

Communication On Progress

2022



AFFILIATES, SUBSIDIARIES AND ASSOCIATES:

MARGA ASIA LIMITED
MARGA GLOBAL TELECOM LIMITED
MARGA LANDMARK DEVELOPMENT CO.,LTD.
GLOBAL CALL LIMITED



MARGA GROUP

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 a minimum 2% 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 sixth 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 and to building a better future for everyone in our sphere of influence.

Yours Sincerely,

Choi Kwok Leung
Commercial Director and Head of Administration,
Marga Group



OUR STORY



Marga Group is a diverse international corporate with a local ASEAN 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, telecommunications, consumer retail and healthcare, and we aim to become the most trusted and reputable foreign business in the ASEAN markets.

While commercial success is paramount to any business, commitment to community care is equally, if not more, important for us. Marga Group pledges a minimum 2% of annual profits to corporate social responsibility on our investments.

PURSUIT OF EXCELLENCE

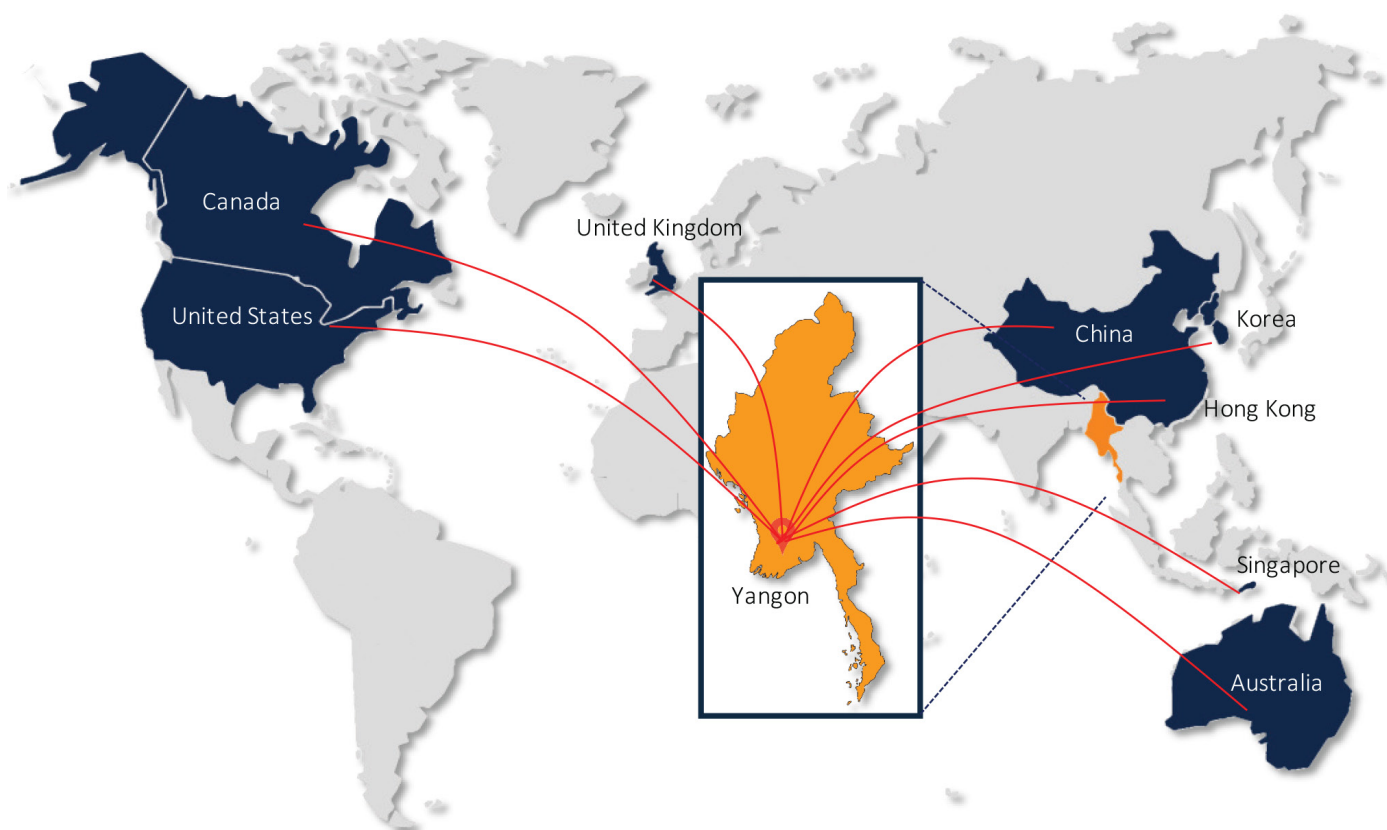
OVER THE YEARS, OUR TEAM HAS PURSUED EXCELLENCE IN EVERYTHING WE TOUCH. THIS STATE OF MIND IS CENTRAL TO OUR GROUP'S SUCCESS.

In real estate, this allows us to break away from the 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 and healthcare, this motivates us to deliver better solutions to corporates and individuals at competitive prices. In consumer retail, this drives us to bring innovative experiences and products for markets that we serve. Our service is unparalleled as we go above and beyond to make a distinction between scripted service and authentic engagement. In all the industries that we touch, we know our customers and we deliver on their needs.

Marga Group has established the reputation of being a top developer of luxury real estate in Southeast Asia. Winning in all categories entered, one of our projects, The Central, made a clean sweep of the Myanmar Property Awards 2017. The Central received the most awards – winning 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. This award-winning success has only continued: In 2019 The Central won 2 additional awards at the Myanmar National Real Estate Awards, and in 2020 The Central became recognized among the very best mixed-use developments in Asia Pacific with 4 more awards at the Asia Pacific Property Awards 2020.



DIVERSITY AND DEPTH OF EXPERIENCES



Through diversity, we enrich our business environment, creating more relationships that are effective 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 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, United Kingdom and the United States of America. We are the most experienced team in town.

FIRM-WIDE CULTURE OF SOCIAL RESPONSIBILITY

We have the most comprehensive corporate social responsibility programme in town. Our programme benefits the lives and addresses the needs of different groups and communities ranging from disaster victims, orphans, and the elderly to young musicians and professionals.

In the past few years, more than 200 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

Marga Community Care is an initiative that advocates responsive, direct, and continuous actions to relieve and assist the needs of underprivileged communities. Since its inception in 2013, MCC has reached out to more than 100 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. Since then, we have installed water purification systems across 12 public schools. We target to install water purification systems for more than 20 public schools by 2023, giving more than 7,000 children access to clean water. As of 2022, our clean water 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.



THE CHILDREN’S INITIATIVE

The Children’s Initiative aims to support the society in a way that improves the wellbeing of children who are surviving with very little love and care. This initiative is developed in dedication to provide help and support children’s education, livelihood and happiness, especially those living in orphanages, monastic schools, and nunnery schools, lacking in basic human needs.



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 the best than the 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 add value to the communities in which we work and creating a better future for everyone around us.



CORE **BUSINESSES**

- Real Estate Development
- Telecommunications
- Consumer Retail
- Healthcare



REAL ESTATE **DEVELOPMENT**

Marga Group aims to be the largest and most reputable international real-estate developer in the ASEAN bloc, and strives to deliver the finest and most exquisite properties. Focusing on high-end world-class developments, 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 and details, and believes in only bringing the best to our end-users that will truly define an exquisite, metropolitan as well as sustainable lifestyle.

DEVELOPMENTS

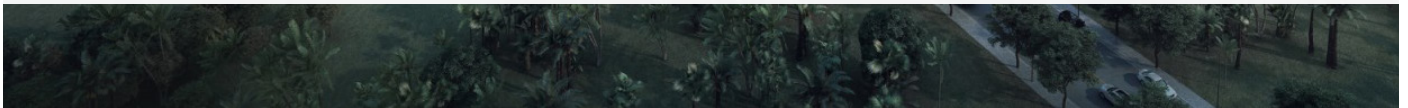


THE CENTRAL BY **MARGA LANDMARK**

The Central, located near Yangon's iconic Inya Lake and at the intersection of Kabar Aye Pagoda Road and Kanbe Road, two of Yangon's busiest roads, aims to be a world-class real estate development that exhibits the beauty and urban life of the ASEAN region's thriving economic capital. Inya Lake is Yangon's largest lake and the most picturesque recreation area for both visitors and residents. With the most sweeping view of Inya Lake, The Central seamlessly connects its inhabitants to Yangon's central business district as well as the beautiful neighborhood and international hubs inside Yankin Township, a flourishing commercial hub for affluent Yangon where The Central is located. The Central has Myanmar's first international retail boulevard, beautifully designed residential towers, a boutique shopping mall, and grade-A commercial office space. The Central will become an iconic symbol for contemporary, sustainable living, as well as a place for the local and international communities to live, work, and play.



THE PARK BY **GREEN URBAN VENTURES**



THE PARK is the latest mixed-use property development by Marga Group in Myanmar. Set at the confluence of modern life and cultural refinement, The Park takes the best of Myanmar's legacy and dynamic innovation and enhances it via an organic combination of luxury, convenience, and connectivity. It is a destination for discerning communities seeking inspiration, outstanding livability, and cultural exploration. The Park, tailored for Yangon's sophisticated elite, finds an equally cultured home on Baho Road in Ahlone Township. With stunning views of the Shwedagon Pagoda and the Yangon River, the lush and elegant district is home to embassies, theaters, and museums, as well as some of the country's most famous educational institutions.



TELECOMMUNICATIONS



MARGA GLOBAL TELECOM

Marga Group works in this highly potential industry through its subsidiary Marga Global Telecom, which aims to be Myanmar's top provider of telecommunications services and infrastructure. Marga Global Telecom has a world-class management team of seasoned experts with vast expertise and market-leading expertise of the sector all around the Asia Pacific region, and is strongly backed by Global Call, a pioneer in the Hong Kong telecommunications business. Marga Global Telecom is best positioned to lead and transform the country's standard and user experience, meeting the growing demands for world-class facilities, reliable networks, and seamless services, as it currently holds the Network Facilities Services (Individual) License, the country's most senior license in the telecommunications industry after the Master License.



CONSUMER RETAIL



ASEAN has seen explosive retail sector growth driven by consistent rise in GDP per capita and discretionary spend from its growing young population. We have captured this growth by carefully curating a Consumer Retail portfolio that combines trending consumer concepts with ASEAN's unique and vibrant cultures.



HEALTHCARE



The COVID-19 pandemic has stress-tested and placed the spotlight on the global healthcare system. This renewed focus will drive reforms and open investment opportunities for ASEAN's healthcare sector, particularly in the fields of biotechnology, telehealth, pharmaceuticals, and diagnostic medicine.

MMDoc is our first step into this vast market. In collaboration with China's UMP Healthcare and Hong Kong's Creo Capital, we have devised a holistic approach into the ASEAN market. Our 4-pronged approach focuses on

- (1) General Practitioner Services
- (2) Pharmaceutical Services
- (3) Door-to-Door Testing & Vaccination Services
- (4) Telehealth Services

THE TEN PRINCIPLES OF THE UNITED NATIONS (“UN”) GLOBAL COMPACT

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 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 PRINCIPLES ASSESSMENT, POLICY AND GOALS



Marga is devoted to uphold the Universal Declaration of Human Rights, which is founded on the ideals of equality and non-discrimination. Every shareholder, regardless of color, gender, religion, or birth, is entitled to all rights and freedoms. We do not allow any sort of child or forced labor, and we take additional efforts to prevent it in all of our companies and supply networks. We also support our employees' freedom of association and the right to join 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 ensure that no acts of abuse or violence, unjust or disrespectful treatment or punishment take place within our firm. We believe and practice that everyone has the right to equal benefits for equal effort.

IMPLEMENTATION

Sustainable development and volunteering are important activities, as indicated in our guiding principles. We are dedicated to bringing value to the communities in which we operate and to building a brighter future for everyone around us. Marga Community Care, Marga Youth Foundation, Marga Clean Water Initiative, and Marga SME Initiative are the four main programmes we have launched as our CSR initiatives. The purposes of the initiatives are to 1) enhance societal awareness of the necessity of practical and sustainable measures to assist alleviate the needs of communities with limited resources and means, 2) encourage young people to follow their dreams, and 3) foster inclusivity, peace, and harmony.



MEASUREMENT OF OUTCOMES

The above-mentioned initiatives are ongoing and immersing in providing support to impoverished children and families, natural disaster-stricken communities, young people from various ethnic backgrounds, underdeveloped communities, community leaders, scientific and technological research projects, and environmental awareness and conservation.

From 2014 to 2022, we contributed community service and funding to over 17,000 children from 80 schools, 4 elderly homes, 3 general hospitals, 1 children's hospital, over 2,500 disaster-affected households, and dozens of orphanages. Our recently adopted Marga Clean Water Initiative has delivered clean water to over 3,500 pupils from more than 12 public schools in Yangon's outskirts.

LABOR

PRINCIPLES ASSESSMENT, POLICY AND GOALS



Marga has been putting efforts in demolition of forced and compulsory labor guaranteeing that none of our employees be pressured to labor involuntarily. Our core principle is to provide a safe, healthy, non-discriminatory, and harmonious environment for our employees. We also make every attempt to improve their performance, commitment, and hard work. Furthermore, we assure that there is no child labor abuse in Marga and our corporation, contractors, and suppliers. Marga acknowledges employees as one of the organization's most important stakeholders, and we appreciate and encourage our employees' right to collective bargaining. We value and respond fairly on our workers' feedback on the working environment, working conditions, employment terms, and relationships between employers and employees or their respective departments. We believe that maintaining close and transparent communication with employees boosts our awareness of potential difficulties and aids in the discovery of the best possible solution to different circumstances.

IMPLEMENTATION

Our objective is to determine the appropriate assignments for our employees in order for them to grow and develop their careers while also providing a safe working environment. We empower and invest in our employees at all levels by equipping them with the necessary skills and knowledge through training, professional development, and engagement activities. We continue to run a thorough personnel evaluation process in order to establish an effective talent pipeline and succession plan. At the same time, we provide our employees with fair remuneration, incentives, and resources to help them learn new skills and improve their potential.



Our human resources department takes responsibility for ensuring that our employees are highly informed about their right to free association on their first day of work when they join Marga. We also run a number of programmes aimed at improving our employees' capabilities and productivity, as well as building a talent pool for efficient succession planning. We commit to organizing on-the-job training, workshops, and seminars to support our staff in their professional abilities in areas ranging from management, technical, communications, and leadership to soft skills. We have an open-door policy, which allows all employees to seek a fair evaluation and a timely response to difficulties or complaints about any aspect of their job by addressing them to supervisors, heads of departments, upper management, or the HR Department.

MEASUREMENT OF OUTCOMES

Since 2013, we have strongly encouraged our employees to participate in community service in addition to our efforts to provide a safe and equitable working environment.

We are committed to Myanmar's growth, development, and the quality of its people, who are frequently used to gauge and quantify the country's progress and maturity.

We assist various sectors of the community and contribute to the strengthening and improvement of societal education standards.



ENVIRONMENT

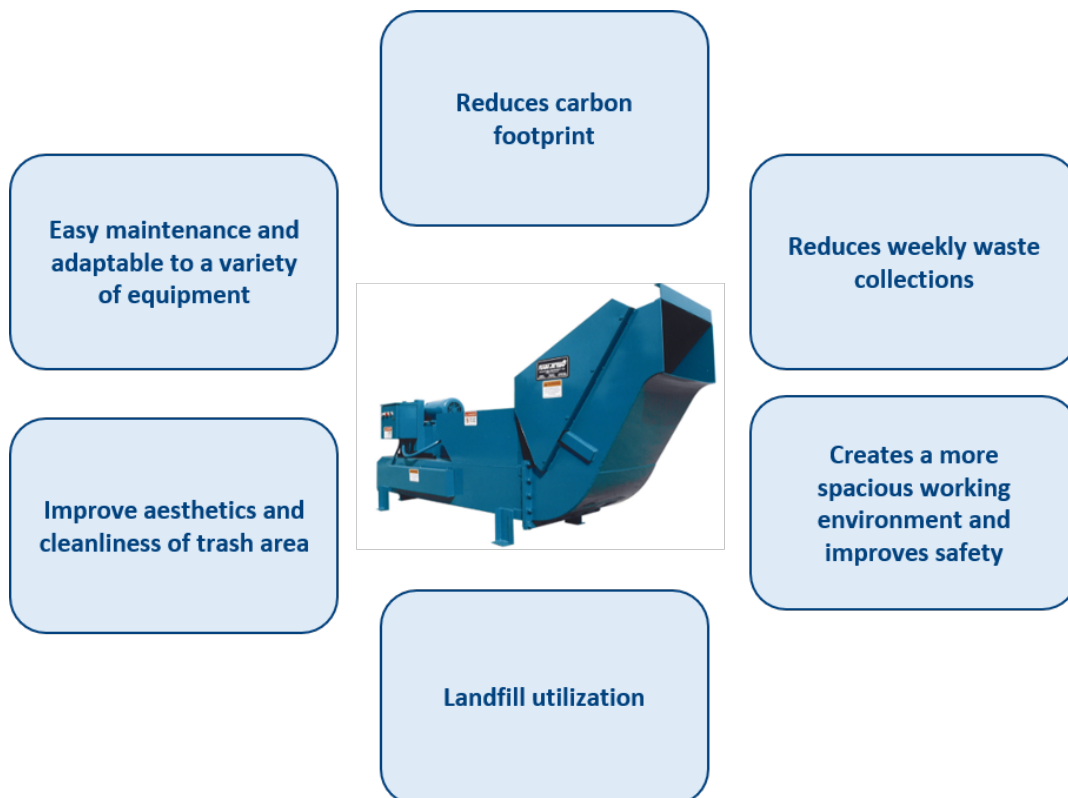
PRINCIPLES ASSESSMENT, POLICY AND GOALS

We are mindful of the necessity of environmental protection and conservation in areas where environmental concerns are on the rise. As an organization dedicated to preventing environmental damage, we eliminate pollution and waste, reduce energy consumption, and promote clean air and water while doing business. Our real estate development has adopted solid waste management to reduce waste collection frequency. We have implemented rainwater collection in a retention tank to irrigate the central landscape area. We have also implemented permeable road construction on our inner ring road to allow storm water to recharge the groundwater table.



IMPLEMENTATION

We are mindful of the necessity of environmental protection and conservation in areas where environmental concerns are on the rise. As an organization dedicated to preventing environmental damage, we eliminate pollution and waste, reduce energy consumption, and promote clean air and water while doing business. Our real estate development has adopted solid waste management to reduce waste collection frequency. We have implemented rainwater collection in a retention tank to irrigate the central landscape area. We have also implemented permeable road construction on our inner ring road to allow storm water to recharge the groundwater table.





ENVIRONMENTAL PROTECTION MECHANISMS

We apply environmental preservation measures on our construction site by recycling construction waste such as concrete, brick, wood, and steel for the paving of construction roads and the construction of temporary site facilities. As a consequence, we produce less waste and use less concrete and bricks than conventional building sites.

We make sure that all of the materials used in consumer retail are 100 percent recyclable.

PROVIDING ACCESS TO PURIFIED WATER FOR YOUTH FOUNDATION

We launched the Clean Water Initiative implementing water purification systems on the outskirts of Yangon since 2016. By 2023, we have installed water purification systems in 12 public schools providing clean water that benefits over 3,500 students. We target to build water purification systems in more than 20 public schools by 2023, benefiting over 7,000 pupils.



MEASUREMENT OF **OUTCOMES**



We understand that conserving the environment and giving back to people around us is a societal commitment. As a result, we have been working hard to make a beneficial influence on various sectors of our businesses. Our efforts to create a green and clean environmental imprint have resulted in less trash and more purified drinking water. Our community involvement activities have resulted in increased education and well-being for poor children throughout the year, as well as a new public open space for a happier and healthier neighborhood.

ANTI-CORRUPTION PRINCIPLES ASSESSMENT, POLICY AND GOALS



We are an organization dedicated to adhere to the UNGC's anti-corruption principle. Integrity and openness are important ideals we uphold in our battle against corruption in all its forms. We ban all forms of extortion and bribery and take firm action against individuals who have engaged in corruption.

IMPLEMENTATION

We ensure that all levels of management follow clear and rigorous anti-corruption measures. We have strong monitoring and control procedures in place to guarantee that our stakeholders adhere to anti-corruption and anti-bribery policies. We have signed an “Anti-corruption Agreement,” which states that the contractor/stakeholder shall not offer any inducement to us in any manner. Additionally, staff are urged to report instances of corruption.



MEASUREMENT OF OUTCOMES

Marga deals with and conducts business and partnerships with all sorts of stakeholders in a legitimate and justified manner. By implementing an anti-corruption and anti-bribery policy, we conduct business with openness and transparency. We never failed to comply with the Anti-Corruption Law and the internationally recognized and acknowledged Code of Business Conduct and Anti-Bribery policy.



MARGA GROUP

HONG KONG OFFICE

11th Floor, Li Po Chun Chambers,
No. 189 Des Voeux Road
Central, Hong Kong
Tel +852 3690 1001

MYANMAR OFFICE

CORNER OF KABAR AYE PAGODA ROAD
AND KANBE ROAD
SHOP 5, THE CENTRAL BOULEVARD
YANKIN TOWNSHIP, YANGON REGION,
MYANMAR
Tel +95 1 9255171~5