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R E P Ú B L I C A D O M I N I C A N A

SUSTAINABILITY REPORT 2017





## A SUSTAINABLE REPORT

Our annual sustainability report is primarily distributed via our website and other online platforms. The copies that we do print use 100% Forest Stewardship Council (FSC) certified paper, and in 2017, 61% of our reports were distributed using electric motorbike messengers. Whenever possible, we use FSC paper and ecodelivery options for our events, invitations and print materials. In 2017, this approach:





Mitigated <sup>470</sup>.<sup>10</sup> kg of Saved 39 trees and 94,007 CO<sup>2</sup> emissions gallons of water

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# TROPICALIA

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# A WORD FROM ADRIANA Foreword

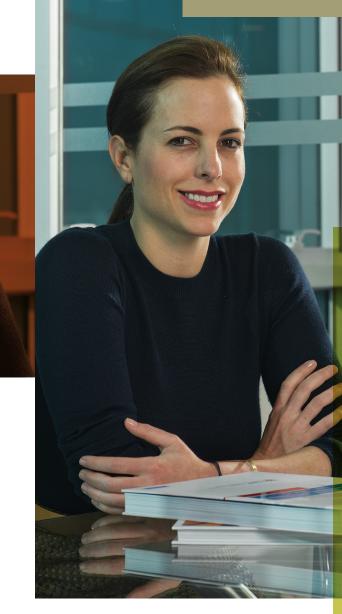
Welcome to Tropicalia's 2017 Sustainability Report. As CEO of Cisneros, I am honored to reflect upon our journey in becoming one of the most sustainable luxury resorts in the world. Nearly a decade ago, we started supporting sustainable development in the Miches community in eastern Dominican Republic, and we are celebrating great accomplishments during a remarkable year, deemed the International Year of Sustainable Tourism for Development by the United Nations.

We acknowledge the role of tourism in achieving inclusive and sustainable economic growth, as well as social inclusiveness, employment and poverty reduction; we have ensured that our initiatives and efforts with the local community contribute to the Sustainable Development Goals (SDG). In fact, we started 2017 with a great milestone - Fundación Tropicalia's sustainable tourism supply-chain program, supported by the Inter-American Development Bank's Multilateral Investment Fund (IDB-MIF), received the second runner-up United Nations World Tourism Organization (UNWTO) Award for Innovation in Non-Governmental Organizations. At the UNWTO Awards Ceremony held in Madrid, we were honored to join other

Welcome to Tropicalia's 2017 Sustainability Report. As CEO of Cisneros, I am honored to reflect upon our journey in becoming impacting and inspiring sustainable tourism development.

> We believe sustainability must also be integrated within all stages of the development life-cycle, including financial processes. In 2017, we were able to leverage our sustainable architecture and community development programs in Miches to help secure lenders and investors that support tourism projects which significantly affect economic growth in the smallest and poorest regions, while supporting biodiversity and other environmental considerations like climate change. Our talented team of collaborators, led by Patrick Freeman, President of Cisneros Real Estate, successfully obtained preliminary approvals for financing of Four Seasons Tropicalia with both IDB Invest of the Inter-American Development Bank Group, and International Finance Corporation (IFC) of the World Bank Group and will be finalizing this transaction in early 2018. During this process Tropicalia received IDB Invest's highest development impact score of all their projects approved in 2017.

*"Join us in accelerating the shift toward a more sustainable tourism sector for the future"* 



TROPICALIA SUSTAINABILITY REPORT Ensuring resource efficiency and environmental protection remains a core area of our project and corporate values as we continue to rigorously evaluate, test and apply our robust Sustainability Management System (SMS) with our design, development and architecture teams. This year we completed the design of Four Seasons Tropicalia, which in addition to LEED, will also comply with the IFC's rigorous standards for Excellence in Design for Greater Efficiencies (EDGE). While EDGE requires a minimum of 20% energy and water savings, we anticipate surpassing that figure, achieving up to 50% in savings due to the implementation of passive cooling design strategies such as green roofs and open corridors.

Children are the future of Miches, and sustainable economic development depends on the quality of their education and the protection of their rights. Fundación Tropicalia's education and gender programs support these objectives by providing administrative and career support to educators, while simultaneously working directly with children via in-school programs and our all-girls summer camp, Soy niña, soy importante ("I'm a Girl, I'm Important"). We are particularly proud of this program, which empowers girls and dares them to dream big. In 2017, we reached a record of 306 girls and created an Ambassador's Network to support fundraising and awareness efforts in the Dominican Republic. In an effort to counteract the rampant gender violence taking place in the Dominican Republic, we also organized the conference, Gender Equality in Dominican Republic: Rights and opportunities, which received support from UN Women and the Dominican Ministry of Women.

At Tropicalia, we have established a strong foundation to advance the United Nations SDGs. Protecting natural and cultural resources, while empowering host communities and creating effective management systems for our business, will be crucial for this.

Many thanks to all who have supported our efforts to date. In 2018 we will continue forging our way toward the collective *Journey to 2030'*. Please join us in accelerating the shift toward a more sustainable tourism sector for the future.

## Adriana Cisneros de Griffin

<sup>1</sup> World Tourism Organization (2017) Tourism and the Sustainable Development Goals – Journey to 2030, Highlights. https://www.e-unwto.org/doi/book/10.18111/9789284419340 Accessed January 2018.

2017 HIGHLIGHTS

# 2017 HIGHTS

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Tropicalia Prioritizes Economic Sustainability

Tropicalia leveraged its sustainable design, and 9 years of implementing socioeconomic and community development programs in Miches, to advance financing of the project with IDB Invest and International Finance Corporation (IFC).



Tropicalia Ranks Top Project for Development Impact at IDB Invest

Tropicalia received IDB Invest's highest DELTA score of all projects approved in 2017; DELTA (Development Effectiveness Learning Tracking and Assessment Tool) is used to measure a project's development impact and effectiveness.



Four Seasons Tropicalia (FST) Pursues EDGE Certification

FST commits to pursuing IFC's Excellence in Design for Greater Efficiencies (EDGE) certification program for green building, in addition to LEED certification.



Tropicalia Receives Award -"Solutionist Company of the Year"

*En Sociedad* magazine of the Dominican journal *Hoy* recognized Tropicalia as the "Solutionist Company of the Year" for promoting luxury sustainable tourism.

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The Sustainable Tourism Supply-Chain Program with the Inter-American Development Bank's Multilateral Investment Fund (IDB/MIF) Draws to a Close

Fundación Tropicalia completed its fifth and final year of implementation of this great project for inclusive supply chains. We launched a website, <u>https://mype.</u> <u>fundaciontropicalia.com/</u>, supported climate smart agricultural products, developed a business plan competition and training programs, created a new microfinance product and reached more than 1,800 people, among many other milestones. The project also received the UNWTO Award for Innovation in NGOs in 2017.



Fundación Tropicalia Strengthens Communities

In 2017, Fundación Tropicalia's initiatives and programs served 852 beneficiaries<sup>2</sup>, 63% of whom are women and young girls.

2 This number is in addition to the students and teachers we indirectly impact as a result of our PRyME program.



Soy niña, soy importante ("I'm a Girl, I'm Important" or SNSI) Breaks Records

Fundación Tropicalia celebrated the fifth year of the SNSI summer camp with the participation of over 300 girls and the creation of an Ambassador's Network to help raise funds and give visibility to the program; the Network enlisted 19 program ambassadors in its first year.



## TROPICALIA

<u>Tropicalia</u> is a luxury resort development created by Cisneros Real Estate offering sophisticated architecture in a captivating and breathtaking site of diverse natural beauty in northeast Dominican Republic. Comprised of residential and resort developments and a Tom Doak golf course, Tropicalia integrates smart design with the natural landscape creating a sense of balance between time and space. The project embodies the philanthropic and cultural values of the Cisneros Family and is uniquely poised to be a model for sustainable luxury tourism in the Caribbean and the world.

## FOUR SEASONS TROPICALIA

The project's first phase of development includes Four Seasons Tropicalia (FST), a 169 key Four Seasons resort, 24 branded residences and its associated infrastructure. Designed by Brazilian architect Isay Weinfeld, FST is located on the Costa Esmeralda beachfront; amenities include a luxurious spa, meeting and banquet spaces, a kids' club, and a fitness center. Four Seasons Tropicalia's minimalist architecture and tropical modernism diminish the barriers between indoor and outdoor space, evoking natural luxury and effortless transitions for the ultimate peace of mind. Surroundings offer a rich combination of adventure and leisure activities to guests and residents alike.

TROPICALIA

## A NATURAL HAVEN

## Miches Coastline

Tropicalia is located in the community of Miches of El Seibo province, an especially beautiful coastal settlement on the southern shores of the Samaná Bay. A place where sky and ocean horizons blend into one, Miches boasts a diverse ecosystem of beaches, mountains, mangrove forests, jungle, lagoons and rivers. Natural attractions include the magnificent beaches of Costa Esmeralda and Playa Arriba, the majestic Cordillera Oriental, and lush prairie landscapes. Every year more than 2,000 humpback whales migrate to Samaná Bay, a world renowned and protected Marine Mammal Sanctuary, to give birth and mate in its warm waters.

Nearby, Los Haitises National Park exhibits magnificent limestone plateaus, conical hills, caverns and a large mangrove forest. The Wildlife Refuge Lagunas Redonda and Limón features two impressive lagoons, home to several regionally native plant and animal species. La Gina is a spectacular bay outlined by mangrove and coconut forests, currently preserved by the Dominican government as a species and habitat management area. Other historical and cultural landmarks in El Seibo include the Santa Cruz Church and the Battle of Palo Hincado Monument.

## Miches: A community on the rise

With a population of approximately 21,000, Miches' historical isolation has catalogued it as one of the poorest yet most beautiful regions of the Dominican Republic. Its main economic activities include subsistence agriculture, cattle-raising, artisanal fishing, micro-business services and artisanal craftsmanship. Despite its diverse and abundant resources. Miches faces many social and economic challenges. Limitations were noted in an assessment conducted in 2006 for the El Seibo region to meet the Millenium Development Goals at that time<sup>3</sup>. Furthermore, census data from 2010 highlights a low employment rate of 31.9%; low education levels, with about 57% of the population only having either primary or basic education; and limited access to basic hygiene services, as 58.5% of homes did not have indoor toilets.

Today, Miches is forging a more promising future. The Dominican government has invested in transportation and telecommunication infrastructure to expand Miches' market access. In early 2015, the government completed a highway project from Miches to Punta Cana, removing one of the largest barriers to socioeconomic development. Now, this coastal community is just an hour away from the Punta Cana airport, which attracts more than 3 million<sup>4</sup> tourists annually. In 2016, the government inaugurated the highway segment from Miches to Sabana de La Mar, adding 40 kilometers to the Punta Cana-Uvero Alto-Miches highway launched in 2015.



TROPICALIA SUSTAINABILITY REPORT

Fundación Tropicalia

<sup>3</sup> Comisión Presidencial sobre los Objetivos del Milenio y el Desarrollo Sostenible (COPDES) y el Programa de las Naciones Unidas para el Desarrollo (PNUD) (2006) Evaluación de Necesidades y Análisis de Costos para Cumplir con los Objetivos de Desarrollo del Milenio: El Seibo Pueblo del Milenio

<sup>4</sup> Turistical Statistics. Dominican Republic Central Bank.



## Four Key Elements that Guide our Most Important Decisions

K	EY COMMITMENT TO SUSTAINABILITY	DETAIL			
	Economic Sustainability	Financial, environmental, social and aesthetic viability are equally considered in making sound business decisions.			
	Environmental Balance	Protection and conservation of the natural environment using sustainable site development and destination management to preserve biological integrity, habitat connectivity, and green space; preserving the natural amenities that draw visitors to this special place.			
	Thoughtful Architecture	Design and development standards that guarantee resource efficiencies, and lasting and environmentally sound construction techniques.			
	Community Advancement	Local economic diversification, socio-cultural advocacy and community development led by Fundación Tropicalia.			

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## **Economic Sustainability:** International lenders and financing



*"...Economic success without accountability and social inclusion is not sustainable."*  **-Sri Mulyani Indrawati**, Minister of Finance, Indonesia (former Managing Director and Chief Operating Officer of World Bank Group

Economic sustainability is an intrinsic part of our project. Financing Four Seasons Tropicalia required time to engage in conversations with international lenders and investors that shared our vision for driving sustainable business. In 2017, we focused on adjusting and consolidating the project to secure financing partners that valued projects with significant development impact.

As a result, Tropicalia actively leveraged its sustainable design and 9 years of implementing socioeconomic and community development programs in Miches to access financing by IDB Invest of the Inter-American Development Bank Group (IDBG), and the International Finance Corporation (IFC) of the World Bank Group (WBG). Tropicalia's business model aligns perfectly with both banks' mandates to mitigate climate change, alleviate poverty, create dignified employment opportunities and generate an inclusive, responsible and local supply chain.

Upon receiving mandate letters from both IDB Invest and IFC, Tropicalia successfully completed their due diligence procedure, which revised all documents related to Four Seasons Tropicalia's design, development, permits and proposition; as well as Tropicalia's commitment and actions regarding sustainability management systems, reporting and community development initiatives carried out by Fundación Tropicalia's work. During this process Tropicalia received IDB Invest's highest DELTA score of all of their projects approved in 2017; DELTA (Development Effectiveness Learning Tracking and Assessment Tool) is a tool used to measure a project's development impact and effectiveness.



"Our firm commitment to Miches and its sustainable growth, carried out through Fundación Tropicalia's work and other partnerships with local actors aligned with our values, has been fundamental in the process of engaging institutions such as IDB Invest and IFC to become part of Tropicalia."

- Patrick Freeman, President of Cisneros Real Estate

## 

#### About IDB Invest

IDB Invest is a member of the Inter-American Development Bank (IDB) Group committed to the environmental and social development of Latin America and the Caribbean through the private sector. As part of its mission to promote sustainable economic development, IDB Invest supports the private sector and state-owned enterprises through financing in the form of loans, equity investments and guarantees.

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About IFC

International Finance Corporation (IFC) —a sister organization of the World Bank and member of the World Bank Group—is the largest global development institution focused exclusively on the private sector in developing countries. IFC's strategic commitment to sustainable development is an integral part of their approach to risk management, and promotes sound environmental and social practices, encouraging transparency and accountability.

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## **Environmental Balance:** Our management systems and programs

"Conservation is the state of harmony between men and land." - Aldo Leopold, US conservationist, ecologist, philosopher and writer (1887-1948).

#### **Environmental Management Programs and Permits**

Environmental permits for both Tropicalia and Four Seasons Tropicalia are current and require the implementation of a rigorous Environmental Management and Protection Program (PMAA). The PMAAs are drafted in accordance with the Environmental Compliance Reports (ICA) we submit to the Ministry of Environment and Natural Resources (MIMARENA). Both PMAAs include distinct programs that ensure protection of habitat and biodiversity; health, safety and training for workers and stakeholders; as well as environmental, physical and biological controls for resource management.

The latest Tropicalia ICA, covering the period September 2016 -March 2017, was submitted to MIMARENA in 2016, which in turn issued a response informing that no further ICAs for Tropicalia are required until construction begins. As for the ICAs related to Four Seasons Tropicalia, the Ministry also requested we present our first ICA upon breaking ground.

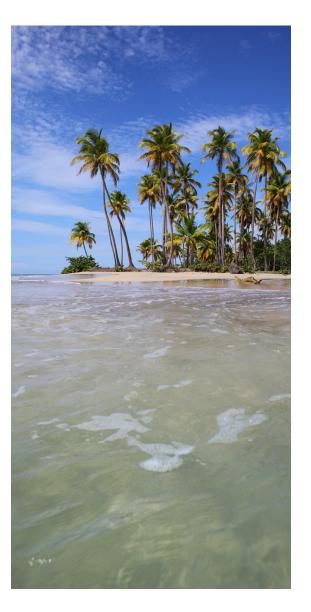
#### **Environmental and Social Action Plan (ESAP)**

A key activity of both IFC and IDB Invest's due diligence procedures included an analysis of Tropicalia and Four Seasons Tropicalia social and environmental programs in relation to World Bank Guidelines (WBG) for Environmental and Social Performance Standards. As a result, in 2017 Tropicalia and IDB Invest issued an Environmental and Social Action Plan (ESAP) which lists several activities we must implement in order to align our environmental and social policies with bank standards.

Tropicalia's ESAP was made publicly available in October 2017, when IDB Invest posted our project on their portal. As we move into 2018 we anticipate finalizing IFC's ESAP and merging both ESAPs into one guiding document.

### **Beach Program - Tropicalia**

Taking care of the environment that surrounds us is a priority for Tropicalia. On average, Tropicalia staff cleans the beachfront along Costa Esmeralda twice per month. This includes the collection of waste and pruning trees and grass. Organic waste is used as nutrient and fertilizer for soils, while inorganic waste is separated into four types and then recycled, including: glass, metal, plastic, and cardboard. Approximately 30 m3 of plastic, or nearly three times the volume of a cement mixer truck, and 200 m3 of organic waste are collected per year.





## **Thoughtful Architecture: Sustainable design certified**

This year we completed the design of the Four Seasons Tropicalia. In addition to meeting the United States Green Building Council's (USGBC) standards for LEED, the design will also comply with the IFC's rigorous standards for Excellence in Design for Greater Efficiencies (EDGE). To achieve EDGE certification, Four Seasons Tropicalia will be required to achieve a minimum of 20% energy and water savings, as well as 20% savings of embodied energy in materials. Nevertheless, after running our design through EDGE, we anticipate achieving up to 50% energy savings thanks to the implementation of passive cooling design strategies, such as green roofs and open corridors.

In November 2017, Tropicalia engaged Bouygues Bâtiment International (Bouygues) via a pre-construction agreement and letter of intent for a three month period of pre-construction services in order to competitively price out the construction of the Four Seasons Tropicalia. These services include identifying subcontractors and suppliers to ensure that the construction process will comply with our various environmental and sustainability requirements. Our construction contract with Bouygues will include references to the United Nations Global Compact, our proprietary Sustainability Management System (SMS), IDB and IFC Environmental and Social Action Plans (ESAP) and all applicable environmental laws and regulations, making these commitments legally binding.

BOUYGUES	

About Bouygues Bouygues Construction is a global leader in sustainable construction, with operations in more than 80 countries, headquartered in France. The company designs, constructs and operates building, infrastructure and industrial projects. As a responsible and committed leader in sustainable construction, Bouygues sees innovation as its primary source of added value, benefitting its customers, employees and partners through every stage of the value chain of construction.

#### **LEED** Certification

Four Seasons Tropicalia is seeking certification under version three (3) of the USGBC's LEED Green Building Rating System for New Construction. At completion, the project is anticipating LEED Silver certification, corresponding to 50-59 points for sustainable design, construction and operation strategies ranging across seven categories: sustainable sites, water use reduction, energy and atmosphere, materials and resources, indoor air quality, innovation and regional priority.

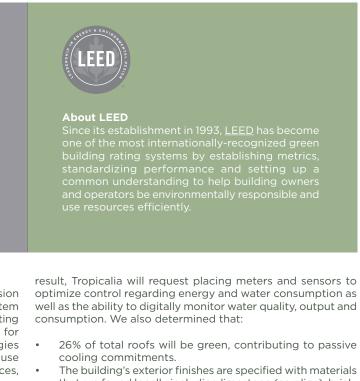
#### **SMS** Implementation in Design

Tropicalia vetted design decisions against its proprietary Sustainability Management System (SMS), resulting in a productive exercise that prompted further analysis regarding water and energy metrics and measuring capabilities. As a

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#### "Architecture is the thoughtful making of space." -Louis Kahn, US Architect (1901-1974)



- that are found locally including limestone (coralina), brick, and stucco finished walls.
- Ozone-Depleting Substances as identified in the Montreal Protocol are prohibited and are not included in our purchasing orders for the HVAC systems.
- The landscape design is aligned with our biodiversity management.



### **Community Advancement**

"All that is valuable in human society depends upon the opportunity for development accorded to the individual."- Albert Einstein, world known physicist and Nobel Prize recipient.

Established in 2008, and after nearly a decade of work, Fundación Tropicalia (FT) supports the socioeconomic development of the Miches community. Our foundation strikes multisector partnerships, and designs and implements programs with an acute awareness of stakeholder interests. This enables us to identify shared value opportunities that contribute to the social, economic and environmental progress of the community, while also paving the way for establishing a successful sustainable tourism business.

Fundación Tropicalia supports programs in education, environment, productivity and sociocultural advocacy. Within this scope of work, FT contributes to quality education, works with women and girls to improve their economic and social position, supports a local supply chain of goods and services, promotes the region's cultural traditions, and encourages sustainable practices in environmental and agricultural activities, among other initiatives.

At Tropicalia, stakeholder engagement is a dynamic exercise and we continuously identify those most affected by our activities by mapping out local,

"We came to understand the land by working with the local community. Through our work at Fundación Tropicalia, the mothers, teachers, children and farmers have shown us what makes this place so special and yet so fragile. Through our work, we have acquired profound knowledge of our community, which makes us particularly sensitive to their needs, and allows us to devise solutions collectively and bring in the right partners to increase our development impact."

> - Adriana Cisneros de Griffin **CEO** Cisneros Organization

regional, and national authorities; local and international organizations; community leaders and media; and partners, suppliers and employees.

We approach key stakeholders through our work both as a business and foundation. Community, local and national authority stakeholders are consulted on nearly a daily basis, as Tropicalia and Fundación Tropicalia team members reside in Santo Domingo and Miches, allowing for frequent and regular interaction, as well as an intimate understanding of their needs. We structure programs and business strategy accordingly, prioritizing quality and transparency above all else.



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## Management and Governance Mechanisms

## **Sustainability Management** System (SMS) and Materiality

In an effort to ensure we focus on reporting and measuring material topics to Tropicalia, we rely on our Sustainability Management System (SMS), which prompts us to analyze issues in key topic areas: sustainable destination management; cultural heritage and community development; legal accountability, labor, health and safety; and built and natural environmental management.

In 2017 two key stakeholders entered the stage - IFC and IDB Invest - which furthered our materiality assessment as they benchmarked our SMS with World Bank Group's (WBG) Guidelines for Environmental and Social Performance Standards. As we move into 2018, useful insights gained through this exercise will refine our SMS, its criterion and indicators in the areas of labor, biodiversity and sustainable destination management. We were pleased to see that these lenders referenced our SMS to acknowledge that Tropicalia was in compliance with several other WBG Performance Standards.

Our continuous collaboration with key partners such as Gensler, Sinergo, Thompson Engineers, Epsa Labco and The Ocean Foundation, has allowed us to include a wider and more integrated environmental perspective into our resort design. In fact, in 2017 we benchmarked design proposals against our SMS criteria. See section 3.4.3 - Thoughtful Architecture for details and outcomes.

Finally, our SMS product is tailored for each end user (Owner, General Contractor, and Hotel Operator), so that we can involve each user in its implementation. As a result the SMS was included in Cisneros Real Estate's Request for Proposals (RFP) for identifying our General Contractor. For more details on SMS implementation by our General Contractor see section 3.4.3 Thoughtful Architecture.



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## **Sustainability Committee**

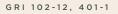
Tropicalia's Sustainability Committee is a cross-functional team that meets annually to discuss strategy, report progress and define goals for the upcoming year. The diversity of our Committee members brings strength to this corporate governance body. Members include internal employees hailing from a wide variety of roles and backgrounds, in addition to external advisors such as Alan Kelso, Chairman and CEO of Sinergo, our Costa Rican development partner specialized in high-end, ecologically sensitive tourism real estate projects.

We held our 12th annual Sustainability Committee meeting in December 2017, and discussed strategic decisions for the project's short, medium and long-term development, with valuable input of senior leadership and employees across the organization. Strategic priorities for 2018 include bolstering our economic sustainability as we continue to advance financing for the project, establish a sustainability division within Cisneros Real Estate to oversee implementation of Tropicalia's environmental and social commitments, as well as preparations for Fundación Tropicalia's ten-year anniversary.



"It is time for things to get real; our customized SMS for this unique location is now moving to the implementation stage. This is the test for Tropicalia. Will it remain committed as our theoretical construct is tested out in practice? And, I am excited to watch as it is expressing every indication that it will stay committed and be a leader in sustainability by pragmatically putting into practice one of the most advanced SMSs in use today." - Mark J. Spalding, President, The Ocean Foundation

#### TROPICALIA





## Labor and Human Rights

In 2010, we committed to the United Nations Global Compact's (UNGC) universal principles on human rights, labor, the environment and anti-corruption. We translate these commitments into policies that counter child labor, advocate for gender equity, equal opportunity employment, and encourage individual freedom of association. We are proud to say that almost 40% of our current employees are women; all employees are remunerated based on experience and position; we hire and train local residents (more than 65% come from rural regions); and all operations implement local community engagement and development programs via our foundation, Fundación Tropicalia.

We are proud to say that almost 40% of our current employees are women



(\*) Information compiled and verified through the employee payroll for calendar year 2017. All employees are permanent and full-time.

#### Commitments to the UNGC and Sustainable Development Goals (SDGs)

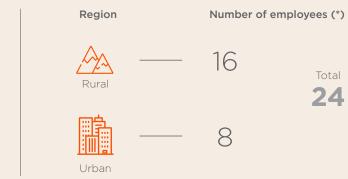
We continue to require our major partners to comply with the UNGC principles and other sustainability and environmental obligations by incorporating these requirements into our contracts, thereby making them legally binding. In 2017, a total of five major development partners committed to this expectation.

Additionally, Cisneros is committed to SDG 5 for Gender We remain committed to human rights, environmental Equality and as a result Tropicalia and Fundación Tropicalia protection, structural integrity, smart and efficient infrastructure have committed to incorporating The Women's Empowerment design, and community development, all of which are guided Principles, developed by UNGC and UN Women to offer and monitored by a proprietary SMS, which cross-references businesses guidance on how to empower women in internationally recognized best practices and reporting the workplace, marketplace and community. Together guidelines such as the UNGC and SDGs. with Fundación Tropicalia, Cisneros also organized the

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conference "Gender Equality in Dominican Republic: Rights and opportunities" in partnership with the Universidad Iberoamericana (UNIBE) and with the participation of the Dominican Ministry of Women, UN Women, Save the Children, Plan International and other protagonists. Lastly, we incorporated in our SMS our intent to pursue the Gender Equality Seal developed by the United Nations Development Program (UNDP) and the Dominican Ministry of Women by 2022.



# FUNDACIÓN TROPICALIA

## OUR ACHIEVEMENTS IN 2017

Environment

Education

Students participate

in our complementary education programs

Scholarship students

New school is added to

Fundación Tropicalia's

School Renovation and Maintenance Program

(PRYME), for a total of

Participants in Good

Behavior Workshops, Teaching Children with Love and Limits

> **Sociocultural Advocacy**

( 96 Volunteers

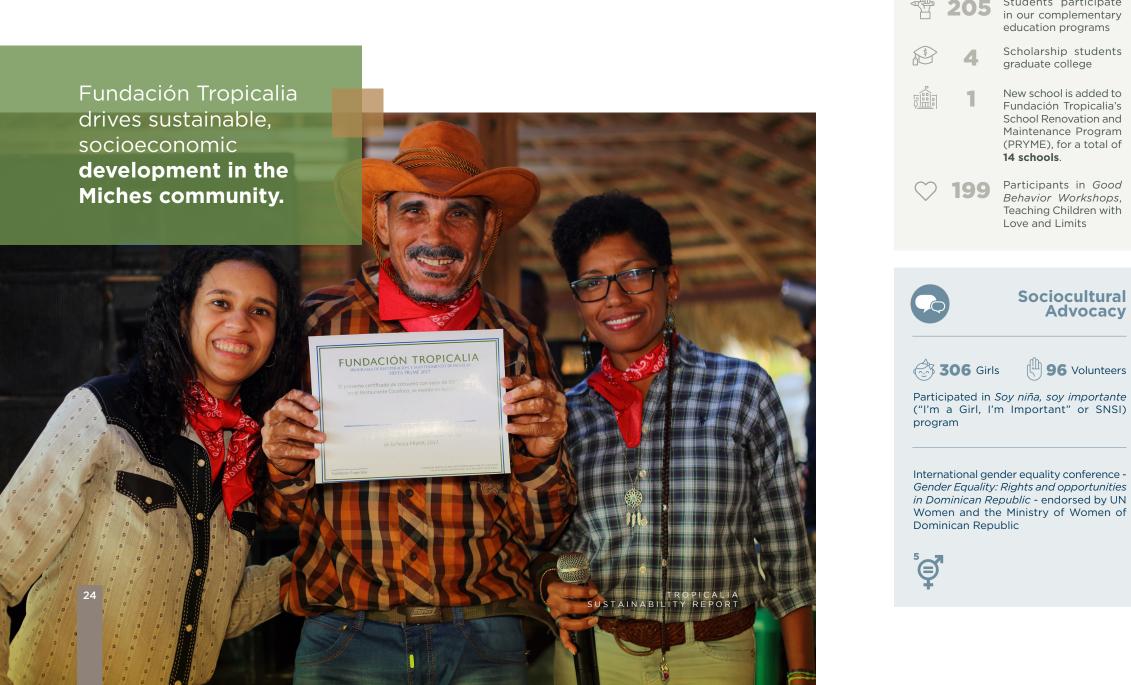
14 schools.

graduate college

## FUNDACIÓN TROPICALIA

Since 2008 Tropicalia has carried out its community engagement and social investment efforts through its corporate nonprofit, Fundación Tropicalia.

Fundación Tropicalia drives sustainable, socioeconomic development in the Miches community by striking multi-sector partnerships and working with the local community. The Foundation focuses on four main program areas - productivity, environment, education and sociocultural advocacy. Through the years, Fundación Tropicalia continues to develop and implement high-impact and innovate initiatives in agriculture, gender equality, education, environment, entrepreneurship and microfinance.



Concluded water and carbon footprint study for agricultural production and sourcing.

Costa Esmeralda, Playa Arriba and Montaña Redonda environmental conservation programs - rescates - to support beach clean-up, installation of educational signage, and trash collection points.



## **Hurricane Relief Efforts**

Served as local coordinator to deliver dozens of donations to support post-hurricane relief efforts focused on basic needs (food, clothes and cooking equipment) and hygiene.

Donated food, gas and equipment to Civil Defense and the Municipality of Miches to support their disaster relief efforts.

450 School Kits

Distributed 450 school kits and repaired school infrastructure in partnership with Save the Children.



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## **International Recognitions**



Forbes Forbes' Dominican Republic - October 2017 Edition featured Fundación Tropicalia in a special article on foundations and highlighted its transparency and ethics in reporting in 2017.

## ENVIRONMENTAL PROTECTION

## Costa Esmeralda Beach Rescue Program

Since 2013, in collaboration with local authorities, Tropicalia and Fundación Tropicalia work to restore and protect the breathtaking beach of Costa Esmeralda. Recent road improvements from Bávaro and El Seibo to Miches, as well as greater promotion of tourism destinations such as Montaña Redonda, have increased beach-goer arrivals to Costa Esmeralda. Our partnership aims to enhance the municipality's natural attractions and promote compliance with related environmental regulations, while providing basic services for visitors to responsibly enjoy the beach.

2017 activities



A two-day beach cleanup of more than 200 linear meters of beachfront with the help of volunteers.



Restoration of the beach parking lot and pathway for up to 30 vehicles using local natural materials. Appointment of 'Coastal Ambassadors' to inform and raise awareness regarding responsible beach use.



The provision of 15 new waste containers to support trash collection by the municipal district of El Cedro and the coordination of waste collection.



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## Playa Arriba Beach Rescue and Administration Committee

To restore and protect Playa Arriba, in 2016 Fundación Tropicalia partnered with local businesses, authorities and community members to form the Playa Arriba Administration Committee. In 2017, the Committee organized two clean-up days, one in the framework of the International Coastal Clean-Up Day and the other after Hurricane Maria. The Miches Municipality led both events with the support of Committee members. Moreover, Fundación Tropicalia established six *puntos verdes* or 'green points' on the beach, donating up to twelve trash bins and working with local artisans to create educational and welcome signage. Fundación Tropicalia contributed US\$3,300 to these activities.

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## Reforestation in La Yeguada River in Miches

Fundación Tropicalia staff joined Brigada Verde or Green Squad for a river cleanup in July and reforestation day in December 2017 in the catchment area of La Yeguada River in Miches. Volunteers from governmental institutions, local schools, and other entities planted approximately 300 trees.

DIOSEMIPATON

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## Montaña Redonda **Rescue** Initiative

"We always try to encourage our customers to never throw plastic [on the ground] anywhere they visit. In Montaña Redonda we have planted flowers and we plan to place signs so that people know where to throw their waste. We want Miches to have another perspective, to work collectively and change the way we see things."

#### - Edy Hernández

Partner, Montaña Redonda (Community Newsletter No. 35, March - April 2017)



#### FUNDACIÓN TROPICALIA

Montaña Redonda is a Miches owned and operated tourist attraction, located in the Municipal District of El Cedro. Views from the top offer a spectacular 360 degree panorama of oceans, mountains and lagoons, drawing thousands of visitors from the Bavaro-Punta Cana area. Fundación Tropicalia identified an opportunity to support this budding business with its solid waste management processes as with its solid waste management processes as Montaña Redonda lies adjacent to the Laguna Redonda and Limón Wildlife Refuge.

#### Main aspects of the program, include:



Fundación Tropicalia established three puntos verdes or 'green points' at the top of the mountain, placing six trash cans and trash shelters made from 100% recycled material.



Owners committed to keep the green points clean and available, and to facilitate garbage collection with local authorities.



Total investment: US\$2,589

## N G SUPP $\mathbf{O}$

"Education is the most powerful weapon which you can use to change the world."

- Nelson Mandela, South African anti-apartheid revolutionary and political leader.

## School Renovation & Maintenance Program

development, quality education is vital. Yet, Dominican Republic produced the lowest scores in the Third Regional Comparative and Explanatory Study (TERCE), published in 2015, among 15 countries in Latin America and Caribbean, even though it was the fastest improving country when compared to previous studies.<sup>5</sup>

In 2017, Fundación Tropicalia culminated another year of the School Renovation and Maintenance Program (PRyME), which brings together the education community to address administrative and infrastructure repair and maintenance challenges. Fundación Tropicalia requires that schools provide counterpart funding or resources (including in-kind labor) to encourage self-determination, responsibility, pride of accomplishment, and independence.

To achieve competitive and sustainable economic development quality education is vital.

TROPICALIA SUSTAINABILITY REPORT

TROPICALIA SUSTAINABILITY REPORT

#### FUNDACIÓN TROPICALIA

In 2017, the Los Mameyes Primary School joined the PRyME program, growing to a total of 14 schools in the PRyME network.

#### FUNDACIÓN TROPICALIA

## PRyME in 2017

#### Hicaco Blanco Primary School

Fundación Tropicalia supported painting projects, plumbing work, the repair of bathrooms and toilet doors, and the construction of eight benches for the playground. After the passing of Hurricane Maria, we did additional repairs to fix the school's septic tank and roof.

#### Kilómetro 10 Primary School

Fundación Tropicalia supported the installation of electrical wiring and connection to the energy grid.

#### Liceo Padre Daniel High School

Fundación Tropicalia repaired eight bathrooms of the school's old and new pavilions, provided construction materials and hired local labor. Walls were painted, interior doors and sinks were repaired, and lavatories were installed and connected to the water pipeline system.

#### Kilómetro 6 Primary School

Fundación Tropicalia provided building materials and hired local labor to paint the interior and exterior walls of the school, repaired the gravel playground and replaced the PRyME school sign, which had deteriorated because of the sun and rain.

#### Los Mameyes Primary School

Los Mameyes participated for the first time in the PRyME program, becoming the 14<sup>th</sup> center to join this network. Fundación Tropicalia supported the painting of the interior and exterior walls, ensured adequate installation of electricity in four classrooms and repaired the boys' toilet.

Contribution

Contribution

**US\$2,241** 

**US\$294** 

78% Fundación Tropicalia

22% Primary School Km6

57% Fundación Tropicalia

43% Primary School Los Mameyes

**US\$1.597** 

Contribution

72% Fundación Tropicalia 28% Hicaco Blanco School





品 198 Students 

24

IMPACT

Teachers

IMPACT

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138

11

Students

Teachers



- 1	4
Teach	ers







As for the remaining nine schools in the PRyME network, Fundación Tropicalia continues to play an advisory role in maintenance, management and academic processes.

In 2017, Fundación Tropicalia hosted its eighth annual PRyME celebration with representatives from Miches education community - directors, teachers, local authorities and Ministry of Education (MINERD). More than 200 guests came together in a cowboy-themed party to commemorate the year's work and achievements in 2016.



TROPICALIA SUSTAINABILITY REPORT

TROPICALIA SUSTAINABILITY REPORT

#### FUNDACIÓN TROPICALIA

## OUR NETWORK 14 Schools 3.138 ß Students 145 ř, Teachers PROJECTS 5 Schools Contribution **US\$7,034** 79% Fundación Tropicalia 21% Schools £ .204 Students أك ا 58 Teachers

**OVERALL IMPACT** 

## Scholarship & Cultural Exchange Program

Since 2011, Fundación Tropicalia has coordinated a Scholarship and Cultural Exchange Program in partnership with the Instituto Superior de Agricultura University, or UISA, which specializes in agricultural sciences, located in Santiago de los Caballeros, the second largest city of Dominican Republic. The program offers young, promising Micheros an opportunity to pursue an undergraduate degree that links up to labor demand in Miches, including degrees in engineering in agronomy, animal production and food technology; education specialized in natural sciences; or business administration.

In 2017, the program extended its academic offer by including two new degrees: veterinary science and environmental management. Moreover, candidates from El Seibo province were also invited to apply. In total, three new outstanding high school graduates - two from El Seibo and one from Miches - who demonstrated exceptional leadership potential and commitment to the community, were selected to participate.

All scholarship students benefit from work-study, cultural and professional support services, as well as exchange opportunities, on-campus counseling, and parent meetings in Miches and El Seibo.



\*\*\*\*\* \*\*\*\*

All students participated in our annual Professional and Cultural Exchange Initiative, which took place in Centro León.





Located in Santiago, students visited the permanent exhibition dedicated to the Taino indigenous people, created their own Taino ceramic pieces and learned about the career path of our guest speaker and alumni, Engineer Angel Castillo.

TROPICALIA SUSTAINABILITY REPORT



## **EDUCA** Partnership

EDUCA (Business Action for Education), a national NGO located in Santo Domingo, was created by a group of business men and women concerned with the global competitiveness of the Dominican Republic, and to this day is one of the most important influencers in education public policy. Fundación Tropicalia had been a member of EDUCA for five years, and board member since 2016; however, in 2017 we transitioned membership to Fundación Cisneros, which is more accurately aligned with EDUCA's mandate. As a result, for the last half of 2017, Fundacion Cisneros has participated in round table discussions with the Ministry of Education for the development of initiatives to improve career and technical education in the country and particularly in Miches.

## Complementary **Education Program**

In 2014, Fundación Tropicalia launched a Complementary Education Program (formerly known as In-School Education Program) in Miches' public schools to support soft and motor skills development in students. Through a curriculum that includes courses in crafts, plastic and performing arts, the program aims to complement standard education requirements of public schools. In 2016, the program was initiated in Hicaco Blanco Primary School for the 2016-2017 academic year, and soon after, Los Urabos Primary School requested to join the program. In 2017 we implemented the program simultaneously in both schools, reaching nearly 100% of the student body and delivering more than 10 arts and crafts workshops.



## **PRODUCTIVITY: SUSTAINABLE TOURISM SUPPLY CHAIN IN MICHES**

The project "Inclusion of Micro and Small Enterprises in the Sustainable Tourism Supply Chain in Miches" marked its fifth and final year of implementation in 2017. Supported by the Inter-American Development Bank's Multilateral Investment Fund (IDB/MIF), this initiative improved market access for local farmers and entrepreneurs by incorporating them into the tourism and agricultural value chain generated by Tropicalia, its partners, and other anchor companies in the region. The project also sought to initiate, develop and promote climate-smart agricultural production in Miches.

To carry out this initiative, Fundación Tropicalia received a total amount of US\$466,338.02 from IDB/MIF, 47% of the project's total investment. The Foundation put a total of US\$524,657.08 equivalent to 53% as a counterpart investment. As a whole, the project represented a global investment of US\$990,995.10.

As we move forward, several aspects of this project have become permanent productivity programs overseen by Fundación Tropicalia:

- *iMiches, sí*!, an education and . business plan competition that teaches entrepreneurs how to develop a business plan. In 2017, due to hurricanes Maria and Irma, we postponed implementation and will offer the program again in 2018.
- *iMiches emprende!*, a microfinance . product that supports micro and small enterprises (MSEs) in tourism or agriculture, launched in partnership with Banco ADOPEM. It offers preferential interest rates and is accessible only to graduates of the

iMiches, sí! program. In 2017, the fund acquired two new clients. Since its launch in September 2016, a total of US\$16,048.78 has been disbursed to nine entrepreneurs (6 women and 3 men) who operate food and beverage businesses, agricultural enterprises, and arts and crafts and gift shops. These credits enabled the creation and strengthening of 27 direct jobs and indirectly benefited 135 people<sup>6</sup>. Additional candidates have been identified as potential participants for Phase II of iMiches emprende! which is planned to launch in 2018.

Training and Mentorship: Fundación Tropicalia is committed to supporting the agricultural sector of Miches via continued support and technical assistance to improve crop production via ecological methodologies.

6 These numbers are calculated such that each client provides direct employment to 3 people, and each of these indirectly benefits 5 family members. (Source: Banco ADOPEM)



US\$466.338.02 IDB/MIF (47%)

US\$524.657.08 Fundación Tropicalia (53%)

GLOBAL INVESTMENT **US\$990.995.10** 



TROPICALIA SUSTAINABILITY REPORT

Fundación Tropicalia continued strengthening strategic alliances with specialized stakeholders, including the IDB/MIF, Junta Agroempresarial Dominicana (JAD, Dominican Agribusiness Board), Banco ADOPEM, ADOPEM NGO and FONDESA.

In February 2017, Fundación Tropicalia signed a Memorandum of Understanding (MOU) with the Cooperative of Production and Multiple Services of Miches (COOPROMI) and JAD. This partnership builds on previous collaborations of joint work on strengthening and consolidating sustainable agricultural production in Miches and enabling COOPROMI to access funding opportunities . channeled through JAD/PRO-RURAL and IDB/MIF. The agreement fosters a single and integrated work plan with actions to increase productivity and agricultural diversification in Miches. Moreover, COOPROMI had its commercial name officially registered.

We developed thirteen training programs between 2014 and 2017, delivering 55 workshops that benefitted a total of 1,829 people (58% men and 42% women). Topics include financing, business plans, land administration, use of pesticides, organic production, and best agricultural practices, including ecological agriculture and organic fertilizer production.



Water Footprint. We mapped and modeled the superficial and subterraneous water table in order to understand the hydrological footprint of agricultural production in Miches specific to these crops: rice, cacao, ginger, pineapple, passion fruit, yuca and breakfast cucurbits like melon and watermelon. Our study area was 200 km2 and is delimited by the Atlantic Ocean to the North, the Eastern Corridor to the South, Laguna Limon to the East and Rio La Yeguada in Miches to the West. The study results provide a theoretical model that allows for an initial analysis of the impact of agricultural production on available water resources.

Carbon Footprint. We conducted a comparative study of Greenhouse Gas (GHG) emissions associated with producing, processing and sourcing seven (7) different crops from various distribution points in the Dominican Republic and the world. GHG emissions calculations were made using Cool Farm Tool and the crops analyzed included: rice, cacao, pineapple, passionfruit, ginger, yuca and cucurbits like melon and watermelon. Ultimately, the study determined that sourcing produce at Zero Kilometers decreases considerably the product's GHG emissions, making an environmental and business case for why a hotel developer should source locally.

TROPICALIA SUSTAINABILITY REPORT

## 2017 Milestones Include:

## **Strategic Alliances**

## The Cooperative

## Training







#### Study: Carbon and Water Footprint of Agricultural Production in Miches.

Fundación Tropicalia funded a carbon and water footprint study related to agricultural production in Miches.

## Greenhouse Cultivation for Women Farmers

In partnership with Estancia La Querencia, Fundación Tropicalia established a training program for women farmers to teach them how to cultivate sustainably in controlled environments. We repaired and transported the 1000 m2 greenhouse in La Gina, built with USAID financing, to Estancia La Querencia to facilitate supervision of the program and good working order of the greenhouse. Fundación Tropicalia provided US\$2,367for the materials and Estancia La Querencia provided transportation and qualified personnel to support the project. Three women will be trained over the next two years and upon completion of the program, will have the opportunity to develop their business plans with the support of iMiches, sí!, and access to seed funding through iMiches emprende!.

## Microfinance Opportunities for Local Entrepreneurs

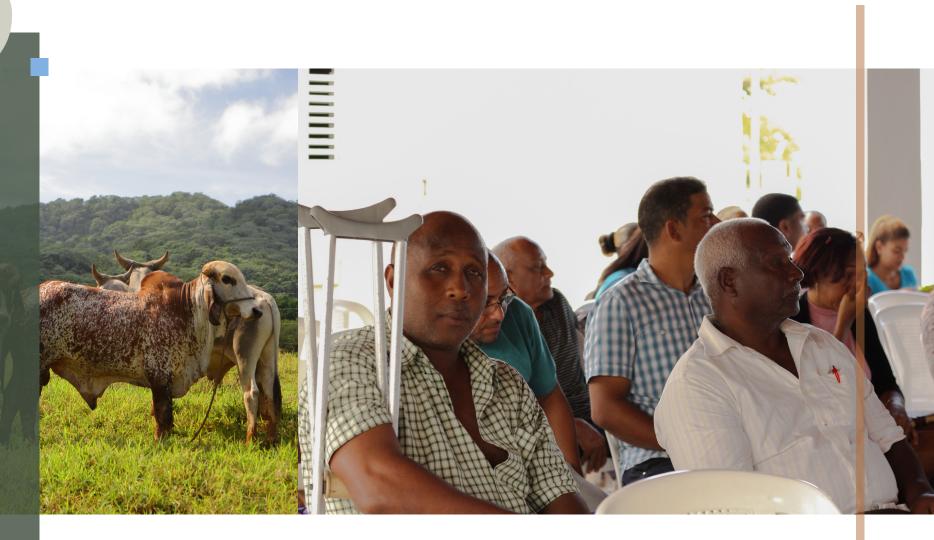
In collaboration with long time partner Fondesa, among Dominican Republic's most important microfinance institutions, Fundación Tropicalia launched a farmer friendly microfinance product in 2014 to support its inclusive supply chain program.

## Leadership Workshops

Fundación Tropicalia organized three leadership workshops to motivate project beneficiaries and the general population in Miches. These workshops were delivered by well-known Dominicans whose careers and expertise inspire all to accomplish their goals: Marcos Díaz (world champion distance swimmer), Mercedes Canalda (owner, Banco ADOPEM) and Edison Santos (social entrepreneur). Over one hundred community stakeholders attended these events and were also able to share their own personal stories of overcoming hardship.

"I am very thankful for Fundación Tropicalia's invitation to share with the Miches community my talk "Beyond the English Channel" as part of their social programs on behalf of such a beautiful region in our country. I was filled with beautiful emotions due to this warm and lovely welcome."

- Marcos Díaz, world champion distance swimmer



## Closing Celebratory Cocktail Event

Fundación Tropicalia hosted a celebratory cocktail to bring closure to the project, share results and launch the new productivity website <u>mype</u>. <u>fundaciontropicalia.com</u>. Nearly one hundred people related to the tourism, agricultural and entrepreneurship sectors attended and more than 11,400 impressions were captured on social media.



"Most of us, sometimes, have an unclear idea of what growth is in small enterprises, and these talks have been great mentoring for us. We have learned very important details on how to grow, how to make most of opportunities."

- Rafael Bonilla, beneficiary of the Program

TROPICALIA SUSTAINABILITY REPORT TROPICALIA SUSTAINABILITY REPORT

#### FUNDACIÓN TROPICALIA

**?**?

FUNDACIÓN TROPICALIA

## S O C I O C U L T U R A L A D V O C A C Y



## *Soy niña, soy importante* Summer Camp

Fundación Tropicalia celebrated its fifth year of the Soy niña, soy importante ("I'm a Girl, I'm Important" or SNSI) summer day camp, a program that serves at-risk girls ages 9-12 years old. The camp provides guidance and a constructive, yet fun space for young girls to reflect upon their future and encourage them to make timely life choices like staying in school and postponing pregnancy.

> TROPICALIA SUSTAINABILITY REPORT

FUNDACIÓN TROPICALIA

## Why girls?

- Dominican Republic ranks 70th out of 144 countries for gender inequality according to the World Economic Forum's 2017 Global Gender Gap Report.<sup>7</sup>
- One in every five teenage girls between ages 15 and 19 is currently married or in union with a man 10 years her senior.<sup>8</sup>
- One in every five teenage girls between ages 15 and 19 has been a mother or has been pregnant<sup>9</sup>, placing Dominican Republic as the fifth country in Latin America and the Caribbean with the highest rate of teenage pregnancy<sup>10</sup>.
- Dominican Republic ranks third with the highest rate of femicide in Latin America and the Caribbean<sup>11</sup>. 2017 registered the highest number of female murders in the country to date<sup>12</sup>.

PORT

7 World Economic Forum. (2017). *Global Gender Gap Report*. Rankings. Obtained from <u>http://www3.weforum.</u> <u>org/docs/WEF\_GGGR\_2017.pdf</u> Accessed January 2018.

8 Plan International. (2017) *El Matrimonio infantil forzado también existe en República Dominicana*. Obtained from <a href="https://plan-international.org/es/el-matrimonio-infantil-forzado-tambien-existe-en-republica-dominicana">https://plan-international.org/es/el-matrimonio-infantil-forzado-tambien-existe-en-republica-dominicana</a> Accesed February 22, 2018.

9 Plan Internacional (septiembre 2017). El embarazo adolescente en La República Dominicana. *Planteamientos*, Número 3, Pág. 10

10 Altagracia Ortiz (27 de septiembre 2017). Plan Internacional exige reducir embarazo de niñas. Obtained from http://hoy.com.do/plan-internacional-exigereducir-embarazo-de-ninas/. Accesed March 06, 2018.

11 República Dominicana ocupa el tercer lugar regional en tasa anual de homicidios a mujeres (25 de noviembre 2016) https://www.one.gob.do/Prensa/ NotaPrensa?Contenidold=1847. Accesed March 05, 2018

12 José Rafael Sosa (26 de noviembre 2017). República Dominicana va hacia una meta triste: 130 mujeres asesinadas en 2017. Obtained from <u>http://www.7dias.</u> com.do/portada/2017/11/26/i237203\_dominicanahacia-una-meta-triste-130-mujeres-asesinadas-2017. html#.Wp2ndiXOXUU/. Accesed March 05, 2018

#### FUNDACIÓN TROPICALIA

There are multiple structural factors affecting the overall wellbeing of girls and women in the Dominican Republic. all of which ultimately increase their risks of malnutrition, domestic work overload, prostitution, and physical and emotional violence, among other consequences. Moreover, the value of women in the labor force is significantly reduced, perpetuating the cycle of poverty. parents and grandparents attending the informational SNSI seeks to curb these trends by empowering girls and registration sessions and in some cases, volunteering and their families by sharing information and resources. to make SNSI a reality every year.

In 2017 many girls completed their full four years of participation in our SNSI program. As they enter adolescence, we hope SNSI has given them the tools and experience to reflect on their future, their rights and their short, medium and long term goals. Family involvement and support continues to grow with more

"I feel happy and thankful for being part of Fundación Tropicalia's great work and SNSI camp. I learned a lot in Miches, from the girls and the community of La Mina. They have so little, but were able to give so much to make this the most amazing and beautiful week of my life, filled with many great lessons, laughter, joy, smiling little faces, colleagues and friends that I will always carry in my heart. But more than anything, I'll remember these days as ones full of sincere love and affection."

- María Alejandra Alí, SNSI Volunteer 2017





Launch of an ambassadors network, composed of 19 members.

Girls participated in three

camp sessions in La Mina,

La Gina and Miches.

3 Participant Communities

Number of Volunteers

Volunteer hours registered, ranging from camp counselors to soccer, photography, yoga, music and environmental

instructors.

TROPICALIA SUSTAINABILITY REPORT

TROPICALIA SUSTAINABILITY REPORT

In 2017, the SNSI program initiated an Ambassador's Network that serves to advocate the program's objectives, give visibility through the media and encourage others to support the cause. As a result, we secured more funding and support enabling us to increase the amount of girls that participate in the program.

The SNSI program relies on a volunteer program and a fundraising campaign that takes place in the United States and Dominican Republic. In 2017, 96 men and women volunteered to dedicate 4,338 hours as camp counselors and supporters.

We doubled in-kind and monetary donations from 29 national and international organizations and individuals. We raised a total of US\$58,000 thanks to Cisneros employees who throughout the year participated in the company's corporate fundraising program, corporate donations, friends and family, as well as the 19 members of the newly created ambassador's network.

## **SNSI 2017** By The Numbers



## Conference on Gender Equality in the Dominican Republic: **Rights and opportunities**

Following the SNSI camp, Fundación Tropicalia continued its efforts toward ensuring the accomplishment of UN Sustainable Development Goal 5: Achieve gender equality and empower all women and girls. On November 2017, we hosted the 'Conference on Gender Equality in the Dominican Republic: Rights and opportunities' in partnership with Universidad Iberoamericana (UNIBE), with the purpose of raising awareness of violence against women and girls, and women empowerment. This event included the participation of key speakers from international agencies including UN Women, UNDP, UNFPA, Save the Children, Plan International, as well as the Ministry of Women and other national institutions working on women issues: Patronato de Ayuda para Casos de Mujeres Maltratadas (PACAM), Instituto Tecnológico de Santo Domingo (INTEC), and Profamilia, among others.











TROPICALIA SUSTAINABILITY REPORT



## Good Behavior Workshops, Teaching Children with Love and Limits

## 2017 Programs include:



In partnership with Banco Popular Dominicano and PACAM, Fundación Tropicalia organized a series of workshops delivered by PACAM specialists. These workshops sought to teach parents, teachers and children how to learn and teach from a place of love, respect and nonviolence. One hundred three (103) children aged 9 to 12, 18 teachers and 78 parents from La Gina Primary School attended.

## Cultural Identity

Fundación Tropicalia works to preserve and enhance the cultural heritage of the region by supporting various activities in partnership with the local government and community leaders.

The annual and historically significant "Carnaval" celebrations: In 2017, Miches' Carnaval Committee centered its efforts on renewing local cultural identity, reviving people's values and educating youth on their traditions. Fundación Tropicalia supported the celebration with the purchase of required materials for the municipality, as well as for the main Carnaval group "Comparsa Los Negros." In May 2017, Fundación Tropicalia organized a gathering for the winners of the different Carnaval troupes to recognize their efforts and to exchange lessons learned among community groups.

School Carnaval: Fundación Tropicalia sponsored the sound equipment for the celebration at the high school TV Centro La Gina.

Fiestas Patronales: Fundación Tropicalia sponsored the celebrations of the annual traditional festivity of atabales (a regional percussion instrument) in June 2017, in which Micheros come together to honor their patron saint, San Antonio de Padua, dance and play music. It included decorations and two days of atabales performances. Moreover, Fundación Tropicalia sponsored the meals for the security staff to ensure a safe environment during the celebrations.



## Communications

## **Community Newsletter**

Six new editions of Fundación Tropicalia's Community Newsletter were issued in 2017. 2.000 copies of each were circulated across more than 60 distribution points in Miches. The Community Newsletter is an educational and informational medium that communicates topics like sustainable tourism development, environmental stewardship, health awareness, local culture and traditions, and individual and civic responsibility for children and adults alike.

## **Fundación Tropicalia's Online Community**

Fundación Tropicalia's main website and social media handles (www.fundaciontropicalia.com) launched in May 2015, and as of December 31, 2017, have generated 401,840 impressions and attracted 656 new followers. In addition, Fundación Tropicalia currently manages two microsites:

- 1. <u>snsi.fundaciontropicalia.com</u> for Soy niña, soy importante ("I'm a Girl, I'm Important" or SNSI), social media impressions reached 353,444 and 826 new followers.
- 2. mype.fundaciontropicalia.com for productivity, which launched in December 2017.



WHAT WE DO HERE

TROPICALIA SUSTAINABILITY REPORT

TROPICALIA SUSTAINABILITY REPORT



FUNDACIÓN TROPICALIA

## EW PARTNERSHIPS



## **FUNDACIÓN** TROPICALIA



## Universidad Iberoamericana – UNIBE

In January 2017, Fundación Tropicalia and UNIBE signed an agreement to collaborate on programs that contribute to the social development of Miches through joint plans in community service and social responsibility. The agreement favors bilateral or multilateral research projects and allows UNIBE students to participate in internship and volunteer programs at Fundación Tropicalia.

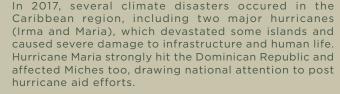
In particular, the University's schools of education and psychology advised on the contents of the Soy niña, soy importante program, participated in its execution, and co-hosted our Gender Equality Conference.

# HURRICANE RELIEF EFFORTS

"We need our community to be empowered and to continue taking actions the way we saw them with Hurricane Maria; we were able to recover our municipality in three days."

- Griselin Gil Zorrilla, Community Newsletter No. 37, September - October 2017

TROPICALIA SUSTAINABILITY REPORT



Fundación Tropicalia actively took part in hurricane of Playa Arriba. relief efforts together with the local authorities and stakeholders to help Miches recover in the aftermath. Schools received assistance with the replacement of Our staff conducted an assessment of the basic needs, 447 educational kits in 17 centers, in coordination with priorities and affected groups. Sixteen schools, some Save the Children; the recovery of the electrical system of which are part of the PRyME network were visited to in School Km. 10, as well as its roof and toilets. assess their conditions. Two schools - Hicaco Blanco and in particular Km. 10 - suffered severe damage to their All combined and coordinated efforts from the authorities roofs and educational materials. and the local population demonstrated great solidarity and allowed Miches' recovery in record time.



TROPICALIA SUSTAINABILITY REPORT

In 2017, several climate disasters occured in the Fundación Tropicalia, in partnership with various Caribbean region, including two major hurricanes institutions, established collection points in Santo Domingo and led distribution efforts in Miches. Donations included hygiene kits, clothes, food and gas Hurricane Maria strongly hit the Dominican Republic and tanks for cooking. Additionally, we made donations to affected Miches too, drawing national attention to post support the purchase of gas for response vehicles of the Municipality of Miches; provide tools to remove debris; and buy food for volunteers who worked in the recovery

# PARTNERS FOR SUSTAINABILITY IN 2017

#### PARTNERS FOR SUSTAINABILITY IN 2017

#### GRI 102-9, 102-13



## Tropicalia

Building a strong foundation for Tropicalia means creating a thoughtful, engaged network of partners. Tropicalia proudly recognizes its relationships with these organizations and will continue to pursue successful partnerships for years to come.

## Government

- Ministry of Tourism (2009 present):

## **Civil Society and Non-Profit Organizations**

- The Ocean Foundation (2013 present): obtain third-party verification of social and environmental sustainability initiatives.
- United Nations Global Compact (2010 present) the environment, and anti-corruption.
- National Association of Hotels and Restaurants ASONAHORES (member since 2011).
- National Private Business Council CONEP (member since 2014).
- Dominican Association of Tourism Real Estate Businesses ADETI (member since 2011).

## **Business and Development**

- Bouygues
- Holsteinson & Asociados, SA (HOLASA)
- HVS
- Isay Weinfeld
- LLORENTE & CUENCA
- Marshall
- Renaissance Golf Design Sheila Donnelly & Associates (SDA)
- Sherwood
- Sinergo Development Group
- Thompson Engineering

TROPICALIA SUSTAINABILITY REPORT



is fundamental to guarantee sustainability and pursue our vision of the future."

- William Phelan, Vice President and General Manager, Tropicalia

TROPICALIA SUSTAINABILITY REPORT

Tropicalia complies with the Ministry of Tourism regulations for touristic developments.

Ministry of Environment and Natural Resources (2008 - present): Tropicalia is in complete compliance with environmental regulations of the Dominican Republic; environmental permits are current.

Export and Investment Center of the Dominican Republic - CEI-RD (2015 - present): Tropicalia works alongside the CEI-RD to promote investments in the country.

Ministry of Public Works and Communication (2015 - present): Tropicalia works with the Ministry of Public Works and Communications to encourage the completion of infrastructure projects in the region.

Tropicalia works with The Ocean Foundation to support reporting efforts, elaborate measurement tools and

Tropicalia supports the 10 principles of the United Nations Global Compact in the areas of human rights, labor,

- EPSA LABCO
- Perez Morales
- Rios Legal
- Craig Robert Associates, INC
- EDG
- Thisone Designwork
- Blu Spas
- W.F.Baird & Associates Coastal Engineers LTD
- Fer Figheras .
- ECO Mensajería .

## Fundación Tropicalia

## Government

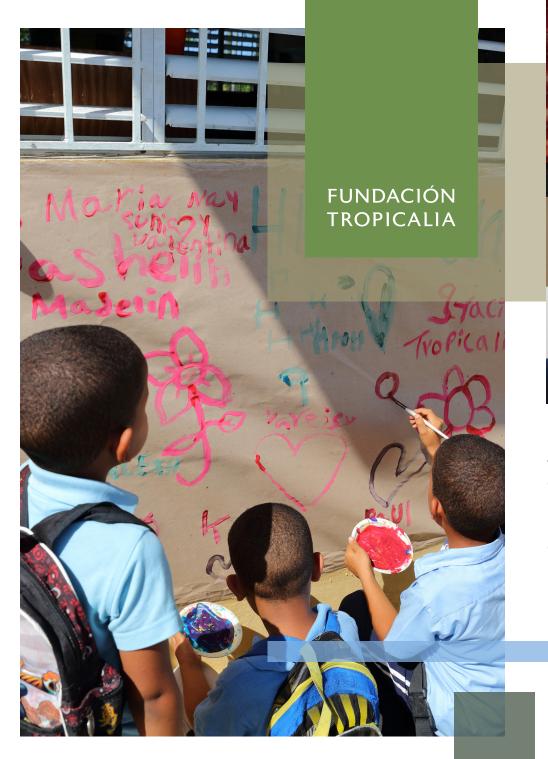
- **Municipality of Miches and municipal districts El Cedro and La Gina** (2008 present): We collaborate on special projects related to culture, sports, education, and environment.
- Ministry of Education of the Dominican Republic (2010 present): We work to improve the quality of education in the Miches school district.
- Ministry of Environment and Natural Resources (2013 present): We support special projects related to the environment, research and education.

## Business, Civil Society, and Non-Profit Organizations

- ADOPEM Banco (2015 present): We work to widen the scope of financial services available to the micro entrepreneurs that are supported by Fundación Tropicalia's programs.
- Banco Popular Dominicano (2017): Supported and collaborated with SNSI.
- EDUCA (2013 present): We work to improve public education policy and drive impact in Miches education programs.
- Fondo para el Desarrollo, Inc FONDESA (2008 present): We work to democratize access to financial services, diversify banking products, and support the inclusion of micro and small enterprises in the tourist and agricultural supply chains.
- Junta Agroempresarial Dominicana JAD (2015 present): We work to bring development opportunities to local farmers and agribusinesses in Miches.
- National Business Network for Environmental Protection ECORED (2008 present): Fundación Tropicalia gains access to a private-sector network that increases environmental protection efforts and promotes public/private-sector dialogue.
- Inter-American Development Bank, Multilateral Investment Fund (2012 present): Principal advisory and financing entity supporting the Fundación Tropicalia supply-chain initiative.
- Miches Cooperative of Labor, Production and Multiple Services COOPROMI (2015 present):

As COOPROMI gains institutional strength, it will provide market access to small farmers, technical assistance in sustainable agriculture, agritourism opportunities, and support Miches as a sustainable tourism destination.

- World Vision (2012 present): Fundación Tropicalia collaborates with World Vision on projects that support community development.
- Save the Children (2017): Supported Hurricane Relief Efforts in Miches.





## **Academic Institutions**

- Universidad ISA (2011 present): We host a scholarship program for Miches students who are interested in agricultural science and science education careers.
- Universidad Iberoamericana UNIBE (2017 present): We collaborate in programs aimed at contributing to the social development of Miches, including the 'Playa Arriba Rescue Committee' and Soy niña, soy importante. They also supported post hurricane recovery.

## LOOKING FORWARD

2017 was a pivotal year for Tropicalia and its foundation - Fundacion Tropicalia. With novel and pronounced interest in our project from international development lenders, sustainability has never been more at the center of everything we do.

## In 2018 we expect to fortify this area by accomplishing these major milestones:

Finalize Four Seasons Tropicalia financing with international lenders -IFC and IDB Invest.



Engage our general contractor and define a construction schedule.

LOOKING FORWARD



Consolidate Environmental and Social Action Plans set forth by IDB Invest and IFC.



Tailor our proprietary SMS for implementation in the construction and operational phases of our project.



Celebrate the 10-year anniversary of Fundación Tropicalia.





# GLOBAL REPORTING INITIATIVE

This is our second year referencing the Global Reporting Initiative (GRI) G-4 standards in our Sustainability Report. GRI is an international independent organization pioneering sustainability reporting since the late 1990s (www.globalreporting.org). This material references the G-4 GRI Sustainability Reporting Standards (2016), is self-assured, and has been reviewed and validated by a carefully selected stakeholder panel that includes an independent third-party verifier, The Ocean Foundation.

## **Our GRI Content Index**

The following index includes the GRI Standards referenced to during this reporting period. The Standards selected were determined in accordance with Tropicalia and Fundación Tropicalia's materiality assessment processes. Our content index also refers to the indicators of our Sustainability Management System, and UNGC's 10 principles. Our customized index allows us to better track our sustainability efforts and provides our audience with a more integral snapshot of our multilevel commitments toward sustainable development and our interrelated efforts for advancing the objectives that such pledges imply.

			LOC	CATION	
ISCLOSURE	DESCRIPTION	LEVEL	2017 SUSTAINABILITY REPORT	OTHER	NOTES
l 102: General Organizational					
102-1	Name of the organization		3. Tropicalia	Tropicalia website	
102-2 102-3	Activities, brands, products, and services Location of headquarters	√	3. Tropicalia	Tropicalia website Cisneros Real Estate website	Coral Gables, Miami, Florida
102-3	Location of operations		3. Tropicalia	Cisileros Real Estate website	Coral Gables, Marni, Fronda
102-5	Ownership and legal form	√		Tropicalia website; Cisneros Real State	
102-6	Markets served		3. Tropicalia	website	
102-7	Scale of the organization		3.5 Management and Governance Mechanisms for Sustainable Business		Total number of employees: 24     Total number of operations: 1, Dominican Republic     Net sales: does not apply     Capitalization: information not available     Quantity of products and services provided: 169 keys and 24     residences operated and managed by Four Seasons. 1 golf course.
102-8	Information on employees and other workers		3.5 Management and Governance Mechanisms for Sustainable Business		· · · · · · · · · · · · · · · · · · ·
102-9	Supply chain	Р	<ol> <li>Tropicalia</li> <li>Productivity: Sustainable Tourism</li> <li>Supply Chain in Miches</li> <li>Partners for Sustainability in 2017</li> </ol>		
102-10	Significant changes to the organization and its supply	$\checkmark$	-		None during this reporting period
102-11	chain Precautionary Principle or approach	$\checkmark$	3.4.2 Environmental Balance: Our management systems and programs 3.4.3 Thoughful Architecture: Sustainable design certified	Tropicalia EIA; Four Seasons Tropicalia DIA; Tropicalia SMS (Sustainablity Management System).	Tropicalia applies the Precautionary Principle. The project's EIA, as well as all required Environmental Compliance Reports (ICAs) submitted to the MARENA have been developed following this approach.
102-12	External initiatives	V	3.4. Sustainable Business 3.5.3 Labor and Human Rights		
102-13 Strategy	Membership of associations	$\checkmark$	5. Partners for Sustainability in 2017		
102-14	Statement from senior decision-maker	$\checkmark$	1. A word from Adriana		
102-16	grity Values, principles, standards, and norms of behavior	Ρ	3.4. Sustainable Business	Tropicalia EIA Chapter 7 presents inventory of national and international standards and laws governing the development of the project.	Tropicalia abides to all national and international laws and regulations pertinent to the tourism industry
Governance 102-18	Governance structure	$\checkmark$	3.5.2. Sustainability Committee		
Stakeholder ei	ngagement				
102-40	List of stakeholder groups		3.4.4. Community Advancement 5. Partners for Sustainability in 2017		
102-41	Collective bargaining agreements	$\checkmark$			None at this time
102-42	Identifying and selecting stakeholders	$\checkmark$	3.4.4. Community Advancement		For identifying its stakeholders, Tropicalia developed a stakeholder map. Both stakeholders that would be impacted by the project, and that could impact the project, were considered.
102-43	Approach to stakeholder engagement	$\checkmark$	3.4.4. Community Advancement		<ul> <li>Tropicalia engages with stakeholders on an ongoing basis, including business partners, community (through Fundación Tropicalia), industry leaders, etc.</li> <li>According to the specific program or initiative, Fundación Tropicalia develops community surveys to measure and assess the quality of the interventions and the level of satisfaction of the local people.</li> </ul>
102-44	Key topics and concerns raised		3.4.2 Environmental Balance: Our management systems and programs 4. Fundacion Tropicalia	Four Seasons Resort DIA; Sustainability Management System	Beach access was identified as one of the major community concerns. Tropicalia has developed a Beach Program for the recovery and maintenance of Costa Esmeralda to address stakeholder's concerns. Fundacion Tropicalia programs and initiatives are derived from understanding and attending to key concerns of stakeholder groups. For example, school programs are executed in consultation with local education professionals that express concern with specific areas of interest.
102-45	Entities included in the consolidated financial statements	$\checkmark$			Tropicalia's financial statements are shared with material
Reporting Pra		·			stakeholders upon request and subject to internal approval.
102-46	Defining report content and topic boundaries	$\checkmark$	3.5.1. Sustainability Management System (SMS) and Materiality	2016 Tropicalia Sustainability Report, pg 16.	Boundaries of each material topic are limited to Tropicalia's property, everything that happens within the property, and the community that is impacted by the project activities: Miches Municipality, located within El Seibo Province.
102-47	List of material topics	$\checkmark$	3.5.1. Sustainability Management System (SMS) and Materiality	Sustainability Management System 2016 Tropicalia Sustainability Report, pg 16.	All the material topics are presented in the SMS as criteria and indicators. Material topics are also included in this Content Index, Disclosures GRI 301-1 through GRI 419-1.
102-48	Restatements of information	$\checkmark$			Correct Productivity Infographs in 2016 Report: Total amount disbursed by Supply chain program omits FT contribution. 300 farmers certified in organic production is not accurate. Our farmers were trained in best agricultural practices, but not certified. Number of keys and residences changed in 2017 from 2016, Four Seasons Tropicalia will be a 169 keys and 24 residences. Website report missing UNGC page or section references.
102-49	Changes in reporting	$\checkmark$	-	-	No significant changes from previous reporting periods in list of material topics and boundaries.
102-50	Reporting period	$\checkmark$	-	-	January 2017 to December 2017
102-51	Date of most recent report	$\checkmark$	-	-	April 2017
102-52	Reporting cycle	$\checkmark$	-	-	The Corporate Sustainability Report is published annually. This is our seventh report. Sofia Perazzo
102-53	Contact point for questions regarding the report	$\checkmark$	Last page of report	-	Executive Director Fundación Tropicalia sperazzo@cisneros.com
102-54	Claims of reporting in accordance with the GRI Standards	$\checkmark$	7. Global Reporting Initiative	-	This material references the G-4 GRI Sustainability Reporting Standards (2016).
102-55	GRI content index		7. Global Reporting Initiative	-	
102-56	External assurance ment Approach (applies for all material topics covered)	$\checkmark$	7. Global Reporting Initiative	-	
103-1	Explanation of the material topic and its Boundary	Ρ	3.5.1 Sustainability Management System (SMS) and Materiality	Sustainability Management System	Boundaries of each material topic are limited to Tropicalia's property, everything that happens within the property, and the community that is impacted by the project activities: Miches Municipality, located within El Seibo Province. Material topics were identified as part of a materiality assessment based on complying with multiple internationally recognized best practices and reporting guidelines, including the LEED Scorecard, United Nations Global Compact, Global Sustainable Tourism Council Criteria for Destinations and Hotels and Tour Operators, Abu Dhabi Planning Council's Pearl Rating System for Estidama, among several others.
103-2	The management approach and its components		3.5.1 Sustainability Management System (SMS) and Materiality	Sustainability Management System; Tropicalia EIA, Chapter 10	Each material topic will be managed according to the guidance provided in the SMS per topic included. Tropicalia Ela chapter 10 and FST DIA chapter 8 presents the Environmental Management Plan, which outlines the management strategies for the environmental material topics identified.

Bit Method         Control         Other           0000         Section         Sectio	DISCLOSURE	DESCRIPTION	LEVEL		CATION	NOTES
Commentation         Commentation<				2017 SUSTAINABILITY REPORT	OTHER	Notes .
No.2         Activity:         Description         Topocality website         Card Galaxy Mars, Product           V0.3         Activity:         The Scality	1. Organizationa	l profile				
III.01     Ioonal mathemation     Ioonal Mathemation     Ioonal Mathemation     Ioonal Mathemation       III.02     Generative estimation     Ioonal Mathemation     Ioonal Mathematican       III.02     School The organization     Ioonal Mathematican     Ioonal Mathematican       III.02     Reprinter the organization			$\checkmark$			
Hier         Instance         Instance         Instance         Instance           B2-5         Marce park logit from         V         Instance         Instance         Instance           B2-6         Marce park logit from         V         Instance         Instance         Instance           B2-7         Social of the organization         V         Instance         Instance         Instance           B2-7         Social of the organization         V         Instance         Instance         Instance           B2-7         Social of the organization         V         Instance         Instance         Instance           B2-7         Social of the organization         V         Instance         Instance         Instance           B2-8         Social of the organization         V         Instance         Instance<			√ ./	3. Iropicalia		Coral Gables Miami Elorida
No.2Output is further for a part of a second s			√ √	3. Tropicalia	cisiteros iteli Estate website	
No.10         Mature         Mature           NO.2         Advancements will construction	102-5			-		
Bits         Bits <th< td=""><td></td><td></td><td>v v</td><td>3. Tropicalia</td><td>website</td><td></td></th<>			v v	3. Tropicalia	website	
Internation as supposed and other workers         Image: supposed and other workers         Image: supposed and other workers         Image: supposed and other workers           ID-2         Landscription         Image: supposed and other workers         Image: supposed and other workers         Image: supposed and other workers           ID-2         Landscription         Image: supposed and other workers         Image: supposed and other workers         Image: supposed and other workers           ID-2         Landscription         Image: supposed and other workers         Image: suppose				3.5 Management and Governance		<ul> <li>Total number of operations: 1, Dominican Republic</li> <li>Net sales: does not apply</li> </ul>
No.0         Aury dam         p         A. Productive Subtraction Revenue           No.0         Statistical Revenue         None during the second period           No.0         Statistical Revenue         None during the second period           No.0         Revenue (none period         None during the second period           No.0         Comparison         None during the second period           No.0         Comparison         None during the second period           No.0         Comparison         None during the second period           No.0         Description         None during the second period           No.0         None during the second period         None during the second period           No.0         None during the second period         None during the second period           No.0         None during the second period         None during the second period           No.0         None during the second period         No.0         None during the second period           No.0         None during the second period         No.0         No.0         No.0         <	102-8	Information on employees and other workers	$\checkmark$	Mechanisms for Sustainable Business		residences operated and managed by Four seasons. Fyoir course.
$  _{0:04}  _{0:04}$ Appricant Calculation and Example $\checkmark$ Interaction of the sequence of the sequenc	102-9	Supply chain	Ρ	4.3. Productivity: Sustainable Tourism Supply Chain in Miches		
102.11         Productionary Printings or approach         V         5.4.2 printersment status backs to burn the product back to burn the printer of the pri	102-10		$\checkmark$			None during this reporting period
Nuclear Section     View section     View section       Nuclear Secti	102-11		$\checkmark$	management systems and programs 3.4.3 Thoughtful Architecture: Sustainable design certified	DIA; Tropicalia SMS (Sustainablity	Tropicalia applies the Precautionary Principle. The project's EIA, as well as all required Environmental Compliance Reports (ICAs) submitted to the MARENA have been developed following this approach.
2. Biology Statements from starber decisions maker 4 / 1. A word from Advance 4 / 1. A word from Advan			$\checkmark$	3.5.3 Labor and Human Rights		
ID2-4     Selement from serior decision-maler     V     I. A word from Adving       IERK and Integration     Depicate ISA Crapter / present     Image of the selection of the integration of the in			V	o arthers for Sustainability in 2017		
102:46     Values, principles, standards, and norms of banvier     P     3.4. Statisticable Runness     Trackals and learning of association of memory of association of	102-14		$\checkmark$	1. A word from Adriana		
4. Overlap in the interval of t			Р	3.4. Sustainable Business	inventory of national and international standards and laws governing the	Tropicalia abides to all national and international laws and regulations pertinent to the tourism industry
5. Stakeholder ungeneration         4.4.4. Community Advancement         5.4.4.2. Community Advancement         5.4.4.2. Community Advancement         For identifying is stakeholder. Topicalls of register that was been including basines partners, sommaly for the consolidated in the consolidated interval to a maximum and the consolidated interval to maximum and the consolidated interval to maximum an						
Inite of a standards groups       V       8.4.4. Community Advancement       Section 11 (Section barganing agreements)       V         ID2-42       Identifying and selecting stakeholders       V       3.4.4. Community Advancement       More 21 bit standards (more considered that would be import that would be import the would be import the would be import the would be import the wore considered that would be import the would be import that import the wore considered that would be import the wore of the material topics and the wore of the material topic and the wore of			$\checkmark$	3.5.2. Sustainability Committee		
102-40       Collective bargaining agreements       V       Roman to statistication in QUV         102-42       Identifying and selecting stakeholders       V       8.4.4. Community Advancement       Protecting takeholder, Tropical and on the takeholder magement to the takeholder magement         102-43       Approach to stakeholder engagement       V       3.4.4. Community Advancement       Protection to takeholder magement to the takeholder magement         102-44       Key topics and concerns raised       V       3.4.4. Community Advancement       Protection to takeholder engagement         102-45       Key topics and concerns raised       V       3.4.4. Community Advancement       Protection to takeholder engagement to takeholder magement spitters and program.         102-46       Key topics and concerns raised       V       3.4.4. Community Advancement       Protection takeholder magement spitters and program.         102-47       List of individed in the consolidated financial spitters and program.       V       3.4.4. Community Advancement spitters and program.         102-48       Extension floor individed in the consolidated financial spitters.       V       3.3.1. Sustainability Magement spitters.       Protection floor individed in the consolidated financial spitters.       V         102-46       Defining report content and topic boundaries       V       3.3.1. Sustainability Magagement spitters.       Sustainability Magagement spitters.       Sust			1	3.4.4. Community Advancement		
102-42       Identifying and selecting tableholders       ✓       3.4.4. Community Advancement       The field of the selection of the selectio			V	5. Partners for Sustainability in 2017		
102-42     Identifying and selecting stakeholder     V     3.4.4. Community Advancement     maa. Both stakeholders that would be image of the project, we considered the project, we con	102-41	Collective bargaining agreements	$\checkmark$			
102-43       Approach to stakeholder engagement       V       3.4.4. Community Advancement       Including basiness patteries, community full the rest of a properties develops community surveys to main properties develops community full the level of properties develops community full the level of properties.         102-44       Key topics and concerns raised       V       3.4.2 Environmental Balance: Our management systems and properties develops community and maintenance of Costa Enread Interventions and the level of properties.       Costa Enread Interventions and a cost of the maintenance of Costa Enread Interventions and and Interventions and Interventintery and Interventintery and Interventions a	102-42	Identifying and selecting stakeholders	$\checkmark$	3.4.4. Community Advancement		<ul> <li>map. Both stakeholders that would be impacted by the project, and that could impact the project, were considered.</li> <li>Tropicalia engages with stakeholders on an ongoing basis,</li> </ul>
102-44Key topics and concerns raisedJ3.4.2 Environmental Balance: Dur management systems and program 4. Fundacion TopicaliaFour Seasons Resort DIA's Sustainability Management System System Singer Systemconcerns. Topical In has developed a Beach statements tableAdd to concerns.102-45Entities included in the consolidated financial statementsVIncreaseIncreaseIncrease102-46Entities included in the consolidated financial statementsVS.1. Sustainability Management System (SH5) and Materiality System (SH5) and Materiality2016 Topicalia Sustainability Reopt program are statementsBoundaries of each material topic areas of inferest.102-47List of material topicsVS.1. Sustainability Management System (SH5) and Materiality System (SH5) and Materiality Reopt program areaSustainability Reopt program area statementsBoundaries of each material topics are prosented in the system102-48Restatements of informationVS.1. Sustainability Management System (SH5) and Materiality Restatements of RH SH1 the nappet RH SH1 Restatements of informationVS.1. Sustainability Management RH SH1 RH SH1 RH SH1Setting RH SH1 RH SH1 RH SH1 RH SH1 RH SH1 	102-43	Approach to stakeholder engagement	$\checkmark$	3.4.4. Community Advancement		including business partners, community (through Fundación Tropicalia), industry leaders, etc. - According to the specific program or initiative, Fundación Tropicalia develops community surveys to measure and assess the quality of the interventions and the level of satisfaction of the local
Index-45     Entities included in the consolidated financial statements     ✓       6. Reporting Practice     Topicalia's financial statements are shared vectors is statements.     Statements     Statements     Statements     Statements     Statements     Statements     Statements     Boundaries of each material topic are limited property, everything that happents within the project.       102-46     Defining report content and topic boundaries     ✓     Statements     Statements     Statements     Boundaries of each material topic are limited property, everything that happents within the project.       102-47     List of material topics     ✓     Statements     Statements     Statements     Statements     All the material topics are parsented in the Statement system       102-48     Restatements of information     ✓     -     -     Statements       102-49     Changes in reporting     ✓     -     -     No significant changes from previous report material topics and boundaries.       102-49     Changes in reporting     ✓     -     -     No significant changes from previous report material topics and boundaries.       102-49     Changes in reporting period     ✓     -     -     No significant changes from previous report in spublic or sevents in project is spublic.       102-50     Reporting period     ✓     -     -     No significant changes from previous report is public or seventh report.	102-44	Key topics and concerns raised	$\checkmark$	management systems and programs		Fundacion Tropicalia programs and initiatives are derived from understanding and attending to key concerns of stakeholder groups. For example, school programs are executed in consultation with local education professionals that express
S. Reporting Practice       Statemonds       V       Statemonds       Statemonds<	102-45		2/			Tropicalia's financial statements are shared with material
102-46     Defining report content and topic boundaries     \$\sigma \$     \$\sigma \$    <			v			stakeholders upon request and subject to internal approval.
102-47     List of material topics <ul> <li>D. Substitution, Management</li> <li>System (SMS) and Materiality</li> <li>2016 Tropicalia Sustainability Report, pg</li> <li>Indicators. Material topics are also included</li> <li>System (SMS) and Materiality</li> <li>2016 Tropicalia Sustainability Report, pg</li> <li>Indicators. Material topics are also included</li> <li>Indicators. Material topics</li> <li>Indicators. Material topics</li></ul>			$\checkmark$			Boundaries of each material topic are limited to Tropicalia's property, everything that happens within the property, and the community that is impacted by the project activities: Miches Municipality, located within El Seibo Province.
102-48Restatements of information√<	102-47	List of material topics	$\checkmark$		2016 Tropicalia Sustainability Report, pg	All the material topics are presented in the SMS as criteria and indicators. Material topics are also included in this Content Index, Disclosures GRI 301-1 through GRI 419-1.
102-49       Changes in reporting       Image: Interport of the material topic and boundaries.       No significant changes from previous report material topics and boundaries.         102-50       Reporting period       Image: Interport of the material topic and its Boundary       Image: Interport of	102-48	Restatements of information	$\checkmark$	-	-	Correct Productivity Infographs in 2016 Report: Total amount disbursed by Supply chain program omits FT contribution. 300 farmers certified in organic production is not accurate. Our farmers were trained in best agricultural practices, but not certified. Number of keys and residences changed in 2017 from 2016, Four Seasons Tropicalia will be a 169 keys and 24 residences. Website report missing UNGC page or section references.
102-50       Reporting period       √       -       -       January 2017 to December 2017         102-51       Date of most recent report       √       -       -       April 2017         102-52       Reporting cycle       √       -       -       April 2017         102-52       Reporting cycle       √       -       -       April 2017         102-53       Contact point for questions regarding the report       √       -       -       Sofia Perazzo         102-53       Contact point for questions regarding the report       √       Last page of report       -       Executive Director         102-54       Claims of reporting in accordance with the GRI       √       7. Global Reporting Initiative       -       This material references the G-4 GRI Sustain sperazzo@         102-55       GRI content index       √       7. Global Reporting Initiative       -       This material references the G-4 GRI Sustain Standards (2016).         102-56       External assurance       √       7. Global Reporting Initiative       -       -          103-1       Explanation of the material topic and its Boundary       P       3.51 Sustainability Management System       Boundaries of each material topic are limited property eventing within the comparison of the material topic and its Boundary       P       3.51 Su	102-49	Changes in reporting	$\checkmark$		-	No significant changes from previous reporting periods in list of
102-51       Date of most recent report       ✓       -       April 2017         102-52       Reporting cycle       ✓       -       The Corporate Sustainability Report is public our seventh report.         102-52       Contact point for questions regarding the report       ✓       -       Sofia Perazzo         102-53       Contact point for questions regarding the report       ✓       Last page of report       -       Executive Director         102-54       Claims of reporting in accordance with the GRI       ✓       7. Global Reporting Initiative       -       This material references the G-4 GRI Sustain sperazzo@(2016).         102-55       GRI content index       ✓       7. Global Reporting Initiative       -       This material references the G-4 GRI Sustain Standards (2016).         102-56       External assurance       ✓       7. Global Reporting Initiative       -       -         103-1       Explanation of the material topics and its Boundary       P       3.51 Sustainability Management System       Boundaries of each material topic are limited complement appens within the System (SMS) and Materiality       Sustainability Management System       Material topics were identified as part of a m backet and isobal Company.		Reporting period	$\checkmark$	-	-	
102-52       Reporting cycle       V       -       -       -       our seventh report.         102-53       Contact point for questions regarding the report       V       Last page of report       -       Sofia Perazzo         102-53       Contact point for questions regarding the report       V       Last page of report       -       Executive Director         102-54       Claims of reporting in accordance with the GRI       V       7. Global Reporting Initiative       -       This material references the G-4 GRI Sustain Standards (2016).         102-55       GRI content index       V       7. Global Reporting Initiative       -       -         102-56       External assurance       V       7. Global Reporting Initiative       -       -         102-56       External assurance       V       7. Global Reporting Initiative       -       -         102-56       External assurance       V       7. Global Reporting Initiative       -       -         102-57       GRI content index       V       7. Global Reporting Initiative       -       -         102-56       External assurance       V       7. Global Reporting Initiative       -       -         103-1       Explanation of the material topic and its Boundary       P       3.5.1 Sustainability Management Sy				-	-	April 2017
102-53Contact point for questions regarding the report√Last page of report-Executive Director Fundación Troptor apprention sperazzo@cisnecas.com102-54Claims of reporting in accordance with the GRI Standards√7. Global Reporting Initiative-This material references the G-4 GRI Sustain Standards102-55GRI content index√7. Global Reporting Initiative102-56External assurance√7. Global Reporting Initiative-102-56External assurance√7. Global Reporting Initiative-GRI 103: Management Approach (applies for all material topics covered)103-1Explanation of the material topic and its BoundaryP3.5.1 Sustainability Management System (SMS) and MaterialitySustainability Management SystemBoundaries of each material topic are limited propert, everything that happens within the Disense art of a m based on complying with multiple internatio practices and complying with multiple international context of a m based on complying with multiple international context of and based on complying with multiple international context of and based on complying with multiple international context of and based on complying with multiple internation of context of and based on complying with multiple internation context of and based on complying with multiple internation of context of context of and based on complying with	102-52	Reporting cycle	$\checkmark$	-	-	
102-54       Standards       V       7. Global Reporting Initiative       -       Standards (2016).         102-55       GRI content index       V       7. Global Reporting Initiative       -       <	102-53		$\checkmark$	Last page of report	-	Executive Director Fundación Tropicalia sperazzo@cisneros.com
102-55       GRI content index       √       7. Global Reporting Initiative       -         102-56       External assurance       √       7. Global Reporting Initiative       -         GRI 103: Management Approach (applies for all material topics covered)       -       -       -         103-1       Explanation of the material topic and its Boundary       P       3.5.1 Sustainability Management System       Sustainability Management System       Bautorial topic and the material topic and reporting unit protice and reporting unit protices and reporting uni	102-54		$\checkmark$	7. Global Reporting Initiative	-	This material references the G-4 GRI Sustainability Reporting Standards (2016).
GRI 103: Management Approach (applies for all material topics covered)       Boundaries of each material topic are limited property, everything that happens within the community that is impacted by the project and Municipality, located within El Seibo Province.         103-1       Explanation of the material topic and its Boundary       P       3.5.1 Sustainability Management System (SMS) and Materiality       Sustainability Management System       But an additional system (SMS) and Materiality		GRI content index	$\checkmark$		-	
103-1 Explanation of the material topic and its Boundary P 3.5.1 Sustainability Management System (SMS) and Materiality Sustainability Management System (SMS) and Materiality Sustainability Management System System (SMS) and Materiality Sustainability Management System Syste			$\checkmark$	7. Global Reporting Initiative	·	
Abu Dhabi Planning Council's Pearl Rating S among several others.			Ρ		Sustainability Management System	
103-2 The management approach and its components P 3.5.1 Sustainability Management System (SMS) and Materiality Sustainability Management System (SMS) and Materiality System (SMS) and System (SMS	103-2	The management approach and its components	Ρ			Each material topic will be managed according to the guidance provided in the SMS per topic included. Tropicalia ElA chapter 10 and FST DIA chapter 8 presents the Environmental Management Plan, which outlines the management strategies for the environmental material topics identified.

DISCLOSURE	DESCRIPTION	LEVEL		CATION	NOTES
			2017 SUSTAINABILITY REPORT	OTHER	<ul> <li>The management approach of each material topic will be evaluated quarterly against the indicators included in the SMS, considering the baseline data provided in each case as a point of reference.</li> </ul>
103-3	Evaluation of the management approach	Ρ	3.5.1 Sustainability Management System (SMS) and Materiality 3.4. Sustainable Business	Sustainability Management System	<ul> <li>Vorking groups that would tackle specific areas of our sustainability approach have been established, making sure that decisions made at the committee level are operationalized on the ground.</li> <li>Tropicalia has been continually executing a rigorous</li> <li>Environmental Management and Protection Program (PMAA), through which significant environmental management processes are implemented and relevant parameters closely followed and evaluated. All requested Environmental Compliance Reports (ICAs) have been presented to the Ministry of Environment and Natural Resources and no further reports are required until construction phase starts.</li> </ul>
200: Econor	nic topics nic performance				priase starts.
201: 2001	Financial implications and other risks and opportunities due to climate change	Ρ	3.4.3 Thoughtful Architecture: Sustainable design certified	EIA Annex 3.3: Climatic characterization	<ul> <li>There are financial implications due to climate change that have been considered in design and development plans. These include, for example, the need to raise construction 3 m above sea level in order to protect the investment against sea surge.</li> <li>Tropicalia vetted design decisions against its proprietary Sustainability Management System. Methods that will be used to manage the opportunities entailed include: use of Carbon Offsets, use of lower Carbon footprint energy, etc.</li> <li>As part of our commitment to implementing environmentally friendly development, the project is anticipating LEED (Leadership in Energy and Environmental Design) Silver certification, corresponding to 50-59 points for sustainable design, construction and operation strategies. LEED certification prepares sustainable, energy efficient buildings that are resilient towards climate change, and that contribute towards climate change mitigation.</li> </ul>
201-3	Defined benefit plan obligations and other retirement plans	Р			All employees are covered by the general benefit and retirement plan, as required by local laws.
l 202: Market					<ul> <li>All positions are given equal consideration to all people, including managerial positions. 6, out of 14 positions (43%) of senior management, have been filled with employees from the local community.</li> </ul>
202-2	Proportion of senior management hired from the local community	$\checkmark$			- We prioritize hiring people that are from the local community.     - Dominican citizens or permanent residents of the Dominican     Republic are considered as "local".     - Senior management is defined as anyone with the title of     "Manager" or above (i.e. Vice President, General Manager, Executive     Director, etc.)
203: Indirec	t economic impacts			EIA, Chapter 8 Annex presents a chart on	
203-1	Infrastructure investments and services supported	$\checkmark$	4.2.1. School Renovation & Maintenance Program 4.3. Productivity: Sustainable Tourism Supply Chain in Miches	potential impacts on the socioeconomic development of the local community during preconstruction, construction, and operation of Tropicalia.	
203-2	Significant indirect economic impacts	$\checkmark$	4. Fundación Tropicalia	development of the local community during preconstruction, construction, and operation of Tropicalia.	The relevance of the identified impacts was assessed in terms of intensity, extension, development, duration, and reversibility. - Most of Fundación Tropicalia's initiatives and projects generate economic impacts in the Municipality of Miches.
204: Procur	ement practices			Fundación Tropicalia Website	
204-1	Proportion of spending on local suppliers	Ρ			Tropicalia: Contracts for the supply of building materials preferably contract local businesses before national or international businesses. Efforts will be taken to create a more sustainable supply chain for the company. However, as the project has not yet started construction, this disclosure does not apply for the current project's phase Definition of local, as result of due diligence process with IDB, is anything procured within a 50km radius of Tropicalia. Domestic procurment is anything obtained in Dominican Republic. Fundación Tropicalia: 100% of Fundación Tropicalia's activities are locally procured.
l 205: Anti-co	rruption				
205-1 205-3	Operations assessed for risks related to corruption Confirmed incidents of corruption and actions taken mental topics				The risk of corruption is part of all our operations' risk assessments. No significant risks linked to corruption were identified for this reporting period. No incident to date.
300: Enviroi					The project is not located within any protected area or area of high
304-1	adjacent to, protected areas and areas of high biodiversity value outside protected areas	$\checkmark$		EIA, Chapter 3	The project is not located within any protected area of high biodiversity value. The adjacent protected areas and areas of high biodiversity value are described in the project's EIA - As the project has not yet started construction, there have not been any impacts on biodiversity.
304-2	Significant impacts of activities, products and services on biodiversity	$\checkmark$		EIA, Chapter 8 Annex presents potential impacts on biodiversity during preconstruction, construction, and operation of Tropicalia.	<ul> <li>Tropicalia has been continually executing a rigorous</li> <li>Environmental Management and Protection Program (PMAA),</li> <li>through which significant Environmental Management processes</li> <li>are implemented and relevant parameters closely followed and</li> <li>evaluated. All requested Environmental Compliance Reports (ICAs)</li> <li>have been presented to the Ministry of Environment and Natural</li> <li>Resources and no further reports are required until construction</li> <li>phase starts. No impacts have been reported so far.</li> </ul>
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	$\checkmark$		EIA, Chapter 3 presents a list of nationally and internationally protected species found within the property boundaries of the project	
l 306: Effluen	ts and waste				Tropicalia has been continually executing a rigorous Environmental
306-1	Water discharge by quality and destination	Ρ		EIA Chapter 1 ICAs 1-11	Management and Protection Program (PMAA), through which significant Environmental Management processes are implemented and relevant parameters closely followed and evaluated. In the case of water, quality of potable water, sea water, and wastewater is being continuously assessed and reported.
306-3 306-5	Significant spills Water bodies affected by water discharged and/or runoff				<ul> <li>No spills to date</li> <li>EIA Chapter 9 outline proper procedures for handling oil spills.</li> <li>No water bodies have been affected to date due to runoff or discharges.</li> </ul>
	runoff imental compliance				
307-1	Non-compliance with environmental regulations	$\checkmark$			<ul> <li>The organization has not been identified as non-compliant with environmental laws and regulations.</li> <li>EIA, Chapter 7 presents an inventory of national and international standards and laws governing the development of Tropicalia.</li> </ul>

DISCLOSURE	DESCRIPTION	LEVEL	LOCATION		NOTES
			2017 SUSTAINABILITY REPORT	OTHER	Notes
RI 400: Social					
RI 401: Employ	yment				
401-1	New employee hires and employee turnover	$\checkmark$	3.5.3. Labor and Human Rights		<ul> <li>One employee (female) hired in this year, age &lt;40, rural region</li> <li>Total number and rate of employee turnover during the report period, by age group, gender and region : 0.05%</li> </ul>
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	$\checkmark$			All employees, full-time and temporary, are eligible for the same benefits, including: life insurance, health care, disability and invalidity coverage, parental leave, etc.
401-3	Parental leave	$\checkmark$			Not applicable in this reporting year.
RI 405: Diversi	ity and Equal Opportunity				
405-1	Diversity of governance bodies and employees	$\checkmark$	3.5 Management and Governance Mechanisms for Sustainable Business		Tropicalia's Sustainability Committee as a governance body, is made up of 16 members: - 37.5% female, 62.5% male. - 18.75% under 30 years old, 56.25% between 30-50 years old, 2 over 50 years old. About our 24 employees: - 12.5% under 30 years old, 83.3% between 30-50 years old, 41.2 over 50 years old. - 67% in rural region, 33% in urban region
405-2	Ratio of basic salary and remuneration of women to men	Ρ			All positions are remunerated based on experience and position and give equal consideration to both men and women, including managerial positions.
RI 406:Non-dis	scrimination				
406-1	Incidents of discrimination and corrective actions taken	$\checkmark$			There have been no incidents of discrimination during the repor period
RI 407:Freedo	m of Association and Collective Bargaining			-	
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	$\checkmark$			None during this reporting period
RI 408: Child L				-	
408-1	Operations and suppliers at significant risk for incidents of child labor	$\checkmark$			None during this reporting period
RI 409: Forced	l or compulsory labor Operations and suppliers at significant risk for incidents				
409-1	of forced or compulsory labor	$\checkmark$			None during this reporting period
RI 413: Local co				FIA Chantes & second a social impost	
413-1	Operations with local community engagement, impact assessments, and development programs	$\checkmark$	4. Fundación Tropicalia	EIA, Chapter 8, presents a social impact assessment	All current operations and processes are implemented with loc community engagement
413-2	Operations with significant actual and potential negative impacts on local communities	$\checkmark$	4. Fundación Tropicalia	EIA, Chapter 8, presents a social impact assessment	
RI 414:Supplie	r social assessment				
414-1	New suppliers that were screened using social criteria	Ρ	3.5 Management and Governance Mechanisms for Sustainable Business		We have included a clause listing the principles of the UNGC in of our contracts, including our five major partners and contract
RI 418: Socio-e	conomic compliance				
419-1	Non-compliance with laws and regulations in the social and economic area	$\checkmark$			<ul> <li>The organization has not been identified as non-compliant wi socio-economic laws and regulations.</li> <li>EIA, Chapter 7 presents an inventory of national and internatii standards and laws governing the development of Tropicalia.</li> </ul>

NOTE Information for the corresponding disclosure is included either in the report, in another report/study (referenced here, but not publicly available), or within the table in the "notes" column.

LEGEND √ 100% compliance with the disclosure. P Partial compliance of the disclosure.

## TROPICALIA SUSTAINABILITY REPORT 2017



FUNDACIÓN TROPICALIA

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Please visit <u>www.tropicalia.com</u> and follow us on social media to share our sustainable vision for this world-class development.

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