



**MARGA**  
**GROUP**

COMMUNICATION ON PROGRESS

**2019**

**AFFILIATES, SUBSIDIARIES AND ASSOCIATES:**

MARGA ASIA LIMITED

MARGA GLOBAL TELECOM LIMITED

MARGA LANDMARK DEVELOPMENT CO.,LTD.

GLOBAL CALL LIMITED





## STATEMENT FROM THE BOARD OF DIRECTORS

To Our Stakeholders,

We, Marga Group with its member companies including Marga Asia Limited, Marga Global Telecom Co., Ltd, Marga Landmark Development Co., Ltd and Global Call Limited, are committed to continue 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 up to 3% of annual profits for the sole use in sustainable CSR initiatives as an integral part of our investment permit. Throughout the years, we have endeavored and will continue to mobilize every member of our board and employees to embrace and act upon our mandate of commitment to community work and social responsibility.

In our fourth 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.

Sustainable development and philanthropy are central to our work. We are committed to adding value to the communities in which we work in and creating a better future for everyone around us.

Yours Sincerely,

Wilson Yeh

Director, Head of Property Development

# OUR STORY

Marga Group is a diverse international corporate with a local Myanmar presence. Our group derived its name from the Sanskrit word Marga, which means “path” in English, the Buddhist path to enlightenment.

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, telecommunications and consumer retail, and we aim to become the most trusted and reputable foreign business in Myanmar.

While commercial success is paramount to any business, commitment to community care is equally, if not more, important for us. Marga Group is the first foreign direct investor in Myanmar history to pledge up to 3% of annual profits to corporate social responsibility on our investment license.



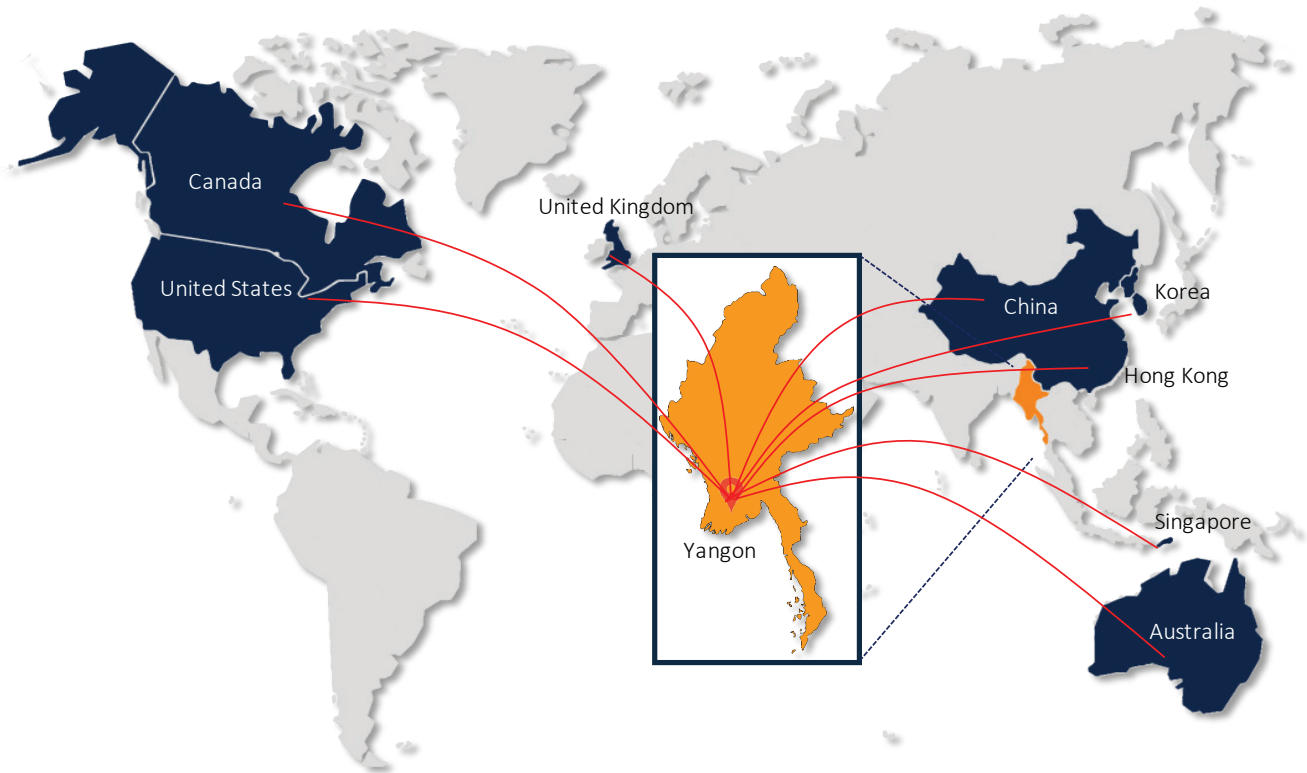
In real estate, our pursuit of excellent has driven us to break away from industry norms to craft finer residential living spaces and better commercial areas that raise the bar in luxury living and professional working standards. In telecommunications, our pursuit of excellence has motivated us to deliver better solutions to corporates and individuals at competitive prices. In consumer retail, our pursuit of excellence has led to the combination of Asia's most trending consumer concepts with Myanmar's unique culture, creating a collection of engaging retail experiences. Our service is unparalleled as we go above and beyond to make a distinction between scripted service and authentic engagement. In real estate, in

telecommunications and in consumer retail, we know our customers and we deliver beyond their needs.

These values are shown in our flagship project, The Central. Our project made clean sweep of the Myanmar Property Awards 2017, receiving the most awards – Best Condo Development, Best Retail Development, Best Mixed Use Development, Best Universal Design Development, Best Developer as well as Special Recognition in Corporate Social Responsibility. In addition, we also received two awards at the Myanmar National Real Estate Awards 2019 – Residential Developer of the Year and Best High-end Condo Development.



## DIVERSITY AND DEPTH OF EXCELLENCE



Through diversity, we enrich our business environment, creating more effective relationships with our employees, our customers, and the communities in which we live and work. Our team represents over 7 countries and we have worked in more. While breadth of experience is vital to the success of every development, the depth of our experiences is what sets us apart from our

peers. Our international team has extensive real estate development, corporate finance, telecommunications and fund management experience in Australia, China, Hong Kong, Malaysia, the Middle East, Thailand, New Zealand, Singapore, United Kingdom and the United States of America. We are the most experienced team in town.

# FIRMWIDE CULTURE OF SOCIAL RESPONSIBILITY

We have the most comprehensive corporate social responsibility program in Myanmar. Our program benefits the lives and addresses the needs of different groups and communities ranging from disaster victims, to orphans, to the elderly and to young musicians and professionals. We have created four initiatives: Marga Community Care which advocates responsive, direct and continuous actions to relieve and assist in the needs of deprived communities and Buddhist establishments; Marga Youth Foundation which sets out to nurture and empower young people in

their pursuit of excellence in academics and professional development; Marga Clean Water Initiative which aims to meet Sustainable Development Goal 6 of ensuring access to water and sanitation for all; and Marga SME Initiative which welcomes any SMEs led by young Myanmar entrepreneurs to enlist and promote their business. In the past few years, more than 200 Marga employees, family and friends have come together to care, to give, to share and to make a difference in the communities where we work and live.



# FIRMWIDE CULTURE OF SOCIAL RESPONSIBILITY

## MARGA COMMUNITY CARE

Marga Community Care is an initiative that advocates responsive, direct and continuous actions to relieve and assist needs of deprived communities and Buddhist establishments.

Since its inception in 2013, MCC has reached out to more than 60 schools and orphanages, 3,000 elderly and 2,500 disaster afflicted households with donations of cash and supplies, and direct caretaking assistance.



## MARGA YOUTH FOUNDATION



Marga Youth Foundation sets out to nurture and empower young people in their pursuit of excellence in academics and professional development. It aims to cultivate channels for the exchange of ideas and sharing of knowledge and experiences with international delegations and experts. We are passionate about nurturing and equipping the young people of Myanmar to pursue their dreams and aspire for excellence. This year, we implemented an initiative where we invited Italian Musicians from Italy to train young musicians in Myanmar.

Marga Youth Foundation continues to provide long-term scholarships and research funds to universities.

## MARGA CLEAN WATER INITIATIVE

Marga Clean Water Initiative aims to meet Sustainable Development Goal 6 of ensuring access to clean water and sanitation for all.

In 2016, Marga conducted surveys with local administrations to implement the Clean Water Initiative in the outskirts of Yangon. In 2017 – 2019, we installed water purification system across 12 public schools. We target to install water purification systems for more than 20 public schools by 2021, giving more than 7,000 children access to clean water. As of 2019, our access has already extended to more than 3,500 students.



## MARGA SME INITIATIVE



Marga SME Initiatives began as an initiative to raise the living standards of Myanmar by mobilizing, motivating and maintaining continuous actions of love and care. Over time, these values evolved into nurturing and empowering the young entrepreneurs of Myanmar. This initiative is developed in dedication to SMEs led by Myanmar young entrepreneurs under the age of 40. We are welcoming any SMEs led by Myanmar young entrepreneurs to enlist in our campaign and promote their business at our newly opened project, The Central Boulevard.

# OUR GUIDING PRINCIPLES

## WE BELIEVE IN HONESTY, TRANSPARENCY AND FAIRNESS

In all aspects of our business and expect the same in our relationships with all those with whom we do business. We believe in fulfilling our promises and doing what we say we will do.

## WE HAVE AN UNCOMPROMISING RESOLVE FOR EXCELLENCE.

Our experience shows that if we provide the best products for our customers, our own success will follow. If it came to a choice, we would rather be best than biggest.

## WE ARE PROFESSIONALS.

We take great pride in the professional quality of our work. Our team goes to great lengths to ensure flawless delivery. In everything we do, we maintain the highest international standards and we strive for perfection.

## WE BELIEVE OUR BUSINESS IS SUCCESSFUL ONLY IF WE BENEFIT THOSE AROUND US.

Sustainable development and philanthropy are central to our work. We are committed to adding value to the communities in which we work and creating a better future for everyone around us.





# CORE BUSINESSES

## REAL ESTATE DEVELOPMENT

The Yangon property market is rich with opportunities. After a decade of reforms led by political pioneers, Myanmar has transformed an isolated economy into one of Asia's most sought-after investment attractions. Yangon, once Asia's most prosperous city half a century ago, is now regaining the interest of savvy international investors as the most vibrant and fastest growing business hub in the region.

At the heart of a country of over 50 million people, Yangon has witnessed unprecedented growth in its property market since 2012. Now in the wake of an influx of multinational corporations and the promulgation of the new Condominium Law that allows foreign ownership of property, demand for international-standard properties and commercial spaces in a city that

has yet to see true quality development can only be expected to rise even further.

Marga Group aims to be the largest and most reputable international real-estate developer in Myanmar, and strives to deliver the finest and most exquisite properties this country has ever seen. Focusing on high-end world-class developments in Yangon, our international development and management team has extensive experience in master planning, project design and management, project execution, and property and asset management across the Asia Pacific region. Our team of industry experts has an uncompromising passion for the highest quality. We believe in only bringing the best to our end-users that will truly define an exquisite, metropolitan as well as sustainable lifestyle.



# DEVELOPMENTS

## THE CENTRAL BY MARGA LANDMARK

Right by Yangon's famous Inya Lake and situated at the corner of Kabar Aye Pagoda Road and Kanbe Road, two of Yangon's busiest roads, The Central sets out to be a world-class real estate development that showcases the beauty and urban vitality of the booming economic center in the ASEAN region. Inya Lake is the largest lake in Yangon and the most beautiful recreation hotspot for tourists and locals. Much of the Inya Lake shoreline lies some of the most expensive private properties in the country. Having the most expansive view of Inya Lake, The Central effortlessly links its residents to Yangon's central

business district, and the charming neighborhood and international hubs inside Yankin Township, a thriving commercial hub for upscale Yangon where The Central is located.

The Central consists of the first international retail promenade in Myanmar, stylishly fitted residential towers, a boutique shopping mall and grade-A commercial office space. The Central will become an iconic landmark for modern, sustainable living and for the local and international community to live, work and play.



# DEVELOPMENTS

## THE PARK BY GREEN URBAN VENTURES

The Park is Marga Group's latest mixed-use development in Myanmar. Our aim is to create a new culture, green, transport and smart hub in a highly prominent location. The Park will deliver a culturally-rich and exclusive escape for its community to experience urban lifestyle in serenity.

The project is an international standard mixed-use urban development that also considers eco-friendly and energy efficient features in building design as well as integrated infrastructure for built-in telecommunication and high-speed data networks.



# TELECOMMUNICATION

Marga Global Telecom holds a Network Facilities Services (Individual) License to operate in Myanmar. It is strongly backed by Global Call, a leader in the Hong Kong telecommunications sector, and supported by VSC, a solutions leader in the across international telecoms markets. We have utilized latest Gigabit Passive Optical

Network (GOPN) technology and innovative wireless technology to provide Fiber Internet Services, Wireless Internet Services and Metro Wi-Fi Services in Yangon.



## CONSUMER RETAIL

Our Consumer Retail vision currently encompasses 5 food & beverage brands, which we have delivered through our deep industry connectivity and understanding of Myanmar consumers.

### THE CENTRAL SWEETS

Yangon First's Dessert Destination Concept



We house a variety of international and local dessert options such as Remicone, Yogurtland, Family Crepes, Caca, Naked Dessert and Dirty Little Secrets.

### ORIGIN COFFEE

Myanmar's Coffee Revelation



A café brand educating the world on Myanmar's brilliant coffee, with plans to expand upstream into the coffee bean production value chain.

## CONSUMER RETAIL

### REMICONE

Korean Ice Cream Sensation, First Store in Southeast Asia



Introducing a variety of ice creams, made with ingredients sourced directly from Korea.

### LOCALE AND AH SSA

Classic Western & Korean Cuisine with Premium Myanmar Produce



A two-floors-two-brands concept with healthy interpretations of classic western food and hearty Korean cuisine.

# THE TEN PRINCIPLES OF THE UNITED NATIONS ("UN") GLOBAL COMPACT

On 23 December 2015, Marga Group became a signatory of the UN Global Compact's Ten Principles. By incorporating these principles in our strategies, policies and procedures, we pledge to meet fundamental responsibilities in the areas of human rights, labour, environment and anti-corruption. The Ten Principles of the

UN Global Compact are listed below and are derived from the Universal Declaration of Human Rights, the International Labour Organization's declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United National Convention Against Corruption.

## HUMAN RIGHTS

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

## LABOUR

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

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

Principle 5: the effective abolition of child labour; and

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

## ENVIRONMENT

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

## ANTI-CORRUPTION

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

# HUMAN RIGHTS

## PRINCIPLES ASSESSMENT, POLICY AND GOALS

Marga is committed to support the Universal Declaration of Human Rights, based on equality and non-discrimination principles. Each of our stakeholders is entitled to all the rights and freedoms regardless of their race, sex, religion, birth or other status. We do not tolerate any form of child and forced labour and we take extra precautions to prevent this from happening in all our businesses and supply chains. We also respect our employees' rights to freedom of association and to be members of trade unions. During the reporting period, we are pleased to report that we have had no incidents in relation to discrimination, forced labour or child labour.

We make sure that there are no acts of torture or cruel, inhuman or degrading treatment or punishment within our organization. We trust and practice that everyone has the right to equal pay for equal work.

We strive to ensure that everyone could afford a standard of living adequate for the health and well-being of themselves and of their family. We encourage our stakeholders to value the importance of education and fully grant flexibility to technical and professional education.



**Principle 1:** Businesses should support and respect the protection of internationally proclaimed human rights; and

**Principle 2:** make sure that they are not complicit in human rights abuses.





# HUMAN RIGHTS

## IMPLEMENTATION

As stated in our guiding principles, Sustainable development and philanthropy are central to our work. We are committed to adding value to the communities in which we work and creating a better future for everyone around us.

We have implemented four initiatives: Marga Community Care, Marga Youth Foundation, Marga Clean Water Initiative and Marga SME Initiative. The goal is to raise the society's awareness of the importance of practical and sustainable actions to help alleviate the needs of communities with scarce resources and means, to empower the young people to pursue their aspirations, and to nurture inclusiveness, peace and harmony.

Through one of our initiative, we got to sponsor a short film known as Still/Life - The Story of Awakening, which features youth are pushing the boundaries of art, sports and culture. Still/Life – The Story of Awakening won Best Short Form Content in the Asian Academy Creative Awards. It was the first time for Myanmar to win such award in that category.

Above mentioned initiatives are ongoing and spanning across impoverished children and families, natural disaster-stricken communities, young people from diverse ethnic backgrounds, underdeveloped communities, community leaders, scientific and technological research projects, and environmental awareness and conservation.



## MEASUREMENT OF OUTCOMES

Marga firmly believes that all children should have equal opportunity to have a wonderful childhood. We are committed to support and enrich the health, welfare and education of the less unfortunate children.

From 2014 – 2019, we have provided community service and funds to over 17,000 children from more than 65 schools, 4 elderly homes,

3 general hospitals, 1 children hospital, over 2,500 disaster afflicted households and dozens of orphanages. Our newly implemented Marga Clean Water Initiative has provided clean water to more than 3,500 students from more than 12 public schools in the outskirts of Yangon.

## PRINCIPLES ASSESSMENT, POLICY & GOALS

Nationwide, Myanmar has been actively promoting the campaign for the demolition of forced and compulsory labour. Marga has been participating in this campaign by making sure that none of our workers feel forced to work involuntarily. Creating a safe, healthy, non-discriminative and harmonious workplace for our employees is core to our principle with respect to labour. We also nurture and reward performance, devotion and hard work.

We take great pride in the complete absence of child labour in Marga and in our corporation, contractor, supplier partners.

As Marga recognizes employees as one of the most important stakeholders of the organization, we also respect and practice the promotion of our workers' right to collective bargaining. We appreciate the comments and addresses from our employees in terms of working environment, conditions, employment terms and relations between employers and employees, or their respective groups. We believe that keeping close and transparent relationships with worker representatives increase our understanding of potential issues and thus assist more effectively in finding the best possible solution for issues that may arise.



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

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

**Principle 5:** the effective abolition of child labour; and

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



# LABOUR

## IMPLEMENTATION

Our goal is to elicit the right fit for our people to grow and develop their career with us while we provide a safe working environment for our employees, especially for our onsite employees. We believe in growing capabilities of our workforce by attracting, developing and retaining the right people. We empower and invest in strengthening our people at all levels with relevant skills and knowledge through training, professional development and engagement activities. We continue to operate a robust talent review process to build an effective talent pipeline and succession planning. At the same time, we also provide fair remuneration and rewards, as well as opportunities and resources to our employees to acquire new skills and enhance existing ones.



Our human resources department takes charge in making sure that our workers are fully informed about their right for freedom of association upon joining Marga on their first day of work. In addition to this, our HR would organize seminars with local authorities from Labour Offices on an annual basis. Representatives from each department are invited with compulsory attendance to learn from these seminars, which benefit their leadership and team culture. The representatives are briefed thoroughly about the rights and freedom of association for employees.

We also hold various programmes that focus on upgrading the competencies of our people and increasing their productivity whilst creating a talent pool for effective succession planning. Investments are made in structured on-the-job trainings, workshops and seminars covering areas ranging from management, technical, communications,



and leadership to soft skills. In support of continuous professional development, we support our employees in their career development through coaching, feedback, advice, as well as access to learning opportunities for performance enhancement. The training is provided either in-house, through e-learning or through external training providers.

All employees undergo an annual performance and career development review to assess performance, areas for improvement,

development needs and career plans. Key performance indicators (KPI), both for the business as well as the employee, are in place to ensure that performance goals are aligned with our business objectives.

We have an open-door policy, allowing all employees to obtain a fair review and a prompt response to problems or concerns relating to any aspect of their work by raising their concerns to superiors, heads of department, higher management or to the HR Department.

# LABOUR

## MEASUREMENT OF OUTCOMES

In addition to our endeavor to develop a safe and fair working environment for our employees, we strongly encourage our employees to engage in community services. We have been doing so since we first came to Myanmar in 2013.

Marga is committed to the people and future development of this great country. The progress

and maturity of a nation is often determined and measured by growth, development, and the quality of its future leaders. We have been supporting many aspects of the community and contribute to the strengthening and improvement of education standards within society.



# ENVIRONMENT

## PRINCIPLES ASSESSMENT, POLICY & GOALS

It is our main priority to maintain and develop green and sustainable communities. Marga, being a real estate developer, focuses not only on urbanization but also conserving a green environment by promoting sustainable actions. We make sure to produce less waste and cause the minimum possible harm to the environment

while we are undergoing construction activities. We achieve this by taking precautionary approach to environmental challenges. We work very closely with our suppliers, contractors, and business partners to use modernized environmentally friendly technologies.



**Principle 7:** Businesses should support a precautionary approach to environmental challenges;

**Principle 8:** undertake initiatives to promote greater environmental responsibility; and

**Principle 9:** encourage the development and diffusion of environmentally friendly technologies.



# ENVIRONMENT

## IMPLEMENTATION

We are aware of the importance of environmental protection and conservation where there are increasing environmental problems resulted by human activity. As an organization that is

committed to fighting damage to the environment, we avoid causing pollution and waste, minimise energy consumption and promote clean air and clean water wherever possible.

### ENVIRONMENTAL PROTECTION MECHANISMS

It is our duty to take responsibility in protecting our environment and causing less pollution. We practice environmental protection mechanisms in our construction site by reusing concrete, brick, wood and steel debris from the construction for the paving of construction roads and temporary site facility construction. By doing so, we generate less waste and utilize less concrete and bricks than conventional construction sites.



### PROVIDING ACCESS TO PURIFIED WATER FOR HEALTHIER LIVES

In 2016, Marga implemented the Clean Water Initiative in the outskirts of Yangon. By the end of 2019, Marga installed water purification systems in 12 public schools to benefit more than 3,500 children by providing access to clean water. We plan to install water purification systems for more than 20 public schools by 2021, which will benefit more than 7,000 children.



# ENVIRONMENT

## IMPLEMENTATION

### CARING AND SPREADING LOVE TO THE CHILDREN

We implemented The Children's Initiative in 2019 which aims to support the society in a way that improves children's wellbeing, especially for those who are surviving with little love and care. Within a year, we have reached out to 24 schools and orphanages, and met more than 10,000 children from different backgrounds, ethnicities and religions. This initiative is developed to provide support for children's education, livelihood and happiness. We donate all basic necessities and more that are urgently by orphanages and schools.



### CREATING YANKIN PARK

As Yangon is densely populated with millions of people, public open spaces are very hard to find. To improve quality of life and the wellbeing of the community, we have built a public park within Yankin Township in August 2019. This will allow adults and children from the neighborhood to get outside and enjoy active lifestyles.





# ENVIRONMENT

## MEASUREMENT OF OUTCOMES

Marga recognizes that preserving the environment and giving back to those around us is a social obligation. Therefore, we have been actively working on making a positive impact in aspects of our work. Our efforts in creating a green and clean environmental footprint have

resulted in less waste and more purified drinking water. Our efforts in community engagement have resulted in improved education and well-being for underprivileged children throughout the year, and a new public open space for a now happier and healthier neighborhood.



# ANTI-CORRUPTION

## PRINCIPLES ASSESSMENT, POLICY & GOALS

Marga is an organization committed to follow UNGC's principle of anti-corruption. Integrity and transparency are fundamental values we hold to fight against corruption in any forms.

We prohibit everyone in our company from involvement in extortion and bribery, and take effective action on those who have engage in any kind of corruption.



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



# ANTI-CORRUPTION

## IMPLEMENTATION

We make sure all levels of management comply to clear and strong policies about avoiding corruption. We have comprehensive monitor and control mechanisms to ensure anti-corruption and anti-bribery policies are obeyed by our stakeholders, business partners, and governmental as well as non-governmental organizational partners. We have signed an "Anti-corruption Agreement" stating that the

contractor/stakeholder shall not offer any advantage in any form (including but not limited to gifts, cash, gift coupons, banquets and loans) to us, the client. Furthermore, employees are encouraged to report incidences regarding corruption. Whistleblowers are rewarded for reporting any acts of corruption and are ensured confidentiality.



## MEASUREMENT OF OUTCOMES

Maga interact and conduct business and partnerships with all types of stakeholders through lawful and justified means. We operate with openness and transparency while doing business by adopting the anti-corruption and

anti-bribery policy. By doing so, we never failed to comply to The Anti-Corruption Law and the internationally standardized and accepted Code of Business Conduct and Anti-Bribery policy.

## DISCLAIMER

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