Ropl CALA

R E P Ú B L I C A D O M I N I C A N A



SUSTAINABILITY REPORT

athe pass

2 0 1 6

А

Mitigated 658.94 kg of CO² emissions

A Saved 54 trees and 4,606 gallons of water



....

OF CONTENTS

/ 4 A WORD FROM ADRIANA / 6 2016 HIGHLIGHTS / 8 TROPICALIA

/ 22 FUNDACIÓN TROPICALIA

/ 38 PARTNERS FOR SUSTAINABILITY / 42 COMMUNITY DEVELOPMENT: 9 YEARS IN REVIEW / 50 PRINCIPLES OF THE UN GLOBAL COMPACT / 51 GLOBAL REPORTING INITIATIVE / 56 LOOKING FORWARD



As CEO of Cisneros, I welcome the annual opportunity to share Tropicalia's Sustainability Report, and our progress in becoming one of the most sustainable luxury resorts in the world. Nine years ago, we started our journey towards championing sustainable development on the northeastern shores of the Dominican Republic. Today, we are helping to grow the region's economy, conserve its natural resources, and create new opportunities and brighter futures for the people who call this special place "home".

A WORD FROM ADRIANA

FOREWORD

Because transparency is at the core of our corporate values, we applied the Global Reporting Initiative's (GRI) voluntary Sustainability Reporting Standards in our sixth Sustainability Report. We are proud to be among the first implementers of the new G-4 GRI indicators. This allows us to align our strategy and reporting efforts with the tools and best practices that guide global decision-making on sustainability.

We believe that Tropicalia's long-term success depends not only on our team, but also our partners, stakeholders, and our relationship with the community of Miches. In 2016, we brought on new partners and cultivated relationships with existing stakeholder groups and associates. We also continue to work closely with The Ocean Foundation, a nonprofit that specializes in ocean health and coastal conservation, which serves as our third-party auditor and verifier of the information reported here.

Four key commitments to sustainability guide our most important decisions: economic sustainability, environmental balance, thoughtful architecture, and community advancement. We adhere to the 10 principles of the United Nations Global Compact (UNGC), and embrace its global sustainability agenda.

This year provided ample opportunities for translating commitments and strategies into action. In 2016, we made substantial progress across our existing and new environmental, economic and social initiatives. Through inclusive supply chains, community-based development programs, support for education, and environmental management initiatives, we are rapidly advancing our goal to promote sustainable economic growth and diversification in Miches and nearby communities.

We are using our proprietary Sustainability Management System (SMS) to monitor the connection between our overall strategy and the internationally recognized best practices and standards it supports. This year we further vetted our SMS with our partners, and continue to incorporate this tool in our decision-making processes.

Together with Fundación Tropicalia, we have already established much of the groundwork detailed in the SMS, especially as it relates to community development and sustainable destination management. We are eager to keep working towards our ambitious commitments and serving as a global leader as we promote sustainable development.

Those of us who work in the tourism industry are charged with a huge civic and economic responsibility; indeed, this is not business as usual.

The United Nations declared 2017 as the International Year of Sustainable Tourism for Development--calling upon the tourism and hospitality industry to take the lead in transitioning from conventional to more sustainable and innovative business practices that can effectively contribute to the Sustainable Development Goals (SDGs). Tourism represents one in every 11 jobs, and generates 10% of global GDP and 30% of world services exports. Those of us who work in the tourism industry are charged with a huge civic and economic responsibility; indeed, this is not business as usual.¹

At Tropicalia, we articulated a business model that spoke to this global agenda long ago and are perfectly positioned to pioneer the building of a better world via *Tourism for Development*. As in 2016, we envision ourselves continually being at the forefront of this movement and advancing the universal 2030 Agenda for Sustainable Development.

Thanks to all who have supported our journey, and who share our vision for the future. Adriana Cisneros de Griffin.

2016 HIGHLIGHTS

Reporting with Purpose

At Tropicalia, we always look to raise the bar. This year, we decided to report against the G4 Global Reporting Initiative (GRI) Standards for Sustainability, cross-referencing the GRI indicators material to our business with our proprietary SMS, the 10 principles of the United Nations Global Compact (UNGC), and the SDGs.

Sustainability Management System (SMS) Vetting with Design, Development and Architecture Teams

In 2016, we cross-referenced SMS indicators with our Leadership in Energy and Environmental Design (LEED) certification scorecard and with the SDGs. This allows us to align corporate and global material issues for ourselves and our partners, and expands our commitment to the integration of environmental, economic and social sustainability practices. In addition, the identification of the SDGs we affect will allow us to commit to specific SDGs and targets in the future.

Establishment of El Seibo - Miches Tourism and Culture Cluster

We led and supported the incorporation of the El Seibo - Miches Tourism and Culture Cluster, in collaboration with local tourism entities, to establish and promote Miches as a sustainable tourism destination.

Sustainable Tourism Supply-Chain Program Strategy Revision

Over the last three years, Fundación Tropicalia made major advances with this program in partnership with the Inter-American Development Bank's Multilateral Investment Fund (IDB/ MIF). Leading into the final year of execution, the program was extended an additional 12 months with a special focus on the project's agricultural component.

Fundación Tropicalia Impact

In 2016, Fundación Tropicalia's initiatives and programs served 949 people, 61% of whom are women and young girls.

A Record of Success for "I'm a Girl, I'm Important" (SNSI)

Fundación Tropicalia celebrated the fourth year of the SNSI summer camp. The community eagerly anticipates SNSI every year, making this one of Fundación Tropicalia's most popular and effective programs.







REDEFINING LUXURY TRAVEL

Tropicalia is a high-end, low-impact, one-of-a-kind resort development conceived by Cisneros Real Estate. Offering sophisticated architecture in an unspoiled site of spectacular and diverse natural beauty in the Dominican Republic, Tropicalia integrates luxury travel with environmental integrity. This development is positioned to serve as a model for sustainable tourism in the Caribbean, providing world-class services that are both environmentally and socially responsible.

The project includes 40 branded beachfront residences and a 160-key Isay Weinfeld-designed Four Seasons luxury beach resort. Amenities include a luxurious spa, meeting and banquet spaces, a kids' club, fitness center, and an 18-hole golf course. Besides its sophisticated architecture, Tropicalia's pristine location and rich landscape allows it to offer a mix of unique adventure and leisure activities to its guests and residents. From guided treks to nearby natural wonders to a night beneath the stars, the adventurous à la *carte* experiences will harmonize with the area's natural environment.

A LEGACY FOR FUTURE GENERATIONS

Tropicalia embodies the philanthropic and cultural values of the Cisneros family as well as the environmentally and socially responsible approach that guides Cisneros Real Estate's business. The project is an important economic catalyst for the Dominican Republic, and is set on creating a new benchmark for tourism in the region.

"We are creating a resort with a sense of place and belonging. The land is so beautiful and pure that we know that success will depend on making sure we becom stewards of what has always been there." -- Adriana Cisneros.

Source: http://www.adrianacisneros.com/tropicalia-title-tbd/

Tropicalia is located in El Seibo province on the southern shores of the rivers. Miches' natural attractions include the magnificent beaches of Costa Esmeralda and Plava Arriba, the maiestic Cordillera Oriental, and lush prairie landscapes. Its marine-rich environment attracts more than 2,000 humpback whales migrating each year to the Samaná Bay to mate Santa Cruz Church and the Battle of Palo Hincado Monument, these characteristics make Miches an incomparable coastal settlement.

Nearby, Los Haitises National Park exhibits magnificent limestone plateaus, Lagunas Redonda y 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 as of the Dominican Republic is the largest marine protected area in the country, covering 25,000 km2 on the Atlantic Coast. It extends from the Banco de La Plata, in the northern limit of the country's Exclusive Economic Zone, to the coast of El Seibo province.

BREATHTAKING DESTINATION

Miches' Coastline

Miches Yesterday, Today and Tomorrow

With a population of approximately 21,000, Miches has historically been an isolated community located in one of the poorest regions of the Dominican Republic. Its main industries include agriculture, cattle-raising, artisanal fishing, micro-business services and artisanal crafts. Despite its diverse and abundant resources, Miches faces many social and economic challenges including poverty, unemployment and delinquency, which arise from limited market access, low levels of education, and scarce economic opportunities.

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 2 million 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. Commitments have been made to conclude the Sabana de la Mar–Samaná highway segment, and to improve the ferry terminal, pier and sewage system.

La Romana: 1.5 hrs. / 86 Kms.





"By providing stable jobs, establishing a local supply chain, and contributing towards community-based development, we join the government's efforts of building a more prosperous future for Miches. Our goal is not only to favor economic growth and diversification in Miches and other nearby communities, but also to position the entire region as a sustainable tourism destination that favors social, ecological, and aesthetic preservation and enhancement."







GRI 102-18

SUSTAINABILITY AS A BUSINESS MODEL

A Commitment to Responsible Business

LABOR AND HUMAN RIGHTS

COMMITMENTS TO THE UNGC AND SDGS

In 2010, we committed to the UNGC's universal principles on human This year, we included an annex listing the principles of the UNGC in 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 We also acknowledge the importance of linking such efforts with on experience and position; we hire and train local residents; and all operations implement local community engagement and development programs via our foundation, Fundación Tropicalia.



(*) Information compiled and verified through the employee payroll for calendar year 2016. All employees are permanent and full-time

contracts with our three major partners and contractors. Our goal is for everyone involved in the construction and operation of Tropicalia to comply with these basic international standards.

the SDGs. Launched in 2015 by the United Nations (UN) after a re-examination of the Millennium Development Goals, the SDGs mark the development agenda through the year 2030, providing a road map of opportunities to solve societal and environmental challenges. Ultimately, the UNGC principles support our efforts for advancing the SDGs: the connection is crucial.²

The UN declared 2017 the International Year of Sustainable Tourism for Development. Its goal is to foster a better understanding among people around the world, leading to a greater awareness of the rich heritage of civilizations and the values of different cultures. Three specific SDGs are being supported: SDG 8, Decent Work and Economic Growth; SDG 12, Responsible Consumption and Production; and SDG 14, Life Below Water,³ Our work contributes to the advancement of all three.

> Our commitment to human rights, environmental protection, structural integrity, and smart and efficient infrastructure design, as well as our community development activities, are guided and monitored by a proprietary SMS. Through the integration of the SMS into every aspect of our activities, we hope to position ourselves at the forefront of sustainable tourism practices.

² UNGC (w/d). The UN Global Compact Ten Principles and the Sustainable Development Goals: Connecting, Crucially. White paper. Obtained from: https://www.unglobalcompact.org/ docs/about_the_gc/White_Paper_Principles_SDGs.pdf. Accessed December 2016.

³ World Tourism Organization UNWTO (2016). United Nations declares 2017 as the International Year of Sustainable Tourism for Development. Obtained from: http://media.unwto. org/press-release/2015-12-07/united-nations-declares-2017-international-year-sustainable-tourism-develop. Accessed January 2017.

Our Sustainability Committee

In 2009, we established our Tropicalia Sustainability Committee, a cross-functional team that meets annually to discuss strategy, report progress and define goals for the upcoming year.

We held our 11th annual Sustainability Committee meeting in 2016, discussing strategic decisions for 2017 with valuable input of senior leadership and employees across the organization. Several new members joined the meeting, which we saw as an opportunity to outline why we report, the importance of reporting, and the role of our internal associates, a crucial topic on the Committee's 2016 agenda.

We implemented internal sustainability working groups that would tackle specific areas of our sustainability approach. We identified SMS and LEED working groups as immediate priorities.

The diversity of our Committee members brings strength to this corporate governance body. In addition to internal participation, we also include external advisors such as Alan Kelso, Chairman and CEO of Sinergo, our development partner based in Costa Rica and specialized in high-end, ecologically sensitive tourism real estate projects. Sinergo's expertise in the sustainable luxury segment has enriched our thinking when it comes to conceptualizing the strategic path for Tropicalia and the work of the foundation.



/ 14

Sustainability Management System

CONCEPT AND PURPOSE

We designed our SMS in 2014 to achieve exceptional performance in environmental, economic, and social sustainability. Today, it provides a systematic means of reviewing, improving, and implementing sustainability practices throughout our management and operations.

"Our design and construction partners are actively vetting the SMS to identify the indicators we comply with and those that will require extra work or a strategic refocus. The result will be a practical, user-friendly and informative SMS, so that collaborators at multiple levels can report against our proprietary sustainability indicators."

Leonardo Troyo, Project Manager, Tropicalia.

MATERIALITY ASSESSMENT

We carefully selected each indicator included in our Sustainability Management System through a materiality assessment, a process that pinpoints Tropicalia's significant economic, environmental and social impacts within the boundaries of our property and the local community, as well as the issues that substantively influence the decisions of our stakeholders.⁴

The result: an SMS with 89 criteria that support concrete action in nine key areas, including: sustainable destination management; cultural heritage and community development; legal accountability and human resources; and built and natural environmental management. Each area has a set of indicators and expert guidance that respond to internationally recognized best practices and reporting guidelines, including:

- > United Nations Global Compact: Ten Principles for Corporate Sustainability.
- **>** Global Reporting Initiative: G4 Sustainability Reporting guidelines.
- > Global Sustainable Tourism Council: Criteria for Destinations and Criteria for Hotels and Tour Operators.
- > Abu Dhabi Urban Planning Council: Pearl Rating System for Estidama.
- > Inter-American Development Bank: Tourism Scorecard.
- > Green Globe: Certification Standards for Sustainable Tourism.
- > The Ocean Foundation: Coastal Sustainable Development Standards, named one of the "Best Sustainable Codes. Standards and Policies" in 2010 by the American Society of Landscape Architects.

The SMS was further vetted and cross-referenced with international benchmarks and indicators, including LEED criteria and UN SDGs. As part of our research and investigation efforts, we came across the GRI's report on Sustainability Topics for Sectors (2013),⁵ which confirmed that the information portrayed in our SMS is material for the Real Estate and Hospitality sectors, and of interest to the investment and environmental communities.

The final SMS product is a result of a collaborative work with The Ocean Foundation, an independent nonprofit organization based in Washington, D.C., with extensive sustainability expertise.

Finally, we used feedback from other key partners, such as Gensler, Sinergo and Thompson Engineers, and of specific internal teams to refine the SMS.

Sustainable Thinking

Four key elements guide our most important decisions:

ECONOMIC SUSTAINABILITY

Financial, environmental and social viability are equally considered in making sound business decisions.

THOUGHTFUL ARCHITECTURE

Design and development standards that guarantee quality and environmentally sound construction techniques.

We consider financial, environmental, aesthetic and social viability in making sound business decisions.

Part of the development lifecycle is the notion of constant change driven by a host of internal and global factors. Upon consolidating our investment structure, in 2016 we determined that financing of Four Seasons Tropicalia required more time than originally anticipated. As a result, we seized this opportunity to continue to improve upon the economics of our project and further engaged in conversations with international lenders and investors that share our integrated approach to sustainability.

In 2016, our foundation further supported micro and small enterprises in the Miches community by providing new financing and education opportunities for local entrepreneurs.

"Our commitment is to sustainable development of the entire destination. Building a strong local economy reduces the risks most often associated with conventional tourist destinations."

Sofia Perazzo, Executive Director, Fundación Tropicalia.

Source: http://sharedvalue.org/groups/building-sustainable-supply-chain-remote-island-paradise

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.

COMMUNITY **ADVANCEMENT**

Local economic diversification and community development fomented by Fundación Tropicalia programs in the Miches community.

ECONOMIC SUSTAINABILITY



⁴ Global Reporting Initiative, Defining Materiality: What Matters to Reporters and Investors, pg. 6 https://www.globalreporting.org/resourcelibrary/Defining-Materiality-What-Matters-to-Reporters-and-Investors.pdf. Accessed February 2017.

⁵Global Reporting Initiative (2013), Sustainability Topics for Sectors: What do stakeholders want to know? Obtained from: https://www.globalreporting.org/resourcelibrary/ sustainability-topics pdf Accessed December 2016

ENVIRONMENTAL BALANCE

We protect and conserve the natural environment by using sustainable site development and destination management to preserve biological integrity, habitat connectivity and green space.

We continued to execute a rigorous Environmental Management and Protection Program (PMAA), submitting our Environmental Compliance Reports (ICA) reports to the Ministry of Environment and Natural Resources (MIMARENA) every six months.

Because infrastructure development has not yet begun, our monitoring activities currently focus on baseline data measurements. These include water quality, solid waste and noise pollution, as well as managing gas emissions and compensatory reforestation. This information will be used to mitigate impacts during Tropicalia's construction and design phases.

In 2016, we submitted two ICAs to MIMARENA, marking a total of 12 ICAs completed to date. Both reports were approved by the corresponding authorities.

Reporting Processes and Parameters

PROGRAM	SUBPROGRAM	PROGRAM	SUBPROGRAM			
	 Rehabilitation of degraded areas 		> Health and labor protection			
Physical Controls	Water management		> Working hours regulation			
Physical Controls	 Mater management Implementation of operation manuals and maintenance of green areas 	nplementation of operation Januals and maintenance of				
	Effluent treatment	Socio-environmental Management	Training			
Environmental Quality	> Solid waste treatment	• Vaccination and preventive medicine				
	 Atmospheric emissions treatment 		• Road maintenance			
	Guidelines for deforestation		> Traffic control			
	activities		 Guidelines for archaeological heritage maintenance and use 			
Biological Controls	• Compensatory reforestation	Environmental				
Biological Controls	> Land use planning for	Supervision	 Follow up and control 			
	conservation purposes	Contingency				
	> Environmental education for wildlife protection	Management	• Contingency management plar			



THOUGHTFUL ARCHITECTURE

Our design and development standards ensure enduring aesthetics, quality construction and environmentally sound techniques that integrate with nature, maintain vistas, and maximize beauty of place.

Despite delays in the Tropicalia development, we continue to move forward with other elements such as completion of design, model room development and LEED certification.

In 2016, we completed construction of the model room for Four Seasons Tropicalia, which serves as a living laboratory where we examine the viability of construction and design components including aesthetics, functionality and sustainability. To reduce the demand for air conditioning, we have tested energyefficient glazing on the expansive sliding glass doors leading to the outdoor patios, as well as an automated control system that adjusts the cooling system when the doors are open.

The model room also included the construction of a green roof. Green roofs provide an aesthetic improvement, and also contribute to landfill diversion, mitigate heat during the hottest months, improve energy efficiency and air quality, and may contribute to stormwater management.⁶ We are proud to report that the model room design was completed and approved by ownership (Cisneros), Four Seasons and the architect Isay Weinfeld, which gives us the green light to move forward.

LEED Certification

As part of our commitment to implementing state-of-the-art, environmentally friendly development, we continued to work towards Silver LEED certification for Four Seasons Tropicalia. LEED is a rigorous third-party verification standard that provides a global benchmark for excellence in green building, energy efficiency and the use of local, reusable or repurposed materials, among other sustainability categories such as water and air quality.

In 2016, we used the LEED Scorecard to assess our design, and looked to the United States' standards as LEED has not yet emerged for the Dominican Republic. Based on the hotel's current design, we are candidates for obtaining either the LEED Silver or Gold certifications.

⁶ Green Roofs for healthy cities (n/d). Obtained from: <u>http://www.greenroofs.org/index.php/about/greenroofbenefits</u>, Accessed January 2017.

COMMUNITY ADVANCEMENT

We support local economic diversification and community development via Fundación Tropicalia's programs.

We established Fundación Tropicalia in 2008 to support the socioeconomic development of the Miches community. Fundación Tropicalia collaborates with the public and private sectors, civil society, academia and international organizations. We focus on shared value, which connects social and environmental advancement with economic progress.

The foundation's efforts focus on improving the quality of education, working with women and girls to improve their economic and social position, creating a local supply chain of goods and services, promoting the region's cultural traditions; and, encouraging sustainable practices in environmental and agricultural activities, among other initiatives.

Stakeholder Engagement

At Tropicalia, we carefully identify the stakeholders most impacted by our activities via a series of stakeholder maps. They include local, regional, and national authorities local and international organizations, community leaders and media; principal partners and suppliers; and, employees.

We engage with them continually through our business activities and Fundación Tropicalia's range of programs. Fundación Tropicalia's team members reside in Miches, allowing for an intimate understanding of community development needs. We structure programs accordingly, prioritizing quality and transparency above all else.



Destination Management: El Seibo - Miches Tourism and

Tourism and Culture Cluster, which engages participants in the local tourism-

Miches' natural attractions and several local businesses, including local

program to protect and manage the local beachfront, Playa Arriba.



FUNDACIÓN TROPICALIA

FUNDACIÓN TROPICALIA

Tropicalia's community engagement and social investment efforts began in 2008 with its foundation, Fundación Tropicalia.

Fundación Tropicalia focuses on four main program areas: productivity, environment, education and sociocultural advocacy. The foundation has identified, developed and implemented high-impact, innovative projects in agriculture, gender equality, education, environment, entrepreneurship and microfinance.

MISSION

Design and implement sustainable development programs that integrate local communities to promote collective change.

VISION

Promote socio-economic development and prosperity in the region.

Honors & Awards

UNWTO

United Nations World Tourism Organization Award for Innovation in Non-Governmental Organizations: sustainable tourism supply-chain program. In January 2017, it

REDUCA

award for Best Innovative Practice in Inclusive Education: Fundación Tropicalia recognized for its "I'm a Girl, I'm

FORBES

Forbes' Central American and Dominican Republic Edition ranking for Most Important Non-Governmental Organization in Central America and Dominican Republic in 2016: Fundación Tropicalia ranked 14th.

ETHICAL CORPORATION

Ethical Corporation Responsible Business Awards – Most Effective Domestic Community Investment: Fundación

Costa Esmeralda Beach Rescue Program

protect the idyllic beach of Costa Esmeralda. The partnership aims to enhance the municipality's natural attractions, and to promote compliance with related environmental regulations.



GRI 102-44



A two-day cleanup of more than 200m of beachfront with the help of a team of

10 employees

Restoration of the beach entrance path and parking area, using local natural materials

The work was completed before the Spring Break high season, leaving the area ready to be enjoyed during the festivities by both tourists and locals.

Playa Arriba Beach Rescue and Maintenance Committee

To protect Playa Arriba, Fundación Tropicalia is partnering with local businesses, authorities and community members to form the Playa Arriba Rescue Committee and will participate in the Tourism Cluster's initiatives.

Automatic Weather Station

In 2015, Fundación Tropicalia installed Miches' first Automatic Weather Station (AWS). It records wind direction and speed, humidity, dew point, air pressure, temperature, solar radiation, ultraviolet radiation and rainfall. The data collected supports the tourism and agricultural sectors, as well as the Miches community in general, by providing accurate, up-todate local weather information and tracking capabilities over time.

⁷ World Tourism Organization UNWTO. UNWTO Awards recognize the commitment of the tourism sector to sustainable approaches. Obtained from: <u>http://www2.unwto.org/press-</u> release/2017-01-19/unwto-awards-recognize-commitment-tourism-sector-sustainable-approaches, Accessed January 2017.

/ 24

ENVIRONMENT

ACTIVITIES IN 2016



Installation of new signs to inform and raise awareness regarding the responsible use of the beach



The provision of new waste containers to support trash collection and separation

GRI 203-1

EDUCATION ~ Scholarship & Cultural Exchange Program

Since 2011, Fundación Tropicalia has coordinated a Scholarship and Cultural Exchange Program with Instituto Superior de Agricultura University, or UISA, located in the municipality of Santiago de los Caballeros and specializing in agricultural sciences. The program targets young Micheros pursuing an undergraduate degree in careers that relate to the municipality's economic development, including engineering degrees in agronomy, animal production and food technology, an education degree in natural sciences, or a bachelor's degree in business administration.

In 2016, the program attracted a record number of applicants. Out of 16 candidates, the foundation selected three outstanding high school graduates who exhibited exceptional leadership potential and commitment to the community. All will benefit from work-study, cultural and professional support services, as well as exchange opportunities, on-campus counseling, and parent meetings in Miches.

Manuel Villa Reina and Marcia José Vásquez, awarded with the scholarship in 2011, successfully completed their undergraduate studies. Manuel graduated from UISA this year, while Marcia still needs to present her final thesis project. Fundación Tropicalia encourages scholarship students to return to their hometown and increase the number of professionals working in the agricultural sector.

All UISA students from Miches benefit from Fundación Tropicalia's Professional and Cultural Exchange Initiative; the fifth such exchange in 2016 supports students on their academic and professional career paths. Twenty-five students visited the Esmeralda Farm, owned by the Rizek Group and located in San Francisco de Macorís, and experienced the Cacao Trail to learn how cacao becomes chocolate.



School Renovation & Maintenance Program

Sustainable economic development depends on the education of the local population. In Miches, where only 9.6% of the population has finished high school,⁸ education is crucial to lifting the community out of poverty. In 2016, Fundación Tropicalia celebrated the ninth anniversary of the School Renovation and Maintenance Program (PRyME), which brings together the education community of Miches to address administrative and infrastructure problems and help administrators repair and maintain their schools. Collectively, PRyME has supported 12 primary and secondary schools, 2,772 students and more than 130 teachers.

Fundación Tropicalia requires that schools provide counterpart funding or resources to encourage selfdetermination and independence.

Collectively, our education programs reach approximately 70% of Miches' school district.

⁸ Ministerio de Educación (2014). Anuario de Indicadores Educativos. Año lectivo 2012-2013. Obtained from: <u>http://www.minerd.gob.do/sitios/Planificacion/Documentos%20de%20planificacion/Documentos%20de%20planificacion/Anuario%20de%20lndica dores%20Educativos.%20A%C3%B10%20Lectivo%202012-2013.pdf. Accessed January 2016.</u>

PRYME IMPACT IN 2016

LA GINA SCHOOL

Fundación Tropicalia supported the construction of the school's waste storage facility, provided construction materials and hired local labor. Renovation and maintenance activities included the installation of an entrance gate and repair of the water cistern.

TV CENTRO LA GINA

Fundación Tropicalia supported painting walls and repairing bathrooms of this school, and provided painting materials.

HICACO BLANCO SCHOOL

Fundación Tropicalia supported the construction of the school's waste storage facility and the repair of its bathrooms, which weren't connected to the water pipeline system.

PRIMARY SCHOOL LA CULEBRA

Fundación Tropicalia supported painting of interior and exterior walls, which had significantly deteriorated due to weather and other construction work on school grounds.

TV CENTRO EL CEDRO

Construction work of this school started in 2013 and has not vet been finalized. Nevertheless, the community used these facilities in the 2015-2016 school year. Fundación Tropicalia, the school administration and a local association of school supporters worked together to complete the construction of a bathroom building (mostly plumbing work), install doors and windows in administrative offices, and finish the connection to the electrical grid.

LICEO PADRE DANIEL

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

PRIMARY SCHOOL KILÓMETRO 6

Fundación Tropicalia provided building materials and hired local labor to completely replace the roof of the school's administrative office, which was severely deteriorated due to humidity and water infiltration. The replaced materials were recycled and used for the construction of a small warehouse and other installations.

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

> In 2016, Fundación Tropicalia also hosted its seventh annual PRyME celebration. More than 200 guests gathered to commemorate the year's work, recognize outstanding community leaders, and promote integration among the education community.

STUDENTS: 354 TEACHERS: 24 USD \$4.000 75% Fundación Tropicalia, 25% La Gina School

STUDENTS: 229 TEACHERS: 11 **USD \$2,403** 32% Fundación Tropicalia, 68% TV Centro La Gina

STUDENTS: 151 **TEACHERS: 10 USD \$2,205** 49% Fundación Tropicalia, 51% Hicaco Blanco School

STUDENTS: 131 **TEACHERS: 9** USD \$1,304 60% Fundación Tropicalia, 40% Primary School La Culebra

STUDENTS: 107 **TEACHERS: 7 USD \$1,253** 60% Fundación Tropicalia, 40% TV Centro El Cedro

STUDENTS: 662 **TEACHERS: 23** USD \$616 100% Fundación Tropicalia

STUDENTS: 180 **TEACHERS: 7 USD \$254** 65% Fundación Tropicalia, 35% Primary School Km6

EDUCA (Business Action for Education), a national NGO located in Santo Domingo, was created by a group of businessmen concerned with the global competitiveness of the Dominican Republic. EDUCA is one of the most important influencers in education public policy at the national level. Fundación Tropicalia has been a member of EDUCA's board of directors for four years. The NGO has provided ongoing technical advice and counsel on issues related to education in the Miches area.

In 2014, Fundación Tropicalia launched an In-School Education Program in Miches' public schools to support students' interest in the arts, develop and instill social skills, and promote critical and creative thinking. This year, the program focused on La Mina and Hicaco Blanco schools. With the development of more than 15 arts and crafts workshops, and the participation of more than 80% of the students in La Mina and 100% in Hicaco Blanco, the program has proved to be a major success.



EDUCA Partnership

ln-School Education Program

GRI 102-9, 203-1

PRODUCTIVITY

Sustainable Tourism Supply Chain in Miches

The "Inclusion of Micro and Small Enterprises in the Sustainable Tourism Supply

Five Key Components

- I. Strengthening the commercial management and administration of local
- B. Building the presence and capacity of local micro and small enterprises
- 4. Providing greater access to microcredit financing for local growers and
- in other tourism destinations.

The program supports the maturation of a local supply chain that can meet market

As of December 2016, Fundación Tropicalia had received more than USD \$256,641,

Fundación Tropicalia has formed strategic alliances with specialized stakeholders, including the Junta Agroempresarial Dominicana (JAD, Dominican Agribusiness Board), Banco ADOPEM and ADOPEM ONG.

Cooperative of Production and Multiple Services of Miches, or COOPROMI, was established by Presidential Decree in 2016. COOPROMI seeks to consolidate and organize the commercialization and marketing of the region's diverse sectors of goods and services. COOPROMI has accessed new funding opportunities and agricultural projects channeled through the JAD. Additionally, COOPROMI has been strengthened through the renovation of its Board of Directors, the election of a new president, and the addition of more regional producers.



In 2015, Fundación Tropicalia consolidated a new partnership with Banco ADOPEM, one of the Dominican Republic's most important microfinance institutions, and ADOPEM ONG, its non-profit division that supports financial and business-plan education services for clients and the general population. The partnership has successfully developed two new programs related to micro entrepreneurs' access to credit and education:

~ "¡Miches, sí!" (or "Miches, Yes!") Program ~

Promotes the improvement of local small and micro businesses, supports new ventures, and strengthen Miches' supply of tourism and agricultural products and services. The program offered 32 local entrepreneurs a 40-hour training course conducted by ADOPEM ONG to assist in developing their own business plans. Twenty-four completed the program, and 20 participants presented their ideas to an independent jury that selected the four best concepts (two existing businesses and two new enterprises). The winners, one woman and three men, were awarded seed funding to launch their businesses and will receive ongoing support from ADOPEM ONG and Fundación Tropicalia. They are now producing and selling organic coconut fertilizer, raising rabbits for consumption, providing horseback riding tours, and managing a restaurant.

In October 2016, Fundación Tropicalia and Banco ADOPEM launched the "¡Miches Emprende!" revolving fund, a low-interest fund for entrepreneurs operating sustainable tourism or agricultural businesses in Miches. This year, six entrepreneurs (four women and two men) were funded by the initiative, accessing a total of DOP \$620,000.

MILESTONES IN 2016 INCLUDE

STRATEGIC ALLIANCES

THE COOPERATIVE

BUSINESS PLAN PROGRAM

~ "¡Miches Emprende!" Program ~

TRAINING

As part of the IDB/MIF project, nine training programs have been developed between 2014 and 2016, benefiting a total of 1,625 people (55% men and 45% women). Topics include financing, land administration, use of pesticides, organic production, and best agricultural practices.

Framed under an adaptive management process, the "Inclusion of the Micro and Small Enterprises into the Sustainable Tourism Supply Chain" project was strategically overhauled and extended for 12 additional months through September 2017. For Fundación Tropicalia, this project will be absorbed as a permanent institutional program allowing us to ensure its success and evolution. The short-, mediumand long-term objectives and milestones for this new phase include:



- > Training 200 farmers in ecological and climate-smart agriculture.
- > Supporting at least five new micro-enterprises linked to regional tourism and agriculture.
- > Strengthening the COOPROMI cooperative to function as a commercial entity.
- > Expanding and diversifying local, organically raised crops such as passionfruit, watermelon, red peppers and ginger.
- > Measuring the water and carbon footprints of at least three agricultural products to improve resource management and production efficiencies.
- > Increasing COOPROMI's income by 20%.
- > Disbursing first-round capital from the ¡Miches Emprende! revolving fund for new and existing tourism businesses and recapitalizing the fund for second-round financing.
- > Transitioning a minimum of 50 farmers into full ecological production.
- Developing an assessment of the production capacity of the highland and grassland regions.

MICROFINANCE OPPORTUNITIES FOR LOCAL ENTREPRENEURS

Fundación Tropicalia understands that socioeconomic development depends greatly on local growers' and entrepreneurs' access to financial services. Accordingly, in 2008 the foundation partnered with Fondo para el Desarrollo, Inc. (FONDESA), a leading microfinance nonprofit in the Dominican Republic, to diversify banking products, formalize the borrowing process, and support inclusive business programs in Miches.

Thanks to FONDESA, thousands of families have gained access to affordable credit facilities that have supported commerce, agriculture, services, consumers, home remodeling, and livestock farming. In 2014, FONDESA and Fundación Tropicalia launched a new microfinance product especially designed for the foundation's inclusive supply-chain beneficiaries, offering competitive interest rates and flexible amortization schedules that adapt to the uncertainties of agricultural production. To date, the partnership has established a total of 90 such credit lines valued at more than DOP 8.1 million, benefiting 90 local families. Funds have been mainly used for passionfruit, ginger, and watermelon production.

"l'm a Girl, l'm Important" Summer Camp

Fundación Tropicalia celebrated the fourth year of the "I'm a Girl, I'm Important" ("Soy niña, soy importante" or SNSI) summer day camp. SNSI serves girls 9 to 12 years old, and provides a safe, nurturing environment where girls can simply be girls. We give young girls the guidance and tools they need to be self-reflective, critical thinkers and make timely life choices like staying in school and postponing pregnancy. Curriculum includes: Education in Values; Artistic Expression & Development; Development of Interpersonal Relationships, Self-Esteem and Self-Awareness; Sex-Ed and STD Prevention; Gender & Violence; Nutrition; and Sports.

In Dominican Republic 22% of girls between 15 and 19 years old have been pregnant at least once, placing it as the 5th country in Latin America with the highest teenage pregnancy rate. Early pregnancy is the cause of 44% of school dropout among the country's adolescents,⁹ hindering their personal and professional development, and widening the already large gender gap that exists in the country: Dominican Republic is the 97th out of 144 countries where there is more inequality between women and men according to the World Economic Forum's 2016 Global Gender Gap Report.¹⁰



9 Oficina Nacional de Estadística de República Dominicana (national statistics), UNICEF, Inter-American Development Bank (IDB) and International Labour Organization (ILO). (2009-2010). Encuesta Nacional de Hogares de Propósitos Múltiples ENHÓGAR: Situación de la Mujer, la Niñez y la Adolescencia. Obtained from https://www.unicef.org/ republicadominicana/ENHOGAR_2009-10.pdf, Accessed January 2017 ¹⁰ World Economic Forum. (2016). Global Gender Gap Report. Rankings. Obtained from <u>http://reports.weforum.org/global-gender-gap-report-2016/rankings/</u> Accessed January 2017.

SOCIO-CULTURAL ADVOCACY

This situation increases the risks of malnutrition, domestic workload, prostitution and physical and emotional violence towards girls, among other consequences. Moreover, the value of women in the market is significantly reduced, increasing the probability of repeating the generational cycle of poverty.

SNSI seeks to curb these trends by empowering girls and their families. It seeks to support Miches' socioeconomic development by, among other things, decreasing prostitution, increasing education rates and supporting female participation in the workforce.



When a girl receives 7 or more years of education, she will marry four years later.



Each year of primary school is an increase of 10% to 20% of her future salary.



When women and girls earn a salary, they reinvest 90% of it in their families.



Three years after the first SNSI program, the girls are exhibiting more confident behavior, feeling more empowered, and are more prone to reflect about their future and rights. Family involvement and support have increased significantly, with more parents and grandparents attending the informational and registration sessions.

"I have been participating for three years, and have been able to notice a change in the girls (...) I think they now better understand what being a girl means, which is the most important thing we try to teach in the camp."

Daliana Medina, SNSI Volunteer.

Source: Community Newsletter July-August 2016, 31st edition



Year | - 2013

- Camp age was 10-15. Learned that the content and preventive messages were better suited for younger girls.
- > Volunteers were schoolteachers. Learned that school dynamics were being replicated in camp.
- > SNSI Logo adopted.
- > 100 girls participated.

education community, looking to break out of the "school" dynamics. > Company-wide fundraiser and matching-gift program launched in the United States,

Year 2 - 2014

- working with fiscal sponsors Friends of Educa and Dominican Foundation.
- > 250 girls participated.

The SNSI program relies on a volunteer program and a fundraising campaign that take place in the United States and Dominican Republic. In 2016, 80 professional Dominican men and women volunteered to dedicate a week of their lives as camp counselors.

We captured in-kind donations from 15 national and international organizations. In partnership with Casa Quien, a contemporary art gallery in Santo Domingo, we hosted a silent art auction featuring female Dominican artists, who depicted the experience of the Dominican woman. A significant percentage of sales were designated for SNSI. We raised a total of USD \$22,000 thanks to Cisneros employees who participated in the company's corporate matching-gift program, friends and family, receiving support from 12 corporate collaborators and 68 individual donors.



MILESTONES INCLUDE:

Year 3 - 2015

- > Campers' age adjusted to 9-12. > Volunteer program launched to attract participants outside the
- > Fundraiser and SNSI website launched.
- > Fiscal sponsor The Ocean Foundation joins.
- > 257 girls participated.

Year 4 - 2016

- > Launch of SNSI social media. As of December 31st, 2016, the program's reach included 1,336 Instagram followers and 784 Facebook "likes".
- > Evolution and enhancement of the SNSI website.
- > SNSI attracted new funding partners, raising international profile.
- > 248 girls participated.

Cultural Identity

Fundación Tropicalia aims to maximize the natural and cultural heritage of the region by supporting various activities in partnership with the local government and community leaders.

- "Carnaval" celebrations: Fundación Tropicalia sponsored the sound equipment for the celebration.
- > The annual and historically significant > Fiesta de Atabales: Fundación Tropicalia sponsored two celebrations of the annual traditional festivity of *atabales* (a regional percussion instrument), in which Micheros get together to honor their patron saint, San Antonio de Padua, dance and play music.



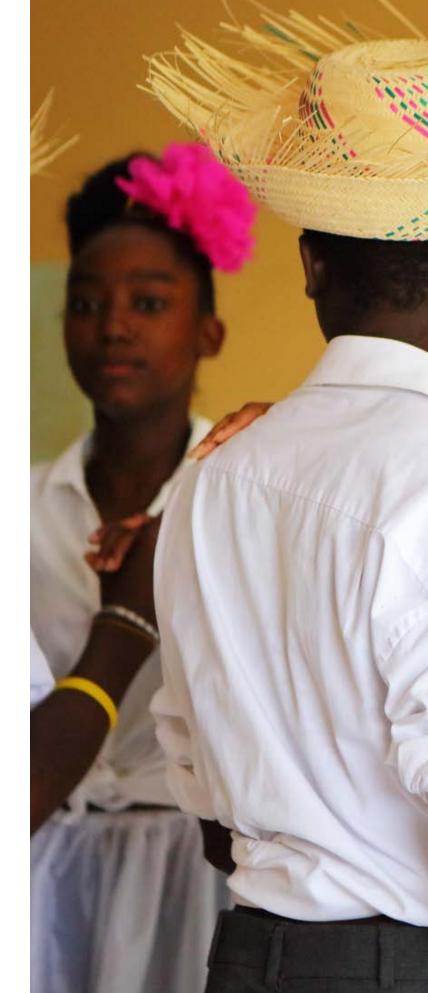
Community Newsletter

This year, Fundación Tropicalia issued six new editions of its Community Newsletter, and circulated 2,000 copies of each across more than 50 distribution points in Miches. The Community Newsletter promotes sustainable 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 launched its website (www.fundaciontropicalia.com) in May 2015 and increased its communications reach via social media. As of December 31, 2016, the foundation's reach included 1,334 Facebook "likes" (34% increase from 2015), 481 Twitter followers (more than 100% increase), and 1,069 Instagram followers (more than 250% increase).









PARTNERS FOR SUSTAINABILITY

PARTNERS FOR SUSTAINABILITY

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.

Tropicalia

GOVERNMENT

- Ministry of Tourism (since 2009): Tropicalia complies with the Ministry of Tourism regulations for tourist developments and it works hand in hand with the Department of Planning & Projects (DPP).
- Ministry of Environment and Natural Resources (since 2008):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 (since 2015): Tropicalia works alongside the CEI-RD to promote investments in the country.
- > Ministry of Public Works and Communication (since 2015): Tropicalia works with the Ministry of Public Works and Communications to > Dominican Association of Tourism Real Estate Businesses - ADETI encourage the completion of infrastructure projects in the region.

BUSINESS, CIVIL SOCIETY, AND NON-PROFIT ORGANIZATIONS

- > The Ocean Foundation (since 2013): Tropicalia works with TOF to support reporting efforts, elaborate measurement tools and obtain third-party verification of social and environmental sustainability initiatives.
- > United Nations Global Compact (since 2010): Tropicalia supports the 10 principles of the United Nations Global Compact in the areas of human rights, labor, the environment, and anti-corruption.
- > National Association of Hotels and Restaurants ASONAHORES (since 2011).
- > National Private Business Council CONEP (since 2014).
- (since 2011 and currently chairs it).
- Dominican Association of Ranchers and Farmers ADHA (since 2016).

DEVELOPMENT AND COMMUNICATIONS TEAM

- > Gensler > LLORENTE & CUENCA > Geofitech > Geoconsult > Holsteinson & Asociados, SA (HOLASA) > Horwath HTL > HVS > Isay Weinfeld > Jones Lang LaSalle
 - > Mapex > Marshall > Renaissance Golf Design > Sheila Donnelly & Associates (SDA) > Sherwood > Sinergo Development Group
 - > Thompson Engineering

Fundación Tropicalia

- Municipality of Miches (since 2008): Tropicalia/Fundación Tropicalia
 Ministry of Environment and Natural Resources (since 2013): and Miches collaborate on special projects related to culture, sports, Fundación Tropicalia collaborates on special projects related to the education, and environment. environment, research and education.
- > Ministry of Education of the Dominican Republic (since 2010): > Ministry of Agriculture (since 2013): Fundación Tropicalia and the Fundación Tropicalia and the Ministry of Education of the Dominican Ministry of Agriculture collaborate on special projects related to Republic work to improve the quality of education in the Miches agricultural supply chains and technical training for farmers. school district.

BUSINESS, CIVIL SOCIETY, AND NONPROFIT ORGANIZATIONS

- > Banco ADOPEM (since 2015): Fundación Tropicalia and Banco > National Business Network for Environmental Protection - ECORED ADOPEM work to widen the scope of financial services available (since 2008): Fundación Tropicalia gains access to a private-sector to the micro entrepreneurs that are supported by Fundación network that increases environmental protection efforts and promotes Tropicalia's programs. public/private-sector dialogue. > ADOPEM ONG (since 2015): Fundación Tropicalia and ADOPEM > Inter-American Development Bank, Multilateral Investment Fund (since
- ONG work together to bring financial and women's empowerment 2012): Principal advisory and financing entity supporting the Fundación education programs to the Miches community. Tropicalia supply-chain initiative.
- > EDUCA (since 2013): Fundación Tropicalia and EDUCA work to > Miches Cooperative of Labor, Production and Multiple Services improve public education policy and drive impact in Miches education COOPROMI (since 2015): As COOPROMI gains institutional strength, it will provide market access to small farmers, technical assistance in programs. sustainable agriculture, agritourism opportunities, and support Miches > Fondo para el Desarrollo, Inc - FONDESA (since 2008): Fundación as a sustainable tourism destination.
- Tropicalia and FONDESA work to democratize access to financial and small enterprises in the tourist and agricultural supply chains.
- > Junta Agroempresarial Dominicana JAD (since 2015): Fundación Tropicalia and IAD work to bring development opportunities to local farmers and agribusinesses in Miches.

• Universidad ISA (since 2011): Fundación Tropicalia and Universidad ISA host a scholarship program for Miches students who are interested in agricultural science and science education careers.

GOVERNMENT

services, diversify banking products, and support the inclusion of micro > World Vision (since 2012): Fundación Tropicalia collaborates with World Vision on projects that support community development.

ACADEMIC INSTITUTIONS



COMMUNITY DEVELOPMENT: NINE YEARS IN REVIEW

Our Programs at a Glance 2008-2016

		·08 ·	09	'10	411	'12	ʻl3 ʻl4	4	15 ' 16	\$
	Costa Esmeralda Beach Rescue — — — — — — — — —						-			
	Laguna Redonda Water Study – – – – – – – – – –									
ENVIRONMENT	Automatic Weather Station in Miches – – – – – – – –									
	Professional Development for School Teachers (AME) – – – –									
	EDUCA partnership – – – – – – – – – – –									
	School Renovation and Maintenance Program (PRyME) – – – –	_								
	Scholarship and Cultural Exchange Program – – – – – –									
	LEAF Program / JADOM Initiative – – – – – – – –									
	In-school Education Program – – – – – – – – – –									
EDUCATION	Think Art Program of Fundación Cisneros – – – – – – –						-			
	Digital Literacy Course – – – – – – – – – – –									
	UAPA Financial Education Workshops for Adults – – – – –									
	Miches Saludable Summer Camp (USAID/REDDOM)									
	Model School Initiative – – – – – – – – – – – –						-			
	Partnership with FONDESA – – – – – – – – – –									
PRODUCTIVITY	IDB/MIF Sustainable Tourism Supply Chain – – – – – – –									
	USAID Agricultural Diversification Iniciative – – – – – – –									
	Microfinance product with FONDESA – – – – – – –									
	COOPROMI									
	Farm Management Program – – – – – – – – – – –									
	Organic Agriculture Production Program – – – – – – –									
DCIO-CULTURAL	Training on Best Agricultural Practices – – – – – – – –									
ADVOCACY	¡Miches, sí! Program —									
	¡Miches Emprende! Program – – – – – – – – – – –									
	"I'm a Girl, I'm Important" Summer Camp – – – – – – –						-			
	Copa Tropicalia —									
	El Seibo Cultural and Production Fair – – – – – – – – –									
1441	Adult Literacy Program —									
OUTREACH/ MMUNICATIONS/	Artemiches and "A New Face for Miches" Initiative – – – – –									
MONITORING	Fundación Tropicalia Social Media and Website Debut – – – – –									
	Community Newsletter									



LAGUNA REDONDA WATER STUDY

10/2013-10/2014

One Twelve-Month Study

Water samples were taken daily for 365 days and compared to weather patterns in order to understand contamination sources.

Results and recommendations were delivered to MIMARENA in 2015.

Tropicalia will continue monitoring water quality during construction and operations.

COSTA ESMERELDA BEACH RESCUE

Of Coastline Protected

Beach Employees Trained

The Costa Esmerelda Beach Rescue program ran from 2013-2015, and continued in 2016.

AUTOMATIC WEATHER STATION IN MICHES

9/2015-12/2016

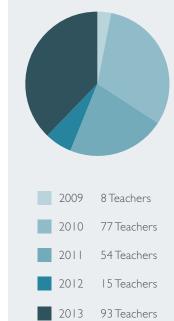
I6 MONTHS of climatology data collected until 2016.

Data is uploaded to an online weather platform every minute on www.wunderground.com



EDUCATION

PROFESSIONAL DEVELOPMENT FOR SCHOOL TEACHERS (AME)



Total Teachers 119 of which passed the program



Courses Taught at 15 institutions

MODEL SCHOOL INITIATIVE

2013

La Mina Primary

150 Students

Impacted from 1st to 4th grade

School

Participating **Education Centers**

Escuela El Cedro: Escuela La Mina: Escuela Básica La Gina: Liceo TV Centro la Gina; Escuela KM.6; Escuela Los Franceses: Escuela Lucas Guibbes: Liceo Secundario Padre Daniel: Distrito Educativo 12-03: Km I 0; Fundacion Tropicalia; Escuela Hicaco Blanco, Escuela Vocacional de las F.F.A.A. de Miches, Distrito 12-04 Visión Mundial

Courses

Education, Human Development & Poverty Alleviation; Skills for School Administration and Management; Teaching Environmental Education; Teaching Health Education; Applying & Using ICTs in Primary School Education; Ethics in School: Peace & Conflict Resolution; MATEMATEL; Building Blocks for Teaching Business & Business Planning; Developing Business Opportunities and Entrepreneurship; School Communication and Organization.

IN-SCHOOL PROGRAMS

2014 75 Students in 2 schools

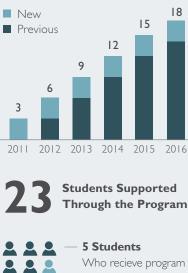
2015 201 Students in 2 schools

2016 410 Students in 2 schools



Total Students and ongoing

SCHOLARSHIP AND CULTURAL **EXCHANGE PROGRAM**



Through the Program

Judents
Who recieve program
services, but their
scholarships are 100%
from the Ministry of
Education because they
study education
— 18 Scholarships

DIGITAL LITERACY COURSE

2009-2011



SCHOOL RENOVATION AND MAINTENANCE PROGRAM (PRYME)

2009 Hicaco Blanco

2013

Supported a network of 12 schools, in five of which larger projects took place, impacting 44 teachers and 1,63 students

2014 200 students from 2 schools

FINANCIAL EDUCATION WORKSHOP FOR ADULTS

2011-2012



2014

	Supported a
	network of I I
	schools (one closed),
	two of which larger
	projects took
1	place, impacting 23
I	teachers and 492
	students

2015

Supported a network of 12 schools (one reopened), two of which larger projects took place, impacting 11 teachers and 189 students

(closed in 2014)

2016

Supported network of 12 schools, in 7 of which larger projects took place, impacting 91 teachers and 1,814 students







LEAGUE OF ENTERPRISING FARMERS **IN TRAINING (LEAF) & JUNIOR** ACHIEVEMENT DOMINICANA (JADOM)

2011 45 students from 3 schools

2012 45 students from 1 school

— LEAF becomes JADOM —

2013 100 students from 1 school







2009-2011 75 Teachers

2012-2013 -12 Teachers



345 Adults

MICHES SALUDABLE **SUMMER CAMP** (USAID/REDDOM)

2012 **46** Campers

EDUCA PARTNERSHIP

4 years of collaboration. Fundación Tropicalia has been a member of EDUCA's board of directors for four years.



IDB / MIF SUSTAINABLE TOURISM SUPPLY CHAIN

	1.1
•	
2013	
US\$131,910 disbursed	
(17.6% of IDB/MIF's planned	
investment)	
	2014

• 2015 US\$64,691 disbursed (8.7% of IDB/MIF's planned investment)

US\$60,040 disbursed (8% of IDB/MIF's planned investment)

Farmers

workshops

Women

receive nutrition

receive organic and sustainable agriculture

US\$256,641

Total Disbursed

ORGANIC AGRICULTURE PRODUCTION PROGRAM

TRAINING ON BEST AGRICULTURAL PRACTICES

24 participants

6 entrepreneurs

access the fund

9

trained on

business plan

development

32 producers have been

closely advised on

organic practices

business plans

funding

DOP 620k

awarded seed

2016 Project extended for 12 additional months Project is strategically revamped

300 producers certified in organic production

benefited farmers

¡MICHES, SÍ! PROGRAM

¡MICHES EMPRENDE! PROGRAM

2014-2015

2014-2015

2014-2016

A Business Plan

Development

implemented.

Revolving fund

established and

launched

Program

2016

USAID AGRICULTURAL DIVERSIFICATION INITIATIVE

2012-2013

US\$95,000 123 beneficiaries **1,580** m2 0 greenhouse infrastructures

workshops

MICROFINANCE PRODUCT WITH FONDESA 2014-present

90 credit lines established

DOP 8. million in credits

COOPROMI 2014-present

Decree that officially institutes **3** years of work since the creation of the cooperative establishment issued in 2016

FARM MANAGEMENT PROGRAM 2014-2015



5 workshops developed

PARTNERSHIP WITH FONDESA

Years of Alliance

disbursed

SOCIO-CULTURAL ADVOCACY

"I'M A GIRL, I'M IMPORTANT" SUMMER CAMP

A recreational and educational camp for 9-12 year-old at-risk girls, where they learn about their value in society and how to make timely life choices.



2012

Players 3rd tournament. 2012 tournament changes to a one-day event, 40 players total played in El Cedro.



Players 4th tournament. Repeat of 2012 methodology, 3 teams, 60 players total played in Miches.

2014 60

Players 5th tournament. Repeat of 2012 methodology, 3 teams, 60 players total played in Miches.

EL SEIBO CULTURAL AND **PRODUCTION FAIR**



ADULT LITERACY PROGRAM

The program worked with Plan Nacional de Alfabetización "Ouisqueya Aprende Contigo" since 2013.

2013

22

Adults





ARTEMICHES

Fundación Tropicalia supports Artemiches, a local non-profit that brings general cultural programs and awareness to the Miches community, including painting and sculpture workshops; Semana Cultural Artemiches; and a "New Face for Miches" where volunteers paint colorful murals on the facades of the homes lining the main entrance of town.

• 2008	First year	
• 2009	Second year	
• 2010	Third Year	140 Homes
• 2011	Fourth Year	ITV painted
• 2012	40 homes painted with "New Face for Miches"	
• 2013	60 homes painted with "New Face for Miches"	
• 2014	40 homes painted with "New Face for Miches"	7 Years of support

OUTREACH/ M.W **COMMUNICATIONS/** MONITORING

FUNDACIÓN TROPICALIA SOCIAL MEDIA AND WEBSITE DEBUT

f 1,334 Facebook likes

481 Twitter followers

I,069 Instagram followers



Until December 31t



Community Newsletter

PRINCIPLES OF THE UN GLOBAL COMPACT

HUMAN RIGHTS

Businesses should support and respect the protection of internationally proclaimed human rights. (pg. 14)

Make sure that they are not complicit in human rights abuses. (pg. 14)

LABOR STANDARDS

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining. (pg. 14)

The elimination of all forms of forced and compulsory labor. (pg. 14)

The effective abolition of child labor. (pg. 14 and 33-34)

The elimination of discrimination in respect of employment and occupation. (pg. 14)

ENVIRONMENT

Businesses should support a precautionary approach to environmental challenges. (pg. 17-18)

Undertake initiatives to promote greater environmental responsibility. (pg. 25 and 46)

Encourage the development and diffusion of environmentally friendly technologies. (pg. 16 and 19)

ANTI-CORRUPTION

Businesses should work against corruption in all its forms, including extortion and bribery. (pg. 14 and 40-41)

GLOBAL REPORTING INITIATIVE

Every year, we seek to improve our analysis by making it more relevant, efficient and transparent. This year, we used the Global Reporting Initiative's Standards as a foundation for the development of our Sustainability Report. GRI is an international independent organization pioneering sustainability reporting since the late 1990s (www.globalreporting.org) Our 2016 Sustainability Report references the Consolidated set of 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.

2010 Signed the UN Global Compact

> 2011 - present Released 6 editions of Sustainability Report

The following index includes the GRI Standards applicable to 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 in turn to UNGC's 10 principles. Our customized index allows us to better track our sustainability efforts, and provides to our audience a more integral snapshot of our multi-level commitments towards sustainable development and our interrelated efforts for advancing the objectives that such pledges imply.

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

f

/TROPICALIARD /FUNDACIONTROPICALIA /SNSICAMP

2016

Referenced SMS, LEED, EDGE and implemented GRI

Our GRI Content Index



@TROPICALIARD @FUNDTROPICALIA



@TROPICALIARD @FUNDACIONTROPICALIA @SNSICAMP

DISCLO				LOCATION				
DISCLO- SURE	DESCRIPTION	LEVEL	SUSTAINABILITY REPORT	OTHER	NOTES			
GRI 101: F	OUNDATION							
GRI 101 do	SRI 101 does not contain any disclosures							
GRI 102: G	ENERAL DISCLOSURES							
I. Organiz	ational profile							
102-1	Name of the organization	\checkmark	3.Tropicalia	Tropicalia website				
102-2	Activities, brands, products, and services	\checkmark	3. Tropicalia	Tropicalia website				
102-3	Location of headquarters	\checkmark		Cisneros Real Estate website	Coral Gables, Miami, Florida			
102-4	Location of operations	V	3.Tropicalia					
102-5	Ownership and legal form	V		Tropicalia website; Cisneros Real Estate website				
102-6	Markets served	V	3.Tropicalia					
102-7	Scale of the organization	Ρ	3.4. Sustainability as a Business Model		 Total number of employees: 24 Total number of operations: I, Dominican Republic Net sales: does not apply Capitalization: information not available 			
102-8	Information on employees and other workers	\checkmark	3.4. Sustainability as a Business Model					
102-9	Supply chain	\checkmark	3.Tropicalia 4.3. Sustainable Tourism Supply Chain in Miches					
102-10	Significant changes to the organization and its supply chain	\checkmark	3.4.4. Sustainable thinking					
102-11	Precautionary Principle or approach	V		Tropicalia EIA;Tropicalia's Environmental Compliance Reports (ICAs)	Tropicalia applies the Precautionary Principle. The proj- ect's EIA, as well as the continual Environmental Compli- ance Reports (ICAs) submitted to the MIMARENA have been developed following this approach.			
102-12	External initiatives	\checkmark	3.4. Sustainability as a Business Model					
102-13	Membership of associations	\checkmark	5. Partners for sustainability in 2016					
2. Strategy	r							
102-14	Statement from senior decision-maker	\checkmark	I.A word from Adriana / Foreword					
3. Ethics ai	nd Integrity							
102-16	Values, principles, standards, and norms of behavior	V	3.4. Sustainability as a Business Model	Tropicalia EIA Chapter 7 presents inventory of nation- al 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.			
4. Governa	nce							
102-18	Governance structure	V	3.4.2. Our Sustainability Committee	Tropicalia EIA, Chapter 11: Management strategies				
5. Stakeho	lder engagement							
102-40	List of stakeholder groups	V	3.4.1.A Commitment to Responsi- ble Business 3.4.5. Stakeholder engagement 5. Partners for Sustainability in 2016					
102-41	Collective bargaining agreements	V			None at this time			
102-42	Identifying and selecting stakeholders		3.4.5. Stakeholder engagement		For identifying its stakeholders,Tropicalia developed a stakeholder map. Both stakeholders that would be im- pacted by the project, and that could impact the project, were considered.			
102-43	Approach to stakeholder engagement	V	3.4.5. Stakeholder engagement		 Tropicalia engages with stakeholders on an ongoing basis, 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 people. 			
102-44	Key topics and concerns raised	V	4.1.1. Costa Esmeralda Beach Rescue Program	Four Seasons Resort EIA; Sustainability Management System	As part of the development of the Four Seasons EIA, a town hall meeting was developed this year to identify stakeholder's main concerns. Up to date, beach access remains one of the major community concerns. This issue is being addressed through the Recovery and maintenance of Costa Esmeralda beach Program.			
102-45	Entities included in the consolidated financial statements				This is something that will be discussed in the 2017 Sustainability Committee meeting.			
102-46	Defining report content and topic boundaries	\checkmark	3.4.3. 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.			
102-47	List of material topics	\checkmark	-	Sustainability Management System	All the material topics are presented in the SMS as crite- ria and indicators. Material topics are also included in this Content Index, Disclosures GRI 301-1 through GRI 419-1			

		LEVEL		LOCATION	NOTES
SURE	DESCRIPTION		SUSTAINABILITY REPORT	OTHER	
102-48	Restatements of information	V	3.4.4. Sustainable thinking - Eco- nomic Sustainability		
102-49	Changes in reporting	\checkmark	-		No significant changes from previous reporting perio list of material topics and boundaries.
102-50	Reporting period	\checkmark	-	-	January 2016 to December 2016
102-51	Date of most recent report	V	-	-	April 2016
102-52	Reporting cycle	\checkmark	-	-	The Corporate Sustainability Report is published and This is our sixth report.
102-53	Contact point for questions regarding the report	\checkmark	Last page of report	-	Sofia Perazzo Executive Director Fundación Tropicalia sperazzo@cisneros.com
102-54	Claims of reporting in accordance with the GRI Standards	\checkmark	8. Global reporting initiative		
102-55	GRI content index	\checkmark	8. Global reporting initiative	-	
102-56	External assurance	\checkmark	8. Global reporting initiative	-	
GRI 103: M	ANAGEMENT APPROACH (APPLIES	FORALL	MATERIAL TOPICS COVERED)		
103-1	Explanation of the material topic and its Boundary	Ρ	3.4.3. Sustainability Management System	Sustainability Management System	Boundaries of each material topic are limited to Tropicalia's property, everything that happens within property, and the community that is impacted by the project activities: Miches Municipality, located within Seibo Province. Material topics were identified as part of a materiali assessment based on complying with multiple intern ally recognized best practices and reporting guidelin including the LEED Scorecard, Green Globe Standar Sustainable Tourism, Abu Dhabi Planning Council's P Rating System for Estidama, among several others.
103-2	The management approach and its components	Ρ	3.4.3. Sustainability Management System	Sustainability Management System;Tropicalia ElA, Chapter 10	 > Each material topic will be managed according to t guidance provided in the SMS per topic included. > EIA chapter 10 presents the Environmental Manag Plan, which outlines the management strategies for environmental material topics identified.
103-3	Evaluation of the management approach	Ρ	3.4.3. Sustainability Management System 3.4.4. Sustainable thinking	Sustainability Management System	 The management approach of each material topic very evaluated quarterly against the indicators included SMS, considering the baseline data provided in each as a point of reference. Working groups that would tackle specific areas of sustainability approach have been established, maki sure that decisions made at the committee level ar operationalized on the ground. Tropicalia has been continually executing a rigorous rommental Management and Protection Program (f through which significant environmental manageme processes are implemented and relevant paramete closely followed and evaluated. Bi-annual Environm Compliance Reports (ICAs) are presented to the I try of Environment and Natural Resources.
GRI 200: EQ	CONOMIC TOPICS				
GRI 2001: E	conomic performance				
201-2	Financial implications and other risks and opportunities due to climate change	Ρ		EIA Annex 3.3: Climatic characterization	 > There are financial implications due to climate chan that have been considered in design and developme plans. These include, for example, the need to raise construction 3m above sea level in order to protec investment against sea surge. > Methods that will be used to manage the opportun entailed include: use of Carbon Offsets, use of lowe Carbon footprint energy, etc. > As part of our commitment to implementing envirc mentally friendly development, we continued to wo towards Silver LEED certification for Four Seasons Tropicalia. LEED certification prepares sustainable, energy efficient buildings that are resilient towards climate change, and that contribute towards climate change mitigation.
GRI 2002: N	1arket presence				
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	\checkmark		EIA Chapter 7: Regulatory Framework provides an inventory of national and international standards and laws governing the development of Tropicalia.	All full-time and part-time salaries are higher than th legal minimum wage. All positions are remunerated to on experience and position, and give equal considera- to both men and women, including managerial positi For minimum wage positions, male and female positi are compensated the same
202-2	Proportion of senior management hired from the local community	V			 > All positions are given equal consideration to all peincluding managerial positions. 6, out of 14 position senior management, have been filled with employee from the local community. > We prioritize hiring people that are from the local community. > Dominican citizens or permanent residents of the Dominican Parable are encodeded or length.
					Dominican Republic are considered as 'local'.

GLOBAL REPORTING INITIATIVE

DISCLO-	DESCRIPTION	LEVEL		LOCATION	
SURE			SUSTAINABILITY REPORT	OTHER	NOTES
GRI 2003:	Indirect economic impacts				
203-1	Infrastructure investments and services supported	\checkmark	4.2.1. School Renovation & Mainte- nance Program 4.3. Productivity: Sustainable Tour- ism Supply Chain in Miches	EIA, Chapter 8 Annex presents a chart on potential impacts on the socioeconomic development of the local community during preconstruction, construction, and operation of Tropicalia.	
203-2	Significant indirect economic impacts	V	4. Fundación Tropicalia	EIA, Chapter 9 Annex presents a chart on potential impacts on the socioeconomic 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 on the Municipality of
GRI 2004:	Procurement practices			Fundación Tropicalia Website	Miches.
204-1	Proportion of spending on local suppliers	V			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 sus- tainable 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. Fundación Tropicalia:
					100% of Fundación Tropicalia's activities are locally procured.
GRI 2005:	Anti-corruption				
205-3	Confirmed incidents of corruption and actions taken	\checkmark			No incident to date.
GRI 300: E	INVIRONMENTAL TOPICS				
GRI 304: B	liodiversity				
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	V		EIA, Chapter 3	The project is not located within any protected area or area of high biodiversity value. The adjacent protected areas and areas of high biodiversity value are described in the project's EIA.
304-2	Significant impacts of activities, products and services on biodiversity	V		EIA, Chapter 8 Annex presents potential impacts on biodiversity during preconstruction, construction, and operation of Tropicalia.	→ As the project has not yet started construction, there have not been any impacts on biodiversity. > Tropicalia has been continually executing a rigorous Envi- ronmental Management and Protection Program (PMA), through which significant Environmental Management processes are implemented and relevant parameters closely followed and evaluated. Bi-annual reports for compliance evaluation are presented to the Ministry of Environment and Natural Resources. No impacts have been reported so far.
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 inter- nationally protected species found within the property boundaries of the project	
GRI 306: E	ffluents and waste				
306-1	Water discharge by quality and destination	p		EIA Chapter I ICAs I-11	Tropicalia has been continually executing a rigorous Envi- ronmental Management and Protection Program (PMA), through which significant Environmental Management processes are implemented and relevant parameters closely followed and evaluated. In the case of water, qual- ity of potable water, sea water, and wastewater is being continuously assessed and reported. Estimated wastewater flows for the current project phase: Average daily flow: 849.1 m3/day
					Max daily flow: 1,018.92 m3/day EIA Chapter I
306-3	Significant spills	\checkmark			 > No spills to date > EIA Chapter 9 outline proper procedures for handling oil spills.
306-5	Water bodies affected by water dis- charged and/or runoff	\checkmark			No water bodies have been affected to date due to runoff or discharges.
GRI 307: E	nvironmental compliance				
307-1	Non-compliance with environmental regulations	V			 The organization has not been identified as non-compli- ant with environmental laws and regulations. EIA, Chapter 7 presents an inventory of national and international standards and laws governing the develop- ment of Tropicalia.
GRI 400: S	OCIAL				
GRI 401: E	mployment				
401-1	New employee hires and employee turnover	Ρ	3.4.1.A commitment to responsible business		 > Total number of new employee hires during the reporting period: 8; 5 males and 3 female; all from rural areas. > Total number and rate of employee turnover during the reporting period, by age group, gender and region: 0.
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	V			All employees, full-time and temporary, are eligible for the same benefits, including: life insurance, health care, disability and invalidity coverage, parental leave, etc.

DISCLO-				LOCATION	
SURE	DESCRIPTION	LEVEL	SUSTAINABILITY REPORT	OTHER	NOTES
401-3	Parental leave	V			 > 4 employees were entitled to parental leave during the present reporting period: 3 female and 1 male. > 4 employees took parental leave during the present reporting period: 3 female and 1 male. > 3 returned to work after parental leave ended, 1 was still on leave at time of report.
GRI 405: D	viversity and Equal Opportunity				
405-1	Diversity of governance bodies and employees	Ρ	3.4.1.A commitment to responsible business		Tropicalia's Sustainability Committee, 16 members in 2016. 6 female, 10 male. 3 under 30 yrs old, 4 over 50 yrs old.
405-2	Ratio of basic salary and remuneration of women to men				All full-time and part-time salaries are higher than the legal minimum wage. All positions are remunerated based on experience and position, and give equal consideration to both men and women, including managerial positions. For minimum wage positions, male and female positions are compensated the same.
GRI 406: N	Ion-discrimination				
406-1	Incidents of discrimination and corrective actions taken	V			There have been no incidents of discrimination during the reporting period.
GRI 407: F	reedom of Association and Collective Ba	gaining			
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	V			None during this reporting period.
GRI 408: C	Child Labor				
408-1	Operations and suppliers at significant risk for incidents of child labor	\checkmark			None during this reporting period.
GRI 409: F	orced or compulsory labor				
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	\checkmark			None during this reporting period.
GRI 413: L	ocal communities				
413-1	Operations with local community engagement, impact assessments, and development programs	V	4. Fundación Tropicalia	EIA, Chapter 8, presents a social impact assessment	All current operations and processes are implemented with local community engagement.
413-2**	Operations with significant actual and potential negative impacts on local communities	\checkmark		EIA, Chapter 8, presents a social impact assessment	
GRI 414:S	upplier social assessment				
414-1	New suppliers that were screened using social criteria	Ρ	3.4.1.A commitment to responsible business		
GRI 418: S	ocio-economic compliance				
419-1	Non-compliance with laws and regula- tions in the social and economic area	V			 The organization has not been identified as non-compliant with socio-economic laws and regulations. EIA, Chapter 7 presents an inventory of national and international standards and laws governing the development of Tropicalia.

	LEGEND
V	All information for the corresponding disclosure is included either in the report, in another report/study (referenced here), or within the table in the "notes" column
Ρ	Have some of the information in the report, here in the table, or in other report/ study
	Information not available at this time

GLOBAL REPORTING INITIATIVE

Notes:

(*) By complying with the Sustainable Development Goals (SDGs), we are directly working towards advancing the UN Global Compact 10 Principles. These principles underpin and support our efforts for achieving the SDGs. Please refer to the white paper "The UN Global Compact Ten Principles and the Sustainable Development Goals: Connecting, Crucially" (https://www. unglobalcompact.org/docs/about_the_gc/White_Paper_Principles_SDGs.pdf) fri a complete outline of the linkages between each SDG and Principle.

(**) Topics that, although material, are not included in the SMS, as these go beyond the scope and purpose of such (***)This index only includes the standards that Tropicalia fully or partially complies with.There are other standards that have

not been included in this edition because they do not apply at this time of reporting.

L O O K I N G F O R W A R D

When we first arrived in Miches, we faced immense challenges including poverty, low levels of education, and weak telecommunications and highway infrastructure. Through the years we have served as facilitators, mediators, and implementers of solutions to these challenges, bringing together community, governmental and private-sector parties. The road is dynamic, and we are as committed as ever to supporting sustainable destination management in Miches.

Goals for 2017

- Conform internal sustainability working groups and render at least one report.
 Improve and modify the SMS as a valuable monitoring tool.
 Incorporate the Four Seasons Tropicalia EIA findings into the SMS.
 Improve digital presence of our sustainability strategy and report via a dedicated online platform.
- > Continue to report against the GRI requirements.



FUNDACIÓN TROPICALIA

TROPI

PUBLISHED ON

April 15th, 2017

CONTACT

Sofía Perazzo Executive Director Fundación Tropicalia sperazzo@cisneros.com

CONTENT Tropicalia The Ocean Foundation

DESIGN LLORENTE & CUENCA

> **PHOTOGRAPHY** Fer Figheras

> > **PRINTER** ECO Mensajería

Digital report available at: www.sustainability.tropicalia.com



SUSTAINABILITY REPORT

athe pass

2 0 1 6