



MARGA
GROUP



COMMUNICATION ON PROGRESS 2020

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 fifth 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,

Mr. Elliott Suen
Executive Director

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 profound experiences in our industries. Our shareholders and directors comprise 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.



PURSUIT OF EXCELLENCE

In real estate, our pursuit of excellence 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 corporations 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, telecommunications, and consumer retail, we know our customers and deliver beyond their needs.

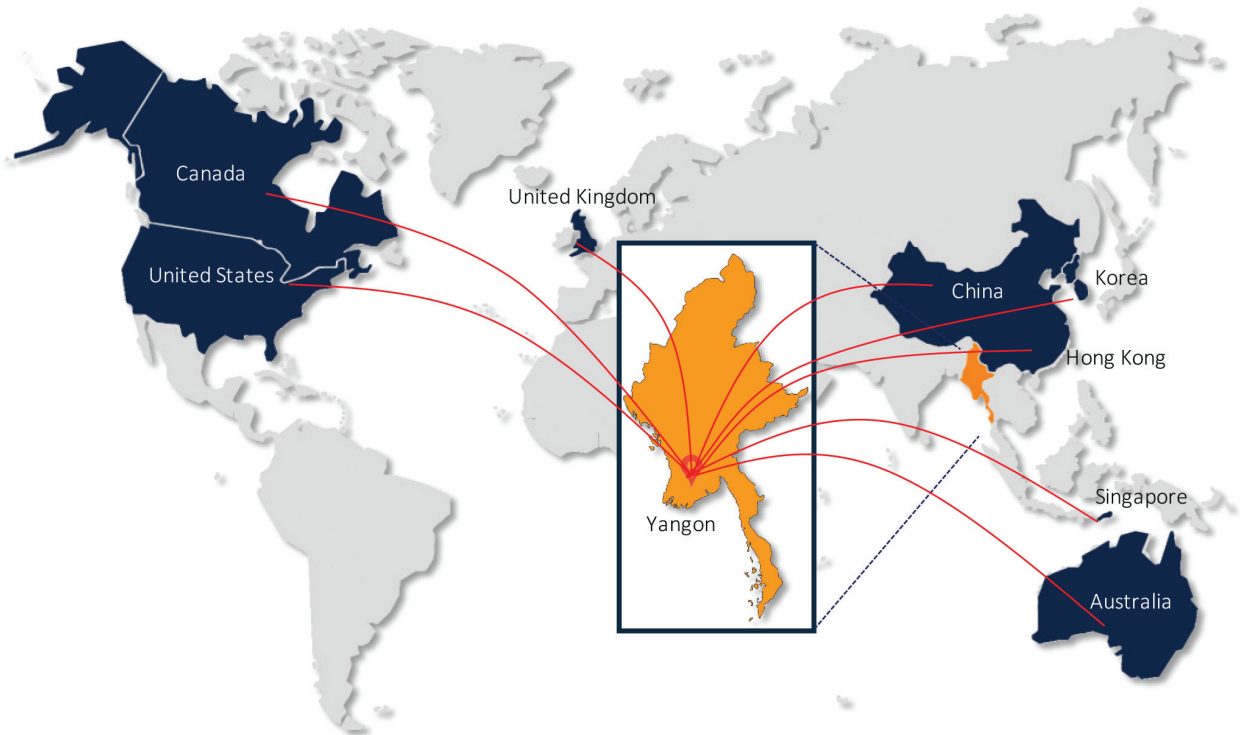


These values are shown in our flagship project, The Central. Our project made a clean sweep of the Myanmar Property Awards 2017, receiving the most awards – Best Condo Development, Best Retail Development, Best Mixed-Use Development, Best Universal Design Development, Best Developer as well as Special 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, and Best Modern Architectural Design. In 2020, we won another four awards from the International Property Awards 2020 – 2021 for a Asia Pacific Region: Best Mixed-Use Development Myanmar, Best Residential High Rise Development Myanmar, Best Development Marketing Myanmar, and Best Residential High Rise Architecture Myanmar.

DIVERSITY AND DEPTH OF EXPERIENCES

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 seven countries, and we have worked in more. While the breadth of experiences 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, Singapore, the 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 different groups and communities' needs, ranging from disaster victims to orphans, the elderly, 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 250 Marga employees, family, and friends have come together to care, give, share, and make a difference in the communities where we work and live.



● CARING

● SHARING

● GIVING

● MAKING A DIFFERENCE



MARGA COMMUNITY CARE

Marga Community Care is an initiative that advocates responsive, direct, and continuous actions to relieve and assist the 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 to pursue excellence in academics and professional development. It aims to cultivate channels to exchange ideas and share knowledge and experiences with international delegations and experts. We are passionate about nurturing and equipping Myanmar's young people 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 systems 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 2020, our access has already extended to more than 3,500 students.



MARGA SME INITIATIVE

Marga SME Initiatives began as an initiative to raise Myanmar’s living standards 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’s young entrepreneurs under the age of 40. We welcome any SMEs led by Myanmar young entrepreneurs to enlist in our campaign and promote their business at our retail promenade, The Central Boulevard.



OUR GUIDING PRINCIPLES

**WE BELIEVE IN HONESTY,
TRANSPARENCY AND FAIRNESS.**

- We contemplate integrity in our business and relationships with other companies. We believe in fulfilling our promises and doing what we say we will do.

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 HAVE AN
UNCOMPROMISING RESOLVE
FOR EXCELLENCE.**

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

**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. Once Asia's most prosperous city half a century ago, Yangon 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, and 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.

THE PARK BY GREEN URBAN VENTURES

THE PARK is Marga Group's latest mixed-use development in Myanmar. Set at the crossroads of modern living and cultural sophistication, The Park draws from the best of Myanmar's heritage and dynamic creativity and elevates it through an organic blend of luxury, convenience, and connectivity. It is where discerning communities find inspiration, exceptional livability, and cultural discovery.

Tailored for Yangon's cultured elite, The Park finds an equally cultured home at Baho Road in Ahlone Township. With breathtaking views of the Shwedagon Pagoda and the Yangon river, the leafy and upscale neighborhood is replete with embassies, theatres, and museums, as well as some of the nation's most prestigious education institutions.



TELECOMMUNICATIONS

Myanmar's telecommunications sector has undergone a staggering transformation since 2013. With the introduction of foreign competition, new mobile services have penetrated the market at breakneck speed. The liberalization of Myanmar's telecommunications industry has opened up a market of 55 million users who were deprived of basic network services and a country that is in dire need of principal telecommunications infrastructure. As one of the top three fastest-growing markets globally in terms of mobile subscribers, Myanmar is witnessing a revolution within its telecommunications sector as one of the world's last frontier markets with an enormous potential waiting to be unlocked.



MARGA GLOBAL TELECOM

Marga Group operates in this hugely promising sector through its subsidiary Marga Global Telecom that sets out to be a leading telecommunications services and facilities provider in Myanmar. Strongly backed by Global Call, a leader in the Hong Kong telecommunications industry, Marga Global Telecom has a world-class management team of seasoned professionals with extensive experience and market-leading knowledge of the sector all across the Asia Pacific region. Currently holding the Network Facilities Services (Individual) License, the country's most senior license in the telecommunications industry after the Master License, Marga Global Telecom is best positioned to lead and transform the country's standard and users' experience, meeting the growing demands for world-class facilities, reliable networks, and seamless services.

CONSUMER RETAIL

Marga Consumer Retail combines the most trending consumer concepts throughout Asia with the unique culture of Myanmar to deliver a collection of engaging retail experiences. Our vision currently encompasses 5 food & beverage brands, which we have delivered through our deep industry connectivity & understanding of Myanmar consumers – these concepts range from restaurants to cafés.



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, labor, environment, and anti-corruption. The Ten Principles of the

UN Global Compact are listed below. They are derived from the Universal Declaration of Human Rights, the International Labor 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.

LABOR

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 labor;
Principle 5: the effective abolition of child labor; 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

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.

PRINCIPLES ASSESSMENT, POLICY AND GOALS

Marga is committed to supporting the Universal Declaration of Human Rights, based on equality and non-discrimination principles. Each of our stakeholders is entitled to all rights and freedoms regardless of race, sex, religion, or birth. We do not tolerate any form of child and forced labor, 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. We are pleased to report that we have had zero incidents concerning discrimination, forced labor, or child labor during the reporting period.

We make sure that there are no acts of torture or cruelty, 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 can afford a standard of living adequate for themselves and their families' health and well-being. We encourage our stakeholders to value the importance of education and fully grant flexibility for technical and professional education.



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 1). 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, 2). empower the young people to pursue their aspirations, and 3). nurture inclusiveness, peace, and harmony.

The initiatives mentioned above 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 an 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 – 2020, 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 Yangon's outskirts.

LABOR

Principle 1 : Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 2 : the elimination of all forms of forced and compulsory labor;

Principle 3 : the effective abolition of child labor; and

Principle 4 : the elimination of discrimination in respect of employment and occupation.

PRINCIPLES ASSESSMENT, POLICY & GOALS

Nationwide, Myanmar has been actively promoting the campaign for the demolition of forced and compulsory labor. Marga has been participating in this campaign by ensuring that none of our employees feel compelled to work involuntarily. To create a safe, healthy, non-discriminative, and harmonious workplace for our employees is our core principle. We also put our best effort to nurture their performance, devotion, and hard work. Moreover, we ensure there are no child labor abuse in Marga and our corporation, contractors, and suppliers. As Marga recognizes employees as one of the organization's most critical stakeholders, we also respect and practice promoting our workers' right to collective bargaining. We appreciate and take action on our employees' comments regarding the working environment, conditions, employment terms, and relations between employers and employees or their respective groups. We believe that keeping close and transparent relationships with employees increases our understanding of potential issues and helps find the best possible solution to handle various problems.



IMPLEMENTATION

Our goal is to elicit the right fit for our employees to grow and develop their careers while providing a safe working environment, especially for our onsite employees. We empower and invest in strengthening our employees 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, rewards, and resources to our employees to acquire new skills and enhance existing ones.



Our human resources department takes responsibility, ensuring that our employees are fully informed about their right to freedom of association upon joining Marga on their first day of work. In addition, our HR would organize seminars with local authorities from Labor Offices annually. 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 programs that focus on upgrading our employees' competencies and increasing their productivity while creating a talent pool for effective succession planning. For our employees to improve in professional skills, we invest in structured on-the-job training, workshops, and seminars covering areas ranging from management, technical, communications, and

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 and the employee, are in place to ensure that performance goals align with our business objectives.

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

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 the HR Department.



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 are often determined and measured by growth, development, and the quality of its future leaders. We support many aspects of the community and contribute to the strengthening and improving education standards within society.

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.

ASSESSMENT, POLICY & GOALS

It is our main priority to maintain and develop green and sustainable communities. Being a real estate developer, Marga focuses not only on urbanization but also on conserving a green environment by promoting sustainable actions. We make sure to produce less waste and cause minimum possible harm to the environment while undergoing construction activities. We achieve this by taking a precautionary approach to environmental challenges. We work very closely with our suppliers, contractors, and business partners to use modernized, environmentally friendly technologies.



IMPLEMENTATION

We are aware of the importance of environmental protection and conservation, where there are increasing environmental problems. As an organization committed to fighting damage to the environment, we avoid causing pollution and waste, minimize energy consumption, and promote clean air and clean water wherever possible.

ENVIRONMENTAL PROTECTION MECHANISMS

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. As a result, 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. As of 2020, 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.



IMPLEMENTATION

CARING AND SPREADING LOVE TO THE CHILDREN

The Children's Initiative aims to support society to improve children's well-being, especially for those who are surviving with little love and care. Through this initiative, we have reached out to 24 schools and orphanages and met more than 1,000 children from different backgrounds, ethnicities, and religions, providing support for children's education, livelihood, and happiness. However, since COVID-19 pandemic makes it difficult for us to visit to those organizations, we manage to support and donate as much as possible following COVID-19 protection protocols.



CREATING YANKIN PARK

Since Yangon is the most populated city in Myanmar, public open spaces are hard to find. To help improve the quality of life and the well-being of the community, we have built a public park within Yankin Township. However, due to the outbreak of COVID-10 pandemic, all the public places are closed, but we believe that when the restrictions are lift up, the public park will help shape the new, healthy and active lifestyle for everyone.



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 on 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 community engagement efforts have improved education and well-being for underprivileged children throughout the year and a new public open space for a happier and healthier neighborhood.



ANTI-CORRUPTION

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

ASSESSMENT, POLICY & GOALS

Marga is an organization committed to following UNGC's principle of anti-corruption. Integrity and transparency are fundamental values we hold to fight against corruption in any form. We prohibit everyone from involvement in extortion and bribery and take effective action on those who have engaged in corruption.



IMPLEMENTATION

We make sure all levels of management comply with clear and robust policies on corruption. We have comprehensive monitor and control mechanisms to ensure our stakeholders follow anti-corruption and anti-bribery policies. 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.



MEASUREMENT OF OUTCOMES

Maga interacts and conducts 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 with The Anti-Corruption Law and the internationally standardized and accepted Code of Business Conduct and Anti-Bribery policy.



MARGA GROUP

www.margaglobal.com

HONG KONG OFFICE

Suite 2105A, Harcourt House
39 Gloucester Road
Admiralty, Hong Kong
Tel +852 3690 1001

MYANMAR OFFICE

Units 1906-07, 19th Floor, Sule Square
No. 221 Sule Pagoda Road
Kyauktada Township, Yangon
Tel +95 1 9255171~5