmony.



## LABOUR

### Assessment, Policy and Goals

“Creating a safe, healthy, non-discriminative and harmonious workplace for our employees regardless of racial background, gender, religion, age, duty and rank is core to our principle with respect to labour. We operate in strict compliance with existing labour law and regulations. We encourage and facilitate communication between and within departments, and an effective mechanism for grievance, comments, complaints and reconciliation is in place. We also nurture and reward performance, devotion and hard work.”

### Principles

**Principle 3:**

**Businesses should uphold freedom of association and 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.**

**Principle 6:**

**Eliminate discrimination in respect of employment and occupation.**

# LABOUR

## Implementation

We respect and value each of our employees. We comply with Myanmar Labour Law and the minimum wage standards. We sign employment contracts with the employees upon employment and the staff are duly compensated according to the respective contract upon resignation. In case of health problems, we fully support our employees until they recover with no deduction in their salary.

To our best endeavour, we also extend the same principles to our contractors by requiring all the local and foreign contractors the relevant valid licence to conduct business, and their workers have access to personal protection equipment and are covered by insurance.



We organize regular briefings on company policies and project progress, and training ranging from business English, office management, to workplace safety, all to encourage and equip our employees with the skills, knowledge and attitude necessary for improving effectiveness, performance and self-confidence.





# LABOUR

## Measurement of Outcomes



Marga fully complies with the Labour Law and ILO regulations. There is no discrimination due to gender, religion, ethnicity, age and physical outlook or abilities. This year we organized 6 sessions of corporate training and weekly English classes for the employees to improve their communication, professional and language skills. A bonus scheme and a commission scheme are in place to reward employees with improved performance and a yearly performance review is in place to assess the employees' performance and achievements. Employees demonstrating progress and achieving pre-set goals are duly recognized with salary

increment and promotion. At our project site, we organize regular training on important subjects such as project management and occupational safety for the supervisors and workers. All the staff members have the right to voice out their concerns and the management is open to suggestion from the staff. We have set up a "suggestion box" where the employees can submit anonymous notes and letters to express their grievances and raise questions. The box is opened once a week and comments and questions, should there be any, are addressed by relevant management team on a weekly basis. We have no child labour and forced labour.



# ENVIRONMENTAL

## Assessment, Policy and Goals

“We take responsible and sustainable actions to promote conservation and protection of the environment amongst employees and contractors.

We enforce policies and adopt environmentally-friendly features and methodologies in the design and execution of our projects while undertaking precautionary measures for anticipated environmental challenges.”

## Principles

### Principle 7:

**Businesses should support a precautionary approach to environmental challenges.**

### Principle 8:

**Undertake initiatives to promote greater environmental responsibility.**

### Principle 9:

**Encourage the development and diffusion of environmentally friendly technologies.**

# ENVIRONMENT

## Implementation

Keeping our communities green and sustainable is central to Marga Group's design and operation principles for our various projects.

Not only in our flag-ship real estate development located in Central Yangon, our architectural design team is given the mandate to incorporate green and energy-saving features and systems in the design of all projects. These features and systems aim to provide a clean, fresh, lush green living and recreational environment while facilitating and enabling the saving of energy, collection of rainwater for use in the landscape etc. We also



work with the neighboring communities in terms of noise and dust reduction and control in the course of construction so as to minimize the possibility of disturbance.

On providing a green environment for the local community and the city at large, Marga has worked with community leaders and taken steps to ensure the sustainability of a healthy and beautiful environment. Other than planting more than 200 trees and flower bushes in the neighboring community, Marga donated 10,800 trees to the city of Yangon and the trees have been planted in the Hlawgar National Park in the outskirts of Yangon.



# ENVIRONMENT

## Measurement of Outcomes



For the greenery of the environment we are living and working, other than enhancing the environment in the neighborhood by planting dozens of trees and flower bushes, we also donated 10,800 trees across 20 acres of park land at Hlawgar National Park in the outskirts of Yangon.



Our community service team is also active in promoting company-wide awareness of maintaining a sustainable and clean environment for community. We joined forces with the local fire department, Red Cross branch and members from the local community in a cleaning day for a children's hospital. 25 staff members including members from the senior management took part in the special service day.



# ANTI-CORRUPTION

## Assessment, Policy and Goals

“Anti-corruption is the backbone of our policy on corporate governance and our company is against all forms of corruption including extortion and bribery. We stipulate anti-corruption procedures and policies in all aspects of the operation covering material and supplies sourcing, procurement, service contracting, and personnel appointment. Punitive actions will be imposed on any employee or contractor who violates the procedures and policies.”

## Principles

### Principle 10:

**Businesses should work against all forms of corruption, including extortion and bribery.**

# ANTI-CORRUPTION

## Implementation

As a responsible company who values and advocates integrity in the way we conduct business, we take pride in ourselves for our zero tolerance for corruption and bribery. Before a contractor or supplier is shortlisted for entering a tender, a screening and pre-tender interview process is conducted by an independent third-party consultant and selected members from the board of directors. Upon deciding on the shortlist of contractors, we require the contractors or suppliers to sign an anti-corruption agreement as a prerequisite for submitting their tender. The painstaking tender process is one that involves detailed assessment, deliberation and meticulous review by a procurement committee with members from independent third-party consultants, all to mitigate and undermine the risk for corruption, bribery and foul play. In the case of violation of the anti-corruption principles, we make sure that timely and due punitive actions are taken against all the parties involved in the violation.

Upon employment of the staff, we also have them signed the anti-corruption agreement. We also always remind and facilitate our staff to report cases of corruption directly to the board of directors.



# ANTI-CORRUPTION

## Measurement of Outcomes



Depending on the nature and magnitude of the misconduct, after consulting with the relevant legal and professional consultants, we took appropriate punitive and disciplinary actions including termination, blacklisting, dismissal against contractors, suppliers and employees who irrefutably engaged in acts of corruption and bribery.

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