

TROPICALIA

REPÚBLICA  
DOMINICANA

# SUSTAINABILITY REPORT 2022







REPÚBLICA  
DOMINICANA

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# 1 A WORD FROM ADRIANA

GRI Disclosure: 2-22.

**Tropicalia's 2022 Sustainability Report** discloses the details of our journey toward meeting the environmental and social objectives of our business and outlines the evolving sustainability strategy that underpins our daily management choices centered on four key commitments: **Sound Business, Sustainable Design, Environmental Balance, and Community Development.**

In 2022, the international tourism sector continued its recovery following the COVID-19 pandemic. Remarkably, the Dominican Republic achieved historic international tourist arrivals, demonstrating resilience amid challenges. In parallel, we also discovered that we can drive growth while fostering positive change within the Miches community, by prioritizing environmental, social, and design aspects in our project that set us apart from our competitors.

Our response to a fiercely competitive market and the realities of climate change, brings innovation to the forefront and will fundamentally change tourism real estate development in the Caribbean. By integrating with the surrounding ecosystem and thanks to the unwavering dedication of Tropicalia's team, our dream of creating a place that balances environmental integrity, community needs, and a unique experience is becoming reality.

In 2022, our sustainable strategy aligned yet again with the requirements of the **Inter-American Development Bank**. In this second round of due diligence with IDB Invest, we further refined our business model from 2017 and made significant progress on our environmental and social management structure, resulting in a loan approval of up to \$146.4 million for our initial development phase, which includes a 95-room resort and 25-unit residential area. Today our project is prioritizing **smart design, economic development, biodiversity, education, and gender equality and inclusion.**

Regarding community impact, we celebrated the tenth anniversary of **Soy niña, soy importante (SNSI)** — an initiative dedicated to protecting girls by providing the tools they need to navigate life choices, and educating them and their community about their rights. In 10 years,

more than 1,250 girls have benefited from SNSI, accessing higher education opportunities and transforming their families' destinies. The program has successfully engaged dozens of private, public, and non-governmental organizations and created a powerful wave of collective action. Additionally, our **scholarship program** continues to graduate young agricultural engineers, while **Miches Emprende**, our microlending program, provides local entrepreneurs with low-interest financing in support of economic inclusion and diversification in Miches.

In the last quarter of 2022, Hurricane Fiona, a category 1 storm, affected the eastern region of the Dominican Republic, including Miches. In response, Fundación Tropicalia and partners collected clothing, food, and personal supplies in Punta Cana, Bávaro, and Santo Domingo. We also established a School Fund to support rebuilding efforts and replace school supplies and furniture in the most affected schools.

As we drew 2022 to a close, our team readied to begin construction in the new year. My deepest gratitude goes out to our team, whose talents, passions and perseverance have characterized Tropicalia, allowing us to adapt to market trends, meet the demands of the industry and continuously engage our stakeholders. As we grow and evolve, sustainability remains at the helm and is key to creating a legacy that serves the greater good for our region.

*Adriana Cisneros*



# 2 2022 HIGHLIGHTS

## Sustainable Financing



IDB Invest approved a loan of up to \$146.4 million to finance the construction of Tropicalia's first phase of development, a sustainable tourism resort of 95-rooms and 25-residential units.

## Partners Aligned With Redesigned Resort Concept



The architecture, engineering and construction teams are preparing modified plans for the Project.

## Strengthening Our Internal Management



The Project's Code of Conduct and Internal Labor Regulations were drafted and approved (dissemination and launch planned for 2023).

## Destination Management



Tropicalia, through PROMICHES, supports the analysis and research project on the coastal dynamics of Playa Esmeralda, carried out by the IDB and the Ministry of Tourism.

## Fundación Tropicalia And Community Development



### Soy niña, soy importante (SNSI) turns 10 years old.

The book "Yamila tiene miedo" (Yamila is afraid), a children's story inspired by SNSI campers, written by Yina Guerrero, ambassador of the initiative, was published.

In partnership with the Bentrani Group, a fundraising cocktail was held to raise awareness regarding the condition of girls and women in the Dominican Republic and bring greater visibility to Fundacion Tropicalia's work in Miches.

Summer camp face-to-face activities resumed after being suspended in 2019 due to the COVID-19 pandemic.

The implementation of "Fabricando sueños" (Making dreams) with the United Nations Population Fund (UNFPA) was concluded.

With the objective of making visible the challenges and opportunities of Dominican girls, Soy niña, soy importante participated in the mini-documentary film series produced by BBC Storyworks, which puts the work of the initiative before the eyes of the world.



Education Advocates: Fundacion Tropicalia continues supporting the coordination of the Presidential Project for Educational Excellence (PEE) in Miches, a public effort to evaluate student learning outcomes from the two years of distance learning held during the pandemic.



Emergency response to Hurricane Fiona: Fundación Tropicalia led collections of clothing, food and personal hygiene supplies in Punta Cana, Bávaro and Santo Domingo. It also established a School Fund to support the recovery of the schools most affected by the storm.







# 3 TROPICALIA



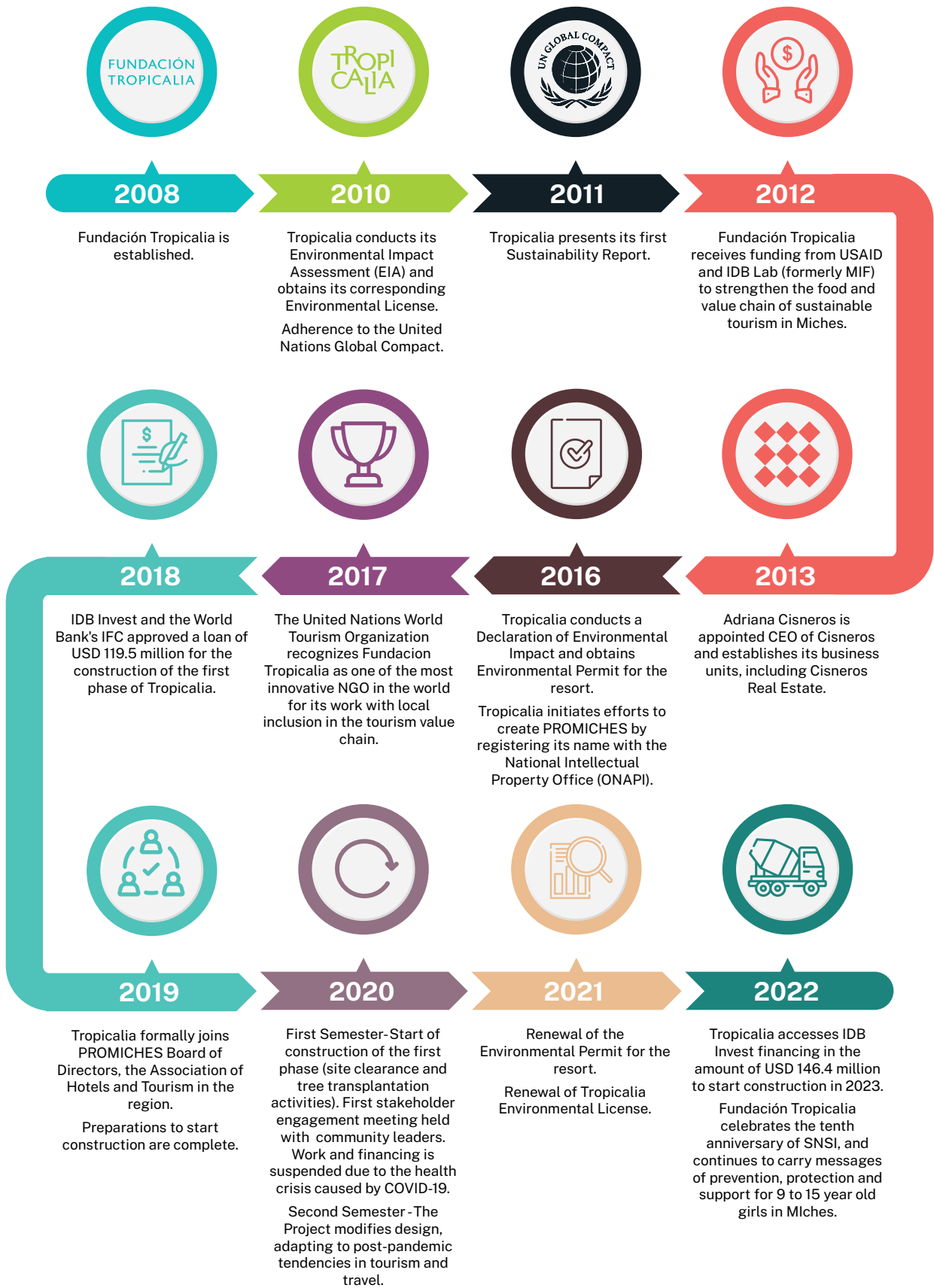
Material Topics: Biodiversity and natural habitat conservation.  
GRI Disclosures: 2-1, 2-6, 3-3, 304-1, 304-2, 304-3, 304-4.

**Tropicalia** (hereinafter, the Project) is a tourism real estate development, created by **Cisneros Real Estate**<sup>1</sup>, which offers a sophisticated architectural style in a setting of unparalleled natural beauty in the municipality of Miches, in the northeast of the Dominican Republic. Comprised of residential and resort developments, it 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 positioned to be **a model for sustainable luxury tourism in the Caribbean and the world.**

Values of Cisneros Real Estate				
<b>Relationships</b> Cultivate enduring relationships with like-minded partners, consultants, and stakeholders who value transparency and responsible business practices.	<b>Community</b> Engage the local communities where we operate via transparent and open dialogue, understand their needs, and maximize the positive impact that our operations bring to a region.	<b>Legacy</b> Build a tradition of timeless design, lasting social leadership, and generational growth for both the business and the local surroundings.	<b>Environment</b> Responsibly manage and steward local ecosystems and resources, particularly in ecologically sensitive locations, and implement state of the art technology to reduce environmental impact and ensure efficiency of water, waste and energy management.	<b>Integrity</b> Carry out business developments with honesty and transparency.

<sup>(1)</sup> Grupo Cisneros is a privately held company with over 90 years of experience in the management of businesses in the sectors of digital advertising, media & entertainment, real estate investments, social leadership and new technologies. Cisneros Real Estate develops strategic, innovative and responsible real estate and tourism projects. Headquartered in Miami, Florida, the division's long view development portfolio is built upon relationships with partners that share similar values and integrating the needs and interests of the local communities and environments in which it impacts. <https://www.cisneros.com/aboutus>





3.1 Tropicalia: First phase of development

**Tropicalia** is currently in the first phase of development of its sustainable luxury resort, which is located on the Playa Esmeralda beachfront. The resort will have 95 hotel keys and 25 branded single family residences, all designed by Brazilian architect Isay Weinfeld. Amenities feature specialty restaurants, a world-class spa, meeting and event spaces, a kids and teen club, and a fitness center.

The next phases of development include a golf course designed by Tom Doak, among other aspects of this real estate tourism destination.

3.2 Location

**Tropicalia** is located in El Cedro Municipal District, within the municipality of [Miches](#), in the province of El Seibo, on the southern shores of the Samaná Bay.

Its area of influence is bordered to the east by the *Lagunas Redonda y Limón Wildlife Refuge*<sup>2</sup>, and to the north and west by the Atlantic Ocean, whose near-shore sea is part of the *Bancos de la Plata y La Navidad Marine Mammal Sanctuary*<sup>3</sup>, where every year some 2,000 humpback whales migrate to calve and mate in its warm waters. A large part of the original vegetation of this area was eliminated decades ago by the establishment of a coconut plantation, which is now partially regenerated with native vegetation.

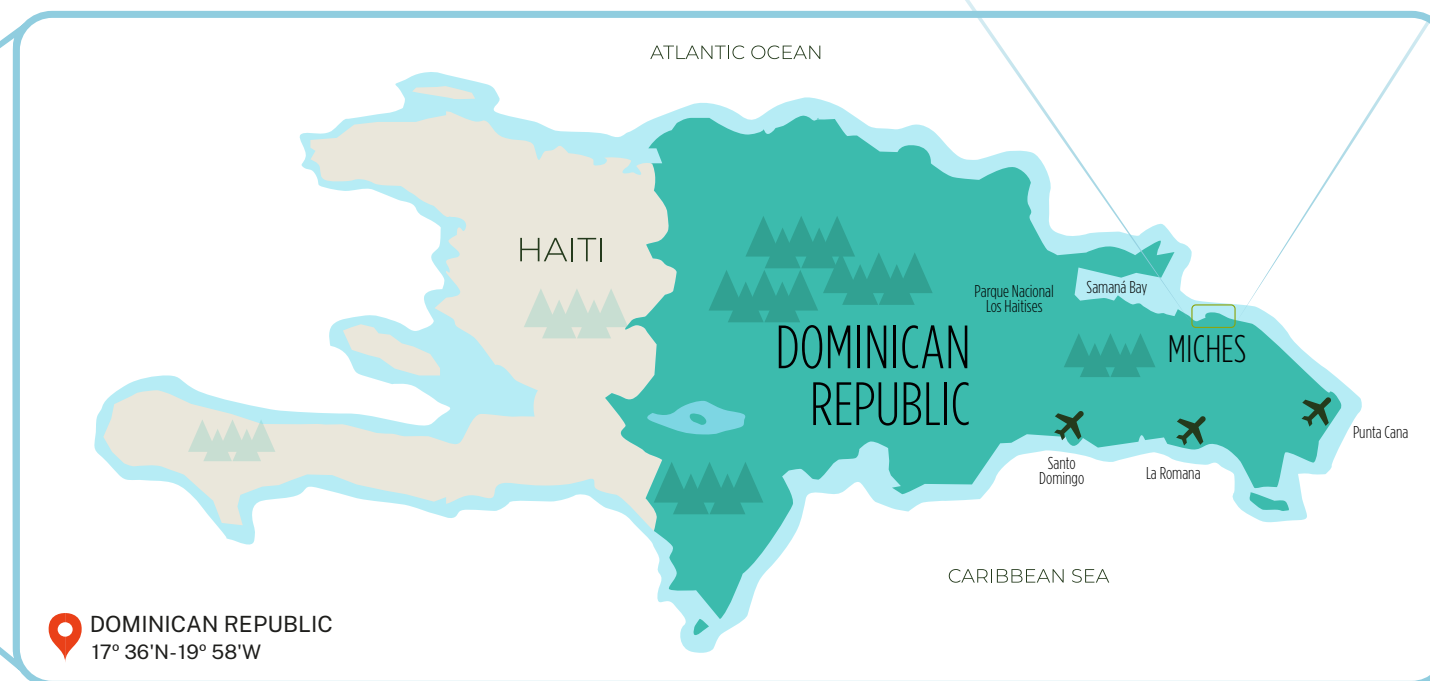
Miches boasts a diverse ecosystem of beaches, mountains, mangroves, forests, lagoons and rivers. The area is well-known for its unique natural beauty, including the stunning beaches of *Playa Esmeralda* and *Playa Arriba*, the towering *Cordillera Oriental*, tropical prairie landscapes and, just a short trip down the coastline, *Los Haitises National Park* is an explorer's paradise. Encompassing 319 square miles, the park boasts lush rolling hills, dense mangrove forests, ancient caverns, Taíno petroglyphs, and bountiful wildlife, ready for discovery by hikers, mountain bikers, boaters, paddle boarders and kayakers.



<sup>(2)</sup> IUCN Category IV. <sup>(3)</sup> IUCN Category I.



# LOCATION





3.2.1 MICHES: DEVELOPMENT IN BALANCE

TROPICALIA AND FUNDACIÓN TROPICALIA SUPPORT THE INTEGRAL DEVELOPMENT OF A REGION WHERE TOURISM FLOURISHES IN A PROGRESSIVE AND RESPONSIBLE MANNER.

Miches’ main economic activities include subsistence farming, cattle-raising, artisanal fishing, and micro-business services. However, as an emerging tourism destination, tourism investments are becoming increasingly important in the area, where some 3,000 hotel rooms and 1,600 residences are slated for development in the coming years. . In this context, the community of Miches faces many challenges and opportunities, such as the creation of new small and micro-businesses, the search for a balance between economic growth and the management of natural and renewable resources, orderly urban development and inclusive supply chains.

3.2.2 DESTINATION MANAGEMENT: PROMICHES

TROPICALIA PROTECTS AND CONSERVES THE NATURAL ENVIRONMENT, RELYING ON ITS ENVIRONMENTAL AND SOCIAL MANAGEMENT PLANS, AS WELL AS ITS PARTICIPATION IN PROMICHES TO GUIDE THE DEVELOPMENT AND SUSTAINABLE MANAGEMENT OF ITS PROPERTY AND THE DESTINATION.

**Tropicalia** continues its active participation in the **El Seibo-Miches Association of Hotels and Tourism(PROMICHES)**, a non-governmental organization that unifies the hospitality sector in support of sustainable destination management in the Municipality of Miches and the El Seibo province. For its part, **Fundación Tropicalia** has allocated a space in its offices for **PROMICHES** to carry out its operations, given the increase in its activity in the region and the importance of working with a like-minded organization to pave the way for sustainable destination management.

In 2022, we continued supporting **PROMICHES**, providing financial and human resources to strengthen its leadership with the purpose of driving sustainable destination management through collective action. In this sense, we collaborated with **PROMICHES** in:

- ✓ Response to Hurricane Fiona, where we collectively donated food to civil defense volunteers and firefighters, along with equipment for debris and solid waste cleanup to both the Municipality of Miches and the El Cedro Municipal District.
- ✓ Coordination of the Security Roundtable, where we organized municipal activities in preparation for Spring Break visitations, including the designation and increase of personnel of the permanent security service POLITUR in Miches. We also contributed a truck and motorcycle for logistical support at *Playa Esmeralda*.
- ✓ The Public-Private Management Roundtable, and the development and organization of the road access to *Playa Esmeralda* (construction of the east public access road <sup>4</sup>).

Miches is a nesting area for sea turtles, which are a vital component of marine ecosystems and the balance of the oceans. In 2022, **Tropicalia** supported the **Sea Turtle Monitoring and Protection Program**, together with members of **PROMICHES**, the **Ministry of Environment and Natural Resources**, and other coastal marine conservationists. As part of this program, informative signs have been placed on the beaches to mark protected areas and sea turtle nests, increasing awareness among beach visitors and tourists. These turtles are a vital component of marine ecosystems, and their presence at Playa Esmeralda is a positive indicator of a healthy coastal system.

More information at:  
[Explore Miches](#)



<sup>(4)</sup> In 2021, PROMICHES and the Ministry of Tourism (MITUR) made progress toward completing the public access project to Playa Esmeralda that started in 2019, with the objective of encouraging responsible visitation to the beach. At that time, Tropicalia donated 51,000 m<sup>2</sup> of land, to develop spaces arranged for services, such as vendor spaces for local artisans, bathrooms, security outposts, parking lots and showers. To give continuity to the project, in 2021 it donated another 2,461.98 m<sup>2</sup> of land to MITUR in order to increase the size of the parking lot.





# 4 CREATING VALUE IN THE TOURISM SECTOR

4

QUALITY EDUCATION

5

GENDER EQUALITY

8

DECENT WORK AND ECONOMIC GROWTH

9

INDUSTRY, INNOVATION AND INFRASTRUCTURE

12

RESPONSIBLE CONSUMPTION AND PRODUCTION

15

LIFE ON LAND

17

PARTNERSHIPS FOR THE GOALS

Material Topics: Local Development, Environmental Impacts.  
GRI Disclosures: 2-23, 3-3, 203-1, 203-2.

SUSTAINABILITY DOES NOT HAPPEN ON ITS OWN; IT REQUIRES INTENTION AND LONG-TERM PLANNING . AT TROPICALIA, WE WORK IN COLLABORATION WITH OTHERS TO BRING THIS APPROACH TO THE FOREFRONT TO CREATE A MOVEMENT FOR RESPONSIBLE TOURISM IN MICHES AND THE DOMINICAN REPUBLIC.

At **Tropicalia**, the pursuit of sustainability is present in all aspects of the Project, from design and construction to operations. As part of our commitment, we also support community development and economic inclusion through **Fundación Tropicalia**, which carries out education, environmental, productivity and sociocultural advocacy programs in Miches.

The **Corporate Policy of the Environmental and Social Management System (ESMS)** plainly states **Tropicalia's** commitment to sustainability, community development and compliance with regulations and best practices in support of human and labor rights, anti-corruption, gender equality, environmental protection and the health and safety of employees, contractors and their workers, service providers, guests and surrounding communities.

Four key commitments guide our decision-making processes throughout our business.

## Key Commitments that Create Value in the Tourism Sector



### Sound Business

We analyze financial, environmental, social, and aesthetic viability on equal footing in order to make sound business decisions.



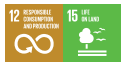
### Sustainable Design

Innovation in design to achieve thoughtful architecture, and prioritizing the highest standards of design and development, to ensure quality, efficiency and environmentally friendly construction techniques.



### Environmental Balance

We protect and conserve the natural environment via forest compensation programs, sustainable site development, and proactively participating in destination management to support biodiversity, habitat connectivity, education, and civic responsibility.



### Community Advancement

We support the development of skills and knowledge of the local community through the work of Fundación Tropicalia in the areas of economic diversification, gender equality, education and cultural contributions.







## 4.1 Sound Business: Investing for impact

In 2022, **Tropicalia** yet again presented a business model that exceeded the environmental, social and economic mandates required by the largest development bank in Latin America, **IDB Invest** of the **Inter-American Development Bank**. Upon completing a robust due diligence process that included an in-depth financial and permit review (environmental, construction and building permits), **IDB Invest** approved a loan of up to US\$146.4 million to finance the construction and operations of the first phase of development.

When comparing the results of the due diligence process between 2017 and 2022, Tropicalia reduced by more than 80% the actions required to meet IDB Invest’s environmental and social performance standards thanks to the management systems developed in that time span.

More information at:  
[Tropicalia II Sustainable Tourism](#)

## 4.2 Sustainable Design: Innovation and thoughtful architecture

TROPICALIA'S DISTINCTIVE ARCHITECTURAL STYLE CREATES HARMONY WITH ITS SURROUNDING BY COMBINING NATURAL MATERIALS WITH MINIMALIST DESIGN IN ITS BUILDINGS, WHILE PRIORITIZING THE RESTORATION OF NATIVE VEGETATION IN ITS LANDSCAPE.

**Tropicalia’s** design and construction process is aligned with Leadership in Energy and Environmental Design (LEED) certification for new buildings, ensuring resource efficiencies during operations. LEED guidelines set the baseline for Tropicalia’s thoughtful architecture. A tropical modernist design with subtle influences of colonial architecture from Santo Domingo, seamlessly integrates indoor and outdoor living while incorporating natural elements like wood, stone, and verdure.

Located along *Playa Esmeralda*, Tropicalia extensively studied ocean wave run-up for 50 and 100 year storms, resulting in strict respect for the 60 meter setback established by the Ministry of Environment and Natural Resources, while deciding to make a significant investment in lifting finished floor elevations of all buildings at 2.7 meters above sea level (See [section 5.2.2 Adaptation for Climate Change](#) for more information). The first phase of development consists of the 95-room hotel and 25 residences and associated facilities, such as a spa, swimming pools, gym, restaurants, bars, kids’ club, and fitness and event facilities. Supporting infrastructure includes a wastewater treatment plant, solid waste management and classification areas, telecommunications systems, water wells, culvert systems and drainage and back-up power generation.

The design of the resort prioritizes the concept of family life, work and leisure in the same environment, and contemplates: multigenerational use of spaces for extended periods of time for both resort guests and residential owners; increased demand for reliable connectivity and the ability to work remotely; and strategic use of outdoor space, as well as guaranteed access to essential services and medical care.

In 2022, the design team focused on refining details with the operator, reaffirming changes and redesigns, and evaluating new common area concepts. As a result, the Project footprint in the development and construction areas was reduced by 25% and 35%, respectively, generating further reductions in energy and water demand.



<sup>(5)</sup> Primary power provider will be Consorcio Energético Punta Cana-Macao S.A. (CEPM). Back-up power typically used during power outages.



### 4.3 Environmental Balance: Management Systems and Programs

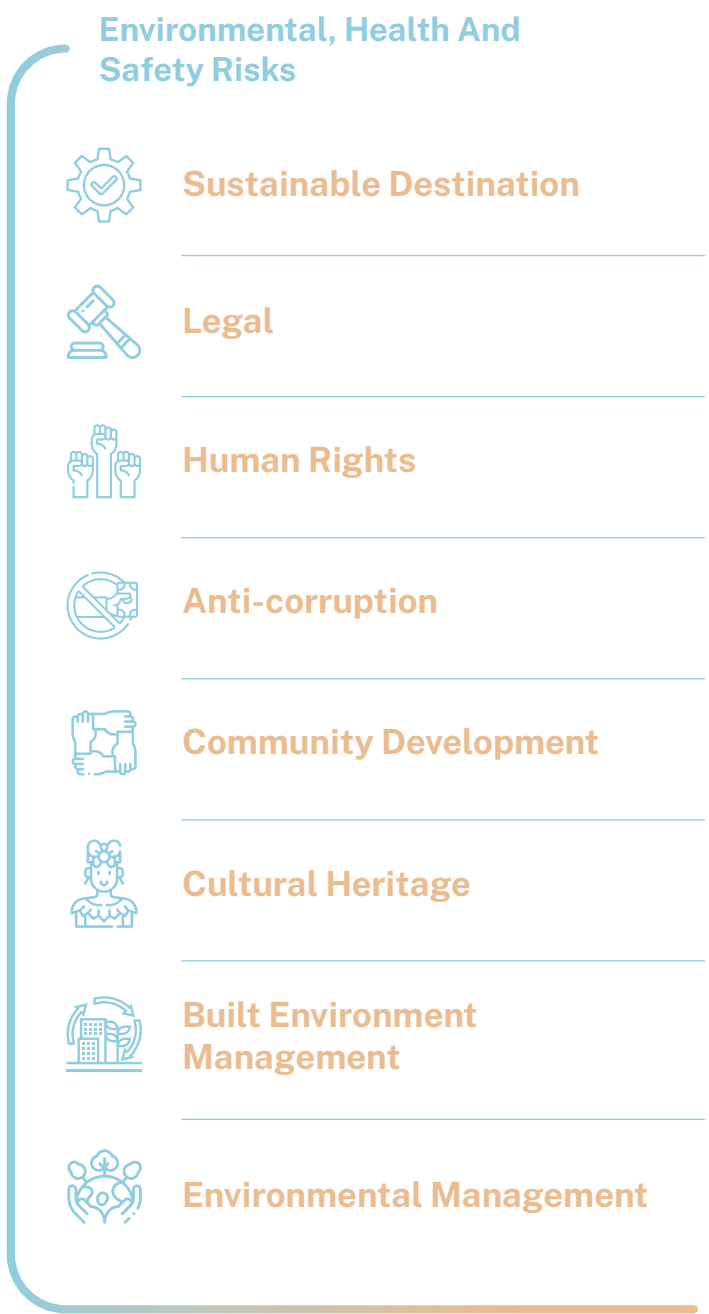
OUR MANAGEMENT SYSTEMS BALANCE ENVIRONMENTAL, SOCIOECONOMIC AND AESTHETIC PRIORITIES AND DEFINE KEY PERFORMANCE INDICATORS BY WHICH WE MEASURE AND MONITOR OUR COMMITMENTS TO SUSTAINABILITY.

Deeply connected with the land and its people, **Tropicalia** has been carefully and purposefully designed to protect the richness of the property’s diverse ecosystems, contribute to and learn from the local community, and build sustainable experiences as well as lasting memories that transcend generations.

Under this premise and in compliance with environmental regulations, Tropicalia conducted an **Environmental Impact Assessment (EIA)** resulting in its **Environmental License** (approved in 2010 and renewed in 2015 and 2021), while the resort conducted an **Environmental Impact Statement (EIS)** resulting in its **Environmental Permit** (approved in 2016 and renewed in 2021), both of which produce and submit semiannual **Environmental Compliance Reports (ECR)**<sup>6</sup> to the **Ministry of Environment and Natural Resources (MIMARENA)**.

In addition, Tropicalia’s **Environmental and Social Management System (ESMS)** consists of the policies, procedures and programs that ensure execution of its **sustainability strategy**. The ESMS is aligned with the requirements of the performance standards of the **International Finance Corporation (IFC)**, which ensures that the Project and its suppliers comply with IDB Invest’s environmental and social mandate, control for risks and potential impacts related to the different stages of the Project, and promote learning and continuous improvement.

The key performance indicators of the ESMS are organized into nine material categories, as seen below.



### 4.4 Community Development: Working in partnership

**Tropicalia’s** commitment to community development is channeled both through its participation in **PROMICHES**, supporting public-private initiatives to establish the necessary infrastructure for the responsible development of the destination, and through the work of **Fundación Tropicalia**, an institution established in 2008, which centers its programs on supporting education, the environment, productivity and the sociocultural advocacy of Miches.

More information in:  
[Chapter 6-Fundación Tropicalia](#) and [Section 3.3.2 Destination Management: PROMICHES](#)





# 5 MANAGEMENT FOR SUSTAINABLE BUSINESS



**Material Topics:** Community Health and Safety, Environmental Impacts, Biodiversity and Natural Habitat Conservation, Efficient Use of Natural Resources and Pollution Prevention, Labor and Working Conditions, Human Rights, Local Development, Supplier Management

**GRI Disclosures:** 2-7, 2-9, 2-10, 2-11, 2-12, 2-13, 2-14, 2-23, 2-29, 3-3, 203-1, 203-2, 302-4, 303-1, 303-2, 304-1, 304-2, 304-3, 306-1, 306-2, 306-4, 403-1, 403-2, 403-8, 403-9, 405-1.

GLOBAL INTERCONNECTIVITY AND THE URGENCY TO ACT ON CLIMATE-CHANGE, ALONG WITH OTHER INDUSTRY-SPECIFIC ISSUES, BRING SUSTAINABILITY TO THE FOREFRONT. IT'S THE ONLY WAY TO ENSURE LEGACY AND WELLBEING FOR BUSINESS, PEOPLE AND THE PLANET.

## 5.1 Tropicalia’s Governance

**Tropicalia’s Executive Committee** is the maximum governing body that oversees design, development, construction and financing decisions for the Project. In addition, Tropicalia has a **Sustainability Committee**, the highest governing body that oversees **environmental and social** issues, which informs the Executive Committee in high level strategy.

The day-to-day environmental, social and occupational health and safety issues are coordinated through Tropicalia’s Sustainability department, which in turn delegates implementation of the Project’s **Environmental and Social Management System (ESMS)** to construction, design and operations teams.

Lastly, **Tropicalia** also has a **permits working group** that supports permit maintenance and day-to-day compliance with national regulations and lender requirements. This group meets weekly to ensure the systematic management of such issues.





5.1.1 SUSTAINABILITY COMMITTEE

The **Sustainability Committee**<sup>7</sup> is a cross-functional team that meets annually to discuss strategy, report progress and define goals for the upcoming year. It is the highest governing body for reviewing **environmental and social** issues that impact the Project, plays a consultative role to the Executive Committee, and ensures the financial and human capital necessary to implement the Project’s sustainability programs.

The diversity of the Committee’s members brings strength to this corporate governance structure, which includes senior-level **Cisneros** executives and external advisors, who are convened depending on the particular topic and area of expertise needed.



**Adriana Cisneros**  
CEO, Cisneros\*



**Miguel Dvorak**  
Chief Operating Officer,  
Cisneros\*



**Ariel Prat**  
Chief Financial Officer,  
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**William Phelan**  
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**Tania Domínguez**  
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**Sofia Perazzo**  
Vice President,  
Sustainability



**Karen O’Neil**  
Chief of Staff, Cisneros

\*Members of Tropicalia’s Executive Committee

5.2 Environmental and social management system

The **Environmental and Social Management System (ESMS)** consists of plans, policies and procedures that set key performance indicators. The ESMS prompts us to analyze and monitor issues in key topic areas such as stakeholder engagement, the environment, health and safety of workers, contractor management, supply chain management, and grievance mechanisms, among other issue areas.

The ESMS undergoes periodic review of all its documentation, a process that supports the continuous evaluation of **Tropicalia’s** materiality. The scope of the ESMS covers the first phase of development at **Tropicalia** and, in some cases, **Fundación Tropicalia**.

The **Environmental Management and Adjustment Plans (EMPs)** of **Tropicalia’s** environmental permits establish the mitigation or compensation measures for each identified impact, the entity responsible for their execution, the implementation schedule, and details of the monitoring to be carried out. In addition, the **ESMS** has a **Legal and Other Requirements Procedure**, which establishes the process to be followed to comply with, update, and document these requirements.

In turn, within the **Supply Chain Policy**, the conditions for regulatory compliance and the implementation of best practices in the procurement of materials, raw materials, goods, services and labor were established, based on the principles of conservation of critical habitats and environmental protection.

5.2.1 BIODIVERSITY AND NATURAL HABITAT CONSERVATION

Because of its location near two protected areas (*the Lagunas Redonda y Limón Wildlife Refuge and the Bancos de la Plata y La Navidad Marine Mammal Sanctuary*) and the presence of species with varying degrees of vulnerability, the conservation of biodiversity and natural habitats is of special interest to **Tropicalia**.

This is evident in the **Environmental Impact Statement** of the resort, which contains the baseline for marine and terrestrial flora and fauna, in which the following stand out:

- ✓ The hawksbill turtle (*Eretmochelys imbricata*) and the green turtle (*Chelonia mydas*) are critically endangered and endangered, respectively.
- ✓ Elkhorn coral (*Acropora Palmata*) and staghorn coral (*Acropora Cervicornis*), both critically endangered, and lobed star coral (*Orbicella Annularis*), endangered.
- ✓ Several species that are protected by national or international regulations, such as the royal palm (*Roystonea Hispaniolana*), the Puerto Rican hat palm (*Sabal Causiarum*) and the Guayiga (*Zamia Debilis*).
- ✓ Six species of birds in vulnerable condition, eight species endemic to the island, including the critically endangered Ridgway’s hawk (*Buteo Ridgwayi*).
- ✓ A total of sixteen reptile species (of which 10 are amphibians), all identified as endemic and with very stable populations in almost all the national territory, two species are considered vulnerable, the giant tree frog (*Litoria Infrafrenata*) and the green tree frog (*Litoria Caerulea*), both considered endangered.



Twice a month, through the **Beach Maintenance Program**, we clean and maintain approximately 2 km of beach, where we collect trash, classify it and place it in the corresponding landfills. It is estimated that this allows the collection of about 30 m³ of plastic and 200 m³ of organic waste per year. With regards to sargassum arrivals, we carried out a total of 12 cleanups in 2022, collecting approximately 630m³ which were distributed strategically on site for natural composting.

Tropicalia conducted a **Critical Habitat Assessment** in 2018, the results of which concluded that our site is highly modified with remnants of natural habitat to be protected, and led to the development of Tropicalia's **Biodiversity Management Plan (BMP)**. The BMP's objectives center on minimizing the loss of habitat, species and ecosystem services in and around the Project, developing a framework for the protection of biodiversity, and raising awareness of its importance among personnel and third parties.

We also have an **Integrated Pest Management Plan (IPMP)**, which identifies preventive measures to avoid environmental pollution and adverse effects on biodiversity and human health caused by the use of pesticides.

5.2.2 ADAPTATION TO CLIMATE CHANGE

Given Tropicalia's location in conjunction with climate change, there exists an increased exposure to hurricanes, tsunamis, heat waves and droughts. In order to mitigate these risks, the Project has assumed various design and management strategies, such as LEED certification and raising finished floor elevations of beachfront building to 2.7 meters above sea level, as well as designing and implementing coastal, landscaping, energy and water management plans that increase efficiencies and biodiversity values.

For more details, see sections:  
[Chapter 4-Creating Value in the Tourism Sector.](#)

5.2.3 EFFICIENT USE OF NATURAL RESOURCES

The main resources used are fresh water, electricity and fuel (diesel for the generators). However, given the Project is not yet in construction nor in operation during this reporting period, the use of these resources is minimal.

5.2.3.1 ENERGY AND EMISSIONS

In order to achieve **LEED Certification** the design phase of the Project, must include the installation of LED lighting fixtures, energy-efficient equipment, shutdown of unused equipment, installation of automated or semi-automated controls for high-consumption equipment, preventive maintenance of equipment to increase performance, installation of motion sensors and turning off of lighting in common or public areas, the use of natural light in as many areas as possible, and training of personnel on energy savings.

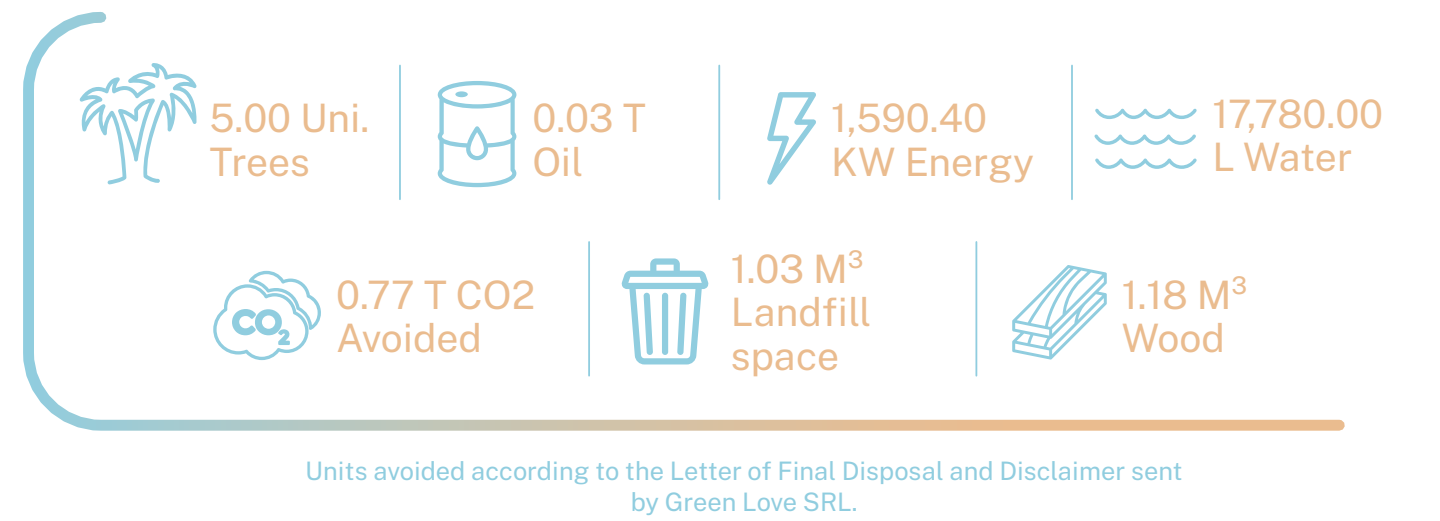
5.2.3.2 WATER

The first phase of development is supplied by water extracted from groundwater wells located within **Tropicalia's** property. However, once the Miches aqueduct connects to the hotel area, there will be residual benefit to adjacent communities located between Miches and La Mina de Oro, as they too will be connected to this water source.

5.2.3.3 WASTE

For solid waste management, we have a **Waste Management Plan (WMP)**, whose objective is to limit the amount of waste generated, prioritizing its reduction, classification and recycling, whenever possible. The plan seeks to limit production and to segregate, classify, collect, reuse and properly dispose of the waste generated. It also defines the minimum practices that contractors, subcontractors and the hotel operator must implement for responsible management, aligned with the requirements of **LEED Certification**.

For the offices in Santo Domingo, we have a **Recycling Program**, through which an authorized company removes them for recycling. In 2022, we recycled 524kg of waste<sup>8</sup>, which have resulted in the following environmental benefits:



<sup>(8)</sup> Corresponds to paper, plastic, cardboard, glass and Tetrapak.



5.3 Stakeholder Engagement

We nurture and foster trusting relationships with our stakeholders, thanks to their active participation in the communication and dialogue spaces that allow us to give and receive critical information in a fluid and constant manner, as well as the wide dissemination of the Project’s impact and the transparent and timely communication we have maintained throughout the years.

To this end, we carry out a continuous mapping of those people and/or institutions that are involved or will be impacted by the Project, and we approach them in accordance with stakeholder engagement strategies.

Based on the identification of our social actors and key external stakeholders associated with our activities, we developed a **Stakeholder Engagement Plan**, which describes our commitment to participation, consultation and collaboration with individuals, groups, communities and institutions involved in the Project.



5.4 Labor and Human Rights

THROUGH ITS CORPORATE POLICY, TROPICALIA PROMOTES RESPECT FOR HUMAN RIGHTS IN ITS OPERATIONS AND THROUGHOUT ITS VALUE CHAIN.

**Tropicalia** is committed to the protection of fundamental human and labor rights, in order to create a healthy and safe workplace. To this end, all policies implemented were developed with the objective of mitigating the risk of engaging in child labor and advocating gender equality and equal employment opportunities, as well as individual freedom of association.



The **ESMS Corporate Policy** establishes the Project’s obligation to comply with legal obligations and commitments regarding labor, occupational health and safety and human rights, as well as with the principles of gender equity and anti-corruption.

In addition, the **ESMS** includes the **Recruitment and Selection Procedure**, which together with the Project’s **Code of Conduct and Internal Labor Regulations** (drafted and approved in 2022), complies with labor and occupational health and safety laws in the Dominican Republic, and the conventions of the International Labor Organization (ILO); it also contains the rules and conditions related to the selection and hiring of personnel under the principles of: gender equality and non-discrimination, equal opportunity and fair treatment, freedom of association, prohibition of employing minors and harassment at work, provision of decent work, respect for human rights at work, and availability of grievance mechanisms (internal and external).

In addition, it establishes zero tolerance for discrimination, harassment and abuse in the workplace. It also reaffirms **Tropicalia’s** commitment to promote an environment in which no applicant, employee, supplier or contractor is excluded or discriminated against in a selection process because of race, color, age, gender, gender identity, sexual orientation, marital status, ancestry, ethnic or national origin, religion, disability or medical condition, or any other discriminatory condition.

5.4.1 OCCUPATIONAL HEALTH AND SAFETY

**Tropicalia** has a **Health and Safety Plan (HSP)** for the construction and operation phases of the Project. This seeks to establish and maintain an effective occupational health and safety management system<sup>9</sup>, a consistently high level of performance, and ensure compliance with local occupational health and safety legislation and regulations (Decree No. 522-06 and Resolution No. 04/2007). The HSP also supports the management efforts of third parties contracted during construction (contractors, subcontractors, construction manager, etc.), as well as the hotel operator, as they are obligated to implement their own health and safety plans in alignment with Tropicalia’s HSP standards.

Permanent employees by gender			Permanent employees by location and gender		
	2022	2021		2022	2021
Male	21	10	Rural areas	19	15
Female	10	14	Male	15	11
Total	31	24	Female	4	4
Includes employees on the payroll of Inversiones Costa Elocuente, Tropicalia Holdings and Fundación Tropicalia.			Urban areas	12	9
			Male	6	3
			Female	6	6
			Total	31	24
Permanent employees by age group			100% of the permanent employees work full-time. All employees are paid on the basis of experience and position.		
	2022	2021			
Under 30 years old	5	5			
30 – 50 years old	19	16			
Over 50 years old	7	3			
Total	31	24			

For more details, see section: [Annex 1 in GRI Index.](#)

<sup>(9)</sup> In 2022, no cases of occupational accidents were recorded in Tropicalia.





# 6 FUNDACIÓN TROPICALIA



Material Topic: Community Development.  
GRI Disclosures: 3-3, 203-1, 203-2, 413-1.

IN 2022, FUNDACIÓN TROPICALIA IMPACTED 2,349 PEOPLE, OF WHICH 69.5% ARE WOMEN AND GIRLS, THROUGH THE IMPLEMENTATION OF FIVE (5) PROGRAMS IN THE MUNICIPALITY OF MICHES.

**Fundación Tropicalia** is a non-profit organization founded by **Tropicalia** in 2008, that designs and implements community development programs that support sustainable tourism development via economic diversification, environmental protection, cultural identity and improved education in the town of Miches.

With over 13 years of experience, Fundacion Tropicalia has established numerous partnerships and created a strong bond with the community, building-up local capacities, inclusive economies and natural and cultural heritage in the region. These connections enable the Foundation to develop and implement customized programs for the local community in key areas such as **education, productivity** and **sociocultural advocacy**, managing innovative projects in agriculture, gender equality, education, entrepreneurship and microfinance.

With a firm commitment to support environmental stewardship and conservation efforts in the community of Miches, Fundacion Tropicalia incorporates **environmental education** as a transversal activity in several program areas. In addition, it acts as a local coordinator and facilitator of opportunities to channel resources and provide solutions to the environmental challenges that characterize the region.

More information at:  
[Fundación Tropicalia](#)





## 6.1 Education

Through its education programs, **Fundación Tropicalia** seeks to comprehensively improve the conditions that influence the education of boys and girls. To this end, it has become a strategic partner for local implementation of education programs and has embraced its role as a facilitator of new opportunities that channel additional resources to the Miches school district.

### 6.1.1 EDUCATIONAL EXCELLENCE PROJECT

The Educational Excellence Project is implemented in partnership with **EDUCA**, a business association that vies for improving the quality of public school education in the Dominican Republic. The Project consists of improving the reading and mathematics skills of students in the first cycle of primary school. In 2022, work was carried out in four education centers in Miches: *Lucas Guibbes, La Mina, El Cedro and Padre Daniel School*. Based on the analysis of the results of the diagnostic test conducted at the beginning of the program and the final test at the end of the program, children's learning levels have improved as a result of their participation.



4

Education centers



347

Children benefited



21

Teachers reached

### 6.1.2 SCHOLARSHIP AND CULTURAL EXCHANGE PROGRAM

Since 2011, **Fundación Tropicalia** coordinates a Scholarship and a Cultural Exchange Program in partnership with the [Instituto Superior de Agricultura \(Universidad ISA\)](#), which specializes in agricultural sciences and is located in Santiago de los Caballeros, the second largest city in the Dominican Republic.

The program offers young, promising Michenses and Seibanos an opportunity to pursue an undergraduate degree that corresponds to anticipated labor demand in Miches, including engineering degrees in agronomy, animal husbandry and food technology, education specialized in natural sciences, and business administration. All scholarship students benefit from financial, work-study, cultural and/or professional support services, as well as exchange opportunities, on-campus counseling, and parent meetings.

The scholarship students have a 76% job placement rate, and roughly 50% return to the eastern region of the country, including **Miches**.



37

Students were awarded scholarships since 2011<sup>10</sup>



(23 men – 14 women)

Since 2013, an annual meeting with participants of the scholarship program has been held to provide experiences that enrich their personal and professional knowledge. The tenth **Professional and Cultural Exchange** held in 2022, took place in Miches for the first time in its history when seven scholarship students and graduates visited Estancia La Querencia, an organically certified closed-cycle farm and met the farm manager.

## 6.2 Productivity: Miches Emprende

The **Rotational Microcredit Fund for the development of Business Plans in the Municipality of Miches, MICHES EMPRENDE** <sup>11</sup>, continues to operate and provide an ongoing source of financing for small business owners in the municipality. Since the start of the program in 2016 through 2022, 35 loans have been granted for an amount of RD\$5,415,000.00, equivalent to US\$ 98,275 <sup>12</sup>.

As of December 31, 2022, the capitalized amount is RD\$ 645,328.80, for a total fund available for loans of RD\$ 2,398,078.80. The current portfolio consists of nine loans (mostly recurring clients who refinance), for an amount of RD\$ 1,290,442. These loans made it possible to create and strengthen some 105 direct jobs and indirectly benefited 525 people. As of December 31, 2022, the arrears on this project are 0.00%.



<sup>(11)</sup> *Miches Emprende* is a rotational fund, managed by Banco de Ahorro y Préstamos Adopem, a partner of Fundación Tropicalia, aimed at providing financing to small tourism and agricultural businesses. It offers preferential interest rates to entrepreneurs who are socially and/or environmentally-minded and can demonstrate their linkage to the tourism supply chain. <sup>(12)</sup> RD\$ 55.10, exchange rate at the date of the report.



### 6.3 Sociocultural and Gender Advocacy

Supporting the cultural traditions of the region, protecting the rights of girls and women, and being advocates for ending violence in the household are some of the key issues we address under the scope of Sociocultural Advocacy. This program area is dynamic and designed in accordance with local needs and with the ongoing input of community stakeholders.

#### 6.3.1 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. Some of the activities carried out in 2022 were as follows:

- ✔ Support for the celebration of **Children's Day** for La Mina Elementary School, Rosa Ubiera School and La Gina High School.
- ✔ Collaboration with **Carnaval Miches 2022**, to purchase carpentry materials for the Carnival Queen Pageant
- ✔ Collaboration with **Fiestas Patronales of the Municipality of Miches**, to purchase foodstuffs.







## Highlights 2013-2022

**10**  
YEARS  
PROMOTING  
EQUITY  
GENDER IN  
THE REPUBLIC  
DOMINICAN

**WHAT DO WE DO?**  
WE SUPPORT THE  
COMPREHENSIVE DEVELOPMENT  
OF GIRLS AND ADOLESCENTS IN  
MICHES

**GIRLS  
BENEFITED**  
**1,261**

**HOW DO WE DO IT?**  
WE ACCOMPANY GIRLS TO PROTECT THEIR CHILDHOOD, GUIDE  
THEM IN MAKING ASSERTIVE DECISIONS AND EDUCATE THEM AND  
THEIR COMMUNITY ABOUT THEIR RIGHTS.

**VOLUNTEERS**  
**295**

**HOURS  
DONATED**  
**23,405**

**MORE OF  
USD**  
**\$350,000  
COLLECTED**

**AREAS OF ACTION**  
**4**  
CAMP  
AT HOME  
TEENAGERS  
ACTIVISM

**93**  
**ALLIANCES**

**7**  
**EXCELLENCE  
AWARDS**

**WE PRODUCED A FEATURED MINI-DOCUMENTARY  
WITHIN THE FRAMEWORK OF THE GLOBAL  
WELLNESS SUMMIT, AND PRODUCED BY BBC  
STORYWORKS.**

### 6.3.2 SOY NIÑA, SOY IMPORTANTE

IN 2022, SOY NIÑA, SOY IMPORTANTE CELEBRATES ITS TENTH ANNIVERSARY, BRINGING MESSAGES OF LOVE, SUPPORT, PROTECTION AND LIFE PLANNING TO MORE THAN 1,250 GIRLS AND ADOLESCENTS IN MICHES.

**Soy niña, soy importante (SNSI)** is a multipronged program that supports girls from 9 to 15 years old to protect their childhood, guide them in making timely life choices, and educate them and their community regarding their rights. The efforts of this initiative focus on the community of Miches and include a summer camp, an at-home program, teen empowerment, and activism, which consists of communication campaigns and civic participation.

More information at:  
[SNSI Fundación Tropicalia](https://www.snsi.org.do/)

#### SNSI SUMMER CAMP

After two editions of SNSI at home, we resumed the summer camp face-to-face, working with volunteers and more than 300, nine to 12 year old girls. This year, as we retreated from the pandemic, the camp focused on delivering empowering messages and activities that supported the mental health and resilience of the girls, honing in on the strengthening of identity, sense of self and belonging.



**307**  
CAMPERS

**52**  
VOLUNTEERS

**2.115**  
VOLUNTEER  
HOURS

**3**  
**communities**  
(EL CEDRO, LA  
GINA Y MICHES)

**AMOUNT RAISED**  
USD 46,016.06 IN  
CASH AND USD  
30,951.75 IN KIND







### TEEN EMPOWERMENT

Fundacion Tropicalia's **Teen Empowerment** programing supports 13-15 year old girls as they enter the height of their adolescence. We build partnerships and bring resources to Miches that continue to develop girls' knowledge about their reproductive health, educational opportunities and future planning so that they make timely life choices, like postponing pregnancy and marriage, and pursuing education.

In 2022, a menstrual cup workshop was held, with the participation of 43 graduates of the SNSI camps and eight mothers from the community of Miches. In addition, a workshop on violence was held with 25 participants from **Fabricando Sueños or "Making Dreams" Club**, eight from the community of La Mina and 17 from the community of La Gina, in order to reinforce their knowledge. An evaluation on the use of the menstrual cup was also conducted.



### SOY NIÑA, SOY IMPORTANTE DOCUMENTARY

With the aim of highlighting the challenges and opportunities of Dominican girls, Soy niña, soy importante was part of the series "In pursuit of wellness", produced by [BBC Storyworks](#) and the [Global Wellness Institute](#), which broadcasted the impact of SNSI over the past ten years to millions of viewers. Hundreds of applicants applied to this incredible opportunity, and SNSI was one of 17 selected, and the only initiative representing Latin America and the Caribbean. Our video received 316,000 views and 49,500 impacts on line.

Access the full video here:  
[Taking Charge](#)



### GALERÍA 360 PHOTOGRAPHY EXHIBITION

In commemoration of the [International Day of the Girl Child](#), celebrated every October 11th, Fundacion Tropicalia created the photographic mural **Escúchame, soy el presente** (Listen to me, I am the present) in collaboration with **Galería 360** and **Women's Secret**. The voices of Miches' girls took center stage, representing the voice of thousands, and were depicted through their photographs and messages; a call to action that brought to light their strength, importance and resilience in Dominican society.

### BENTRANI COCKTAIL

[Grupo Bentrani](#) held a charity event in honor of **Soy niña, soy importante**, increasing awareness to the condition of girls and women in the Dominican Republic and sharing Fundacion Tropicalia's work with their clients and stakeholders. The event marked a milestone, raising more than USD\$17,500, and expanding Fundacion Tropicalia's network of partnerships.

### BOOK LAUNCH: YAMILA TIENE MIEDO (YAMILA IS AFRAID)

Fundación Tropicalia and children's book author and ambassador to SNSI, [Yina Guerrero](#) joined forces to capture a day-in-the-life of Yamila, whose only dream is to go to camp. The story reveals, in a simple and didactic way, the complexities of a low-income household, and the adult responsibilities she's given, instead of going to camp. Yamila's story opens our eyes to a social dynamic that affects thousands of girls and homes in the country, and calls on us to recognize that girls in this demographic are marginalized from their childhoods due to common cultural practices; girls even at the youngest of ages assume the role of a caretaker.

As part of our book launch event, we partnered with Dominican actress Estefany Vasquez, who created a theatrical and musical monologue based on *Yamila tiene miedo*, where more than 100 people attended the opening performance. Since then, Estefany has performed her monologue in other venues related to SNSI, bringing Yamila's story to life time and again.



### CELEBRATING THE 5TH ANNIVERSARY OF THE SNSI NETWORK OF AMBASSADORS

The *Soy niña, soy importante* Ambassador's Network is a group of influential and beloved people who come together year after year to help our initiative grow; in 2022 the network celebrated its fifth anniversary. Each Ambassador is an influencer in one way or another in the Dominican Republic, and has been dedicated to spreading the word about SNSI throughout their respective industries.

With their support, skills, ability to connect with others, and teamwork, they've raised funds, increased awareness regarding women and girls' issues in the Dominican Republic, and contributed to the development of various projects, events, and resources.





## 6.4 Response to Hurricane Fiona

WE ORGANIZED COLLECTIONS OF CLOTHING, FOOD AND PERSONAL HYGIENE SUPPLIES IN PUNTA CANA, BÁVARO AND SANTO DOMINGO, TO SUPPORT FOUR COMMUNITIES AFFECTED BY HURRICANE FIONA.

The areas of El Seibo and Miches were among the most affected by Hurricane Fiona. The strong winds, floods and waves caused severe damage to homes, farmers and the destruction of several structures, including the recently built pier in Miches. Authorities, companies and civil society organizations responded with aid and donations, from food and school supplies to medical care, electricity and drinking water, and the reconstruction of homes.

Fundación Tropicalia participated in response efforts in three phases of support:

- ✓ **Phase 1:** We acted Immediately to support relief teams in the municipality of Miches, by donating water, food, gloves, fuel and clean-up equipment.
- ✓ **Phase 2:** We organized collection and distribution points with partner organizations to gather food and clothing donations for families in need.
- ✓ **Phase 3:** We invited Tropicalia’s partner companies to make donations to Fundacion Tropicalia’s School Repair fund targeted at the most affected schools. The fund grew to RD\$1,612,460 thanks to the contribution of 17 corporate partners. To execute the funds, we worked closely with the Miches School District 12-04 to assess the needs of each school center. In total 13 schools and two pre-schools benefited from this effort.

### PHASE 1



RD\$97,136  
to support  
clean-up crews

### PHASE 2



307 food kits and  
76 boxes  
and bags of clothing  
donated to families.

### PHASE 3



RD\$1,612,460  
raised for the  
School Repair  
Fund







# 7 PARTNERS FOR SUSTAINABILITY



GRI Disclosure: 2-28.

TROPICALIA IS ABLE TO INNOVATE AND PROGRESS AS A RESULT OF ITS NETWORK OF PARTNERS WHO ARE FULLY COMMITTED TO THE DEVELOPMENT OF THE PROJECT.

Since 2008, **Tropicalia** and **Fundación Tropicalia** have engaged in dozens of public, private and non-profit partnerships to improve the quality of education, increase environmental stewardship, provide access to information and communication technologies (ICTs), and bring much needed infrastructure (including water and waste management projects) to the region, among other contributions.

PARTNERSHIPS AND INITIATIVES	Start date of engagement/ membership	Participation in board of directors	Participation in working groups	Provides resources
TROPICALIA				
Municipality of Miches	2008			
Ministry of Environment and Natural Resources	2008			
Export and Investment Center of the Dominican Republic (CEI-RD)	2008			
Ministry of Tourism	2009			
United Nations Global Compact	2010			x
Dominican Association of Tourism Real Estate Businesses (ADETI)	2011	x		
National Association of Hotels and Restaurants (ASONAHORES)	2011	x		
National Private Business Council (CONEP)	2014		x	
Ministry of Public Works and Communication	2015			
Legal Counsel of the Executive Branch	2018			
Executing Committee for Infrastructure of Touristic Zones (CEIZTUR)	2018			x
Navy of the Dominican Republic (ARD)	2019			
Central Directorate of Tourism Police (POLITUR)	2019			
El Seibo-Miches Association of Hotels and Restaurants (PROMICHES)	2020	x	x	x
FUNDACIÓN TROPICALIA				
Municipality of Miches (Municipal Districts of El Cedro and La Gina)	2008		x	
National Business Network for Environmental Protection (ECORED)	2008			x
Ministry of Education of the Dominican Republic	2010			
El Seibo-Miches Association of Hotels and Restaurants PROMICHES	2011			x
Universidad ISA	2011			
Educa	2013	x	x	x
Universidad ISA	2011			
Ministry of Environment and Natural Resources	2013			
Banco de Ahorro y Crédito Adopem	2015			
Universidad Iberoamericana (UNIBE)	2017			
United Nations Population Fund (UNFPA)	2019			
National Council for Children and Adolescents (CONANI)	2021		x	



DEVELOPMENT AND COMMUNICATIONS TEAM

- Appia Hospitality
- Arquitectos Pérez Morales
- BID Invest
- Blu Spas
- Bouygues Construction República Dominicana
- CBRE Limited
- Consorcio Energético de Punta Cana (CEPM)
- De Camps Vázquez & Valera
- EcoMar
- EDG
- EDSA Construcciones
- EPSA LABCO, Ingenieros Consultores
- Ernst & Young
- Fer Figheras
- Four Seasons
- Gensler
- Geoconsult
- Green Love
- Grupo DIF (Dominican International Forwarding)
- Hardner & Gullison Associates (HGA)
- Headrick Rizik Álvarez & Fernández Abogados
- Holsteinson & Asociados (HOLASA)
- HVS
- IMI Worldwide Properties
- Isay Weinfeld
- JLL (Jones Lang LaSalle Incorporated)
- LexGeo
- Llorente y Cuenca
- Marshall
- McGriff
- MRKT
- NQS Creative
- PricewaterhouseCoopers (PwC)
- Renaissance Golf Design
- Ricardo García
- Ríos Legal
- Sheila Donnelly & Associates (SDA International)
- Sherwood, Design Engineers
- Sinergo
- Thisone Designwork
- Thompson Engineering
- W.F.Baird & Associates Coastal Engineers
- Walter P. Moore





# 8 LOOKING FORWARD

AS OF THE DATE OF THIS REPORT, TROPICALIA HAS REACHED THE FOLLOWING MAJOR MILESTONES IN 2023:



## SUSTAINABLE FINANCING

- In addition to **IDB Invest**, other development banks are interested in financing **Tropicalia**.



## TROPICALIA

- William Phelan is appointed President of Tropicalia to lead the Project, including overseeing and coordinating the Design, Construction, Development, Social Investment, Operations and Finance teams. The organization also announced the appointment of Rodrigo Rubio as Vice President of Design and Construction, Sofia Perazzo as President of Fundación Tropicalia (while maintaining her role as Tropicalia's Vice President of Sustainability) and Katherine Duran as the new Executive Director of Fundación Tropicalia. These appointments have allowed us to strengthen and build-out our team in-country.
- Cisneros and Four Seasons signed a management agreement to operate an Isay Weinfeld designed resort of 95-keys, 25-residences.
- Construction of the first phase of development commenced.
- Sinergo joins as Construction Project Manager.



## DESTINATION MANAGEMENT

- **PROMICHES** and the **Ministry of Environment and Natural Resources** sign a collaboration agreement that recognizes the multi-stakeholder effort and **Sea Turtle Monitoring and Protection Program (PROTORTUGA)**. In 2023, the Miches 2023 Leatherback Turtle Season began in *Playa Limón* of El Cedro, Miches.



## FUNDACIÓN TROPICALIA AND COMMUNITY DEVELOPMENT

### Soy niña, soy importante:

- **Fundación Tropicalia** commits to bring environmental education and recycling workshops to SNSI, thanks to a collaboration agreement with GIZ, PROMICHES and the Miches Town Hall.
- The second fundraising cocktail event was held in partnership with **Grupo Bentrani**, bringing awareness regarding women and girls rights in the Dominican Republic.
- **SNSI** is the charitable cause of the 2023 World Corporate Golf Challenge tournament organized by *Factor de Éxito Magazine*.
- We held another in-person edition of the **SNSI** summer camp.
- **SNSI** received recognition from the New York Senate for its tenth anniversary.



- **Fundación Tropicalia** School Fund: Together with the School District, we identified school needs and purchased supplies. The school fund was officially handed over on March 8, 2023, benefiting 2,052 students, 124 teachers, 13 schools and two preschools.





# 9 REPORTING FRAMEWORKS



GRI Disclosures: 2-1, 2-2, 2-3, 2-14, 3-1, 3-2.

This is Tropicalia's 12th Sustainability Report, which covers the period from January 1 to December 31, 2022; it includes activities of everything that falls within the **Tropicalia** master-planned development, **Fundación Tropicalia** and the communities impacted by its operations, generally Miches and its municipal districts.

This is a GRI referenced report and uses the standards of the Global Reporting Initiative to support reporting efforts. In addition to GRI disclosures, Tropicalia also applies the most widely used frameworks around the world. Through the United Nations Global Compact Principles, the Sustainable Development Goals and the International Finance Corporation (IFC) Performance Standards, Tropicalia is able to align the project's corporate goals with the global sustainable development agenda.

The Vice President of Sustainability sits on the Sustainability Committee and is editor in chief of the Sustainability Report, ensuring materiality, and overseeing and approving all content before it is sent to the Executive Committee members for final approval. The CEO gives final approval of the content of the Sustainability Report prior to publication.

In 2010, **Tropicalia** joined the **United Nations Global Compact (UNGC)** and began aligning its business strategy with the universal principles on Human Rights, labor, environment and anti-corruption. Our commitment includes reporting on progress in these areas through our [Informe de Sostenibilidad](#), which was first published in 2011 and communicates to stakeholders Tropicalia's business practices and corporate philosophy as well as the impact of **Fundación Tropicalia's** work in the local community.

[Progress Communications presented by Tropicalia](#)






9.1 Materiality

Tropicalia conducted a materiality analysis, which arises from the environmental and social review conducted by **IDB Invest**, for the classification and subsequent approval of **Tropicalia’s** financing, and the **Performance Standards of the International Finance Corporation (IFC)**. According to the analysis performed, and based on the phase of the Project, the material topics are <sup>13</sup>:

Material Topic	IFC <sup>14</sup> Performance Standards	Linkage with GRI Standards	Project phase
Community health and safety	PS4: Community health and safety	GRI 403-Occupational Health and Safety	Construction, Operation and Maintenance
			Construction, Operation and Maintenance
Environmental impacts	PS1: Assessment and management of environmental and social risks and impacts	GRI 305-Emissions	Construction, Operation and Maintenance
Biodiversity and natural habitat conservation	PS6: Biodiversity and natural habitat conservation	GRI 304-Biodiversity	Construction
Efficient Use of Natural Resources and Pollution Prevention	PS3: Efficient Use of Natural Resources and Pollution Prevention	GRI 302-Energy GRI 303-Water and Effluents GRI 306-Waste	Construction, Operation and Maintenance
Labor and working conditions	PS2: Labor and working conditions	GRI 202-Market Presence GRI 401-Employment GRI 405-Diversity and Equal Opportunity	Construction, Operation and Maintenance
Supplier Management	PS1: Assessment and management of environmental and social risks and impacts	GRI 204-Procurement Practices GRI 308-Supplier Environmental Assessment GRI 414-Supplier Social Assessment	Operation and Maintenance
Human Rights	Covered by several IFC Performance Standards	GRI 406-1 Non-discrimination GRI 407-Freedom of Association and Collective Bargaining GRI 408-Child Labor GRI 409-Forced or Compulsory Labor	Construction, Operation and Maintenance
Local Development	PS1: Assessment and management of environmental and social risks and impacts	GRI 203-Indirect Economic Impacts GRI 413-Local Communities	Construction, Operation and Maintenance

9.2 Sustainable Development Goals

In 2022, **Tropicalia** and **Fundación Tropicalia** developed actions that impacted the following **Sustainable Development Goals (SDGs)**:

	4.1 4.a	We work with the Miches public school district to support quality education (together with teachers and students). <a href="#">See section 6.1</a>
	5.2 5.4 5.6	We follow United Nations Women’s Empowerment Principles, and account for gender equality in our community development programs. Additionally, we empower and support women and girls through our <b>Soy niña, soy importante</b> initiative. <a href="#">See section 6.3</a>
	8.3 8.9	Our business model is structured around sustainable tourism. We support events that foster cultural identity and encourage small business development and micro entrepreneurship to improve the local supply of goods and service. <a href="#">See section 5.4</a>
	9.1	We support SDG 9 via our pursuit of LEED certification to ensure building efficiencies, reduce our carbon footprint, and prioritize state-of-the-art technology for building and room management. <a href="#">See section 5.2.3</a>
	12.6 12.b	Tropicalia’s annual sustainability reports offer transparency and structured communication of our impact.
	15.1 15.5	Our environmental and social management systems are intended to conserve, protect, and restore the environment that surrounds our footprint. <a href="#">See section 5.2.1</a>
	17.7	Both Tropicalia and Fundación Tropicalia engage in multi-sector partnerships in order to increase impact and mobilize technical and financial resources in support of the 2030 sustainability agenda of the United Nations. <a href="#">See section 7</a>

The contribution to SDG 4 is developed through Fundación Tropicalia. The other SDGs are joint efforts between Tropicalia and Fundación Tropicalia.

<sup>(13)</sup> In all cases it was identified that these risks are reversible and mitigable with the appropriate measures available from current technologies. <sup>(14)</sup> International Finance Corporation [https://www.ifc.org/wps/wcm/connect/multilingual\\_ext\\_content/ifc\\_external\\_corporate\\_site/home\\_es](https://www.ifc.org/wps/wcm/connect/multilingual_ext_content/ifc_external_corporate_site/home_es)



9.3 GRI Content Index

Statement of use	TROPICALIA has reported the information cited in this GRI content index for the period 1/1/2022 y 31/12/2022 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

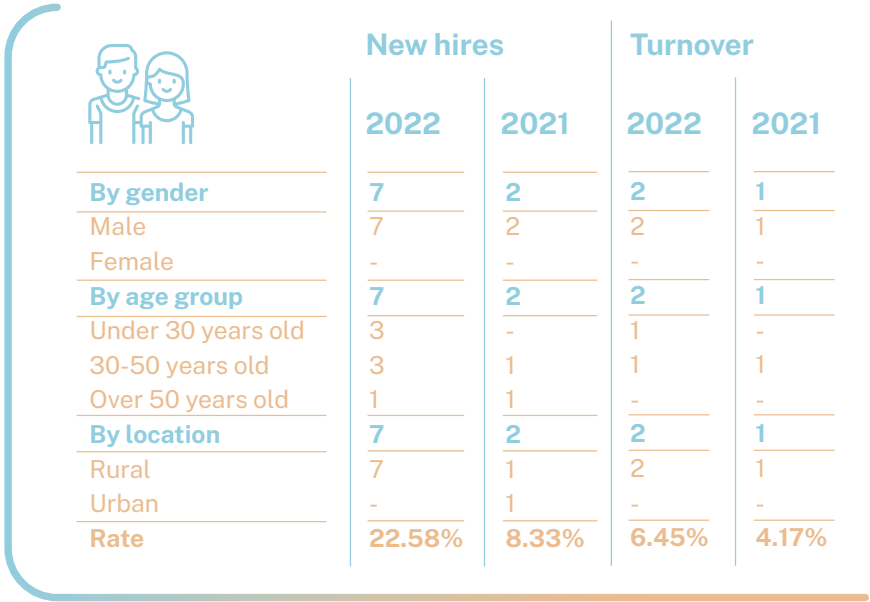
GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	2030 AGENDA		UNGC
			SDG	Targets	
General disclosures					
GRI 2: General Disclosures 2021	1. The organization and its reporting practices				
	2-1 Organizational details	9, 49			
	2-2 Entities included in the organization's sustainability reporting	49			
	2-3 Reporting period, frequency and contact point	49 Sofia Perazzo Vice President of Sustainability Cisneros Real Estate sperazzo@cisneros.com			
	2-4 Restatements of information	N/A			
	2-5 External assurance	We have decided not to carry out an external verification so far. The information produced in the report is supported by employee produced documents (reports, meeting minutes, presentations, photographs, etc.).			10
	2. Activities and workers				
	2-6 Activities, value chain and other business relationships	9			
	2-7 Employees	23	8 - 10	8.5 - 10.3	
	3. Governance				
	2-9 Governance structure and composition	23	5 - 16	5.5 - 16.7	1, 6, 7, 10
	2-10 Nomination and selection of the highest governance body	23	5 - 16	5.5 - 16.7	
	2-11 Chair of the highest governance body	23	16	16.6	
	2-12 Role of the highest governance body in overseeing the management of impacts	23	16	16.7	1, 7, 10
	2-13 Delegation of responsibility for managing impacts	23			1, 7, 10
	2-14 Role of the highest governance body in sustainability reporting	23, 51			1, 7
	2-16 Communication of critical concerns	Critical concerns are usually tackled at the operational level; however, if they relate to strategy for environmental and social topics, department heads report to their superiors to ensure these concerns are addressed immediately and/or in the annual sustainability committee meeting. Issues that require group vetting are included for Committee review. None in this reporting period.			
	2-17 Collective knowledge of the highest governance body	When appropriate & necessary, the Sustainability Committee agenda incorporates required reading requirements and knowledge sharing exercises to enhance collective knowledge of the group. All committee members are empowered to seek out industry conferences and workshops to build upon their knowledge in their respective areas. When possible we participate in industry events as speakers/experts.			
	4. Strategy, policies and practices				
	2-22 Statement on sustainable development strategy	4			
	2-23 Policy commitments	17, 23 Environmental Impact Assessments and subsequent Environmental Compliance Reports required of MIMARENA, as well as ESMS, BMP and LEED KPIs are in line with the precautionary principle approach. Tropicalia abides to all national and international laws and regulations pertinent to the tourism industry. Governing principles are readily available in English and/or Spanish and are disclosed to relevant parties. Training of employees occurs when required. VP Sustainability in support with other area managers is responsible for encouraging adherence to corporate values, principles, standards and norms.	16	16.3	1, 2, 3, 4, 5, 6, 7, 8, 10
	2-25 Processes to remediate negative impacts	ESMS includes plans, policies and procedures for material issues, defines scope of application and responsible parties. ESMS documents are shared with material stakeholders upon request and subject to internal approval. ESMS bridge documents include: local and international regulations and norms; environmental permits, etc.			1, 7, 10
	2-27 Compliance with laws and regulations	There were no cases of non-compliance with current legislation and regulations.			
	2-28 Membership associations	43			

GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	2030 AGENDA		UNGC
			SDG	Targets	
General disclosures					
	5. Stakeholder engagement				
	2-29 Approach to stakeholder engagement	23			
	2-30 Collective bargaining agreements	Employees have the right to join worker associations and are protected by Dominican law to do so. To date 0% of our 31 employees have joined collective bargaining agreements.	8	8.8	3
Material topics					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	49 Boundaries of each material topic are limited to Tropicalia's property (everything that happens within the property boundary), and the community that is impacted by project activities, speci cally the Miches Municipality, located within El Seibo Province.			1, 2, 3, 4, 5, 6, 7, 8, 10
	3-2 List of material topics	49			1, 2
Community health and safety					
GRI 3: Material Topics 2021	3-3 Management of material topics	23			1, 2, 3, 4, 5, 6, 7, 8, 9, 10
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	23	8	8.8	
	403-2 Hazard identification, risk assessment, and incident investigation	23 Tropicalia's ESMS accounts for EHS procedures and monitoring indicators; internal grievance mechanisms; environmental and social risk identification; EHS riskidenti fication and mitigation hierarchy, etc. ESMS complies with IFC PS 1, local and international regulations and industry best practices.	8	8.8	
	403-8 Workers covered by an occupational health and safety management system	23 Covers 100% employees and non-employees (workers) onsite	8	8.8	
	403-9 Work-related injuries	23	3 - 8 - 16	3.6 - 3.9 - 8.8 - 16.1	3, 4, 5, 6
Environmental impacts					
GRI 3: Material Topics 2021	3-3 Management of material topics	17, 25			1, 2, 7, 8, 9, 10
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	The project is in the development phase and therefore no emissions were recorded during the reporting period.	7, 8	3 - 12 - 13 - 14 - 15	3.9 - 12.4 - 13.1 - 14.3 - 15.2
	305-2 Energy indirect (Scope 2) GHG emissions	The project is in the development phase and therefore no emissions were recorded during the reporting period.	7, 8	3 - 12 - 13 - 14 - 15	3.9 - 12.4 - 13.1 - 14.3 - 15.2
	305-3 Other indirect (Scope 3) GHG emissions	The project is in the development phase and therefore no emissions were recorded during the reporting period.	7, 8	3 - 12 - 13 - 14 - 15	3.9 - 12.4 - 13.1 - 14.3 - 15.2
	305-4 GHG emissions intensity	The project is in the development phase and therefore no emissions were recorded during the reporting period.		13 - 14 - 15	13.1 - 14.3 - 15.2
Biodiversity and natural habitat conservation					
GRI 3: Material Topics 2021	3-3 Management of material topics	9, 23			1, 2, 7, 8, 9, 10
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	9, 23 Tropicalia is adjacent to two protected areas (Banco Navidad y la Plata Marine Sanctuary, and Laguna Redonda) and has fragmented natural habitats. Areas of high biodiversity value are described in EIA, DIA, BMP/BMEP and the Critical Habitat Assessment of the project. The PMB/PMBE Project meets ND6 Performance Standard.	6 - 14 - 15	6.6 - 14.2 - 15.1 - 15.5	7, 8
	304-2 Significant impacts of activities, products and services on biodiversity	9, 23 All required Environmental Compliance Reports (ICAs) have been presented to the Ministry of Environment and Natural Resources.	6 - 14 - 15	6.6 - 14.2 - 15.1 - 15.5	
	304-3 Habitats protected or restored	9, 23 A result of Tropicalia's Critical Habitat Assessment revealed that Tropicalia is located in a highly modi ed habitat with remnants of natural habitat. These remnants have been georeferenced and identi ed and will be managed in accordance to the mitigation hierarchy.	6 - 14 - 15	6.6 - 14.2 - 15.1 - 15.5	7, 8, 9
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	9	6 - 14 - 15	6.6 - 14.2 - 15.1 - 15.5	
Efficient Use of Natural Resources and Pollution Prevention					
GRI 3: Material Topics 2021	3-3 Management of material topics	23			1, 2, 7, 8, 9, 10
GRI 302: Energy 2016	302-4 Reduction of energy consumption	23	7 - 8 - 12 - 13	7.3 - 8.4 - 12.2 - 13.1	
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	23	6 - 12	6.3 - 6.4 - 12.4	7, 8, 9
	303-2 Management of water discharge-related impacts	23	6	6.3	7, 8, 9
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	23	3 - 6 - 11 - 12	3.9 - 6.3 - 6.6 - 6.a - 6.b - 11.6 - 12.4 - 12.5	
	306-2 Management of significant waste-related impacts	23	3 - 6 - 8 - 11 - 12	3.9 - 6.3 - 8.4 - 11.6 - 12.4 - 12.5	
	306-4 Waste diverted from disposal	23	3 - 11 - 12	3.9 - 11.6 - 12.4 - 12.5	7, 8
Labor and working conditions					
GRI 3: Material Topics 2021	3-3 Management of material topics	23			1, 2, 7, 8, 9, 10



GRI STANDARD / OTHER SOURCE	DISCLOSURE	LOCATION	2030 AGENDA		UNGC
			SDG	Targets	
General disclosures					
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	All full-time and part-time salaries meet the legal minimum wage. All positions are remunerated based on experience and position, and are equally considered for men and women, including management positions.	1 - 5 - 8	1.2 - 5.1 - 8.5	
	202-2 Proportion of senior management hired from the local community	2 senior management positions	8	8.5	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Note 1	5 - 8 - 10	5.1 - 8.5 - 8.6 - 10.3	
	401-2 Benefits provided to full-time employees that are not provided to temporary or parttime employees	All employees, full-time and temporary, are eligible for the same benefits, including: life insurance, health care, disability and invalidity coverage, parental leave, etc.	2 - 5 - 8	3.2 - 5.4 - 8.5	
	401-3 Parental leave	100% returned to work after parental leave.	5 - 8	5.1 - 5.4 - 8.5	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	23	5 - 8	5.1 - 5.5 - 8.5	1, 6
	405-2 Ratio of basic salary and remuneration of women to men	All full-time and part-time salaries meet the legal minimum wage. All positions are remunerated based on experience and position, and are equally considered for men and women, including management positions.	5 - 8 - 10	5.1 - 8.5 - 10.3	6
Supplier Management					
GRI 3: Material Topics 2021	3-3 Management of material topics	23			1, 2, 7, 8, 9, 10
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Suppliers required to comply with ES requirements of the project. Certain service providers to be certified by MIMARENA to provide services (i.e. manage hazardous waste)			
	308-2 Negative environmental impacts in the supply chain and actions taken	Specialized service providers (i.e. Hazardous waste management service provider) must be authorized to operate by the Ministry of Environment and Natural Resources to perform their service.			
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Sustainability clauses included in major contracts, particularly with General Contractor and any contractor hired for the construction phase.	5 - 8 - 16	5.2 - 8.8 - 16.1	
	414-2 Negative social impacts in the supply chain and actions taken	Suppliers required to comply with ES requirements of the project. Certain service providers to be certified by MIMARENA to provide services (i.e. manage hazardous waste)	5 - 8 - 16	5.2 - 8.8 - 16.1	
Human Rights					
GRI 3: Material Topics 2021	3-3 Management of material topics	23			1, 2, 3, 4, 5, 6, 7, 8, 9, 10
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	There have been no incidents of discrimination during the reporting period	5 - 8	5.1 - 8.8	
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	None during this reporting period.	8	8.8	
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	None during this reporting period.	5 - 8 - 16	5.2 - 8.7 - 16.2	
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	None during this reporting period.	5 - 8	5.2 - 8.7	
Local Development					
GRI 3: Material Topics 2021	3-3 Management of material topics	17, 23, 31			1, 2, 3, 4, 5, 6, 7, 8, 9, 10
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	17, 23, 31 Via Promiches, Tropicalia is supporting water, waste and road infrastructure, as well as improved coastal management systems; all of which have positive impacts on the local community.	5 - 9 - 11	5.4 - 9.1 - 9.4 - 11.2	
	203-2 Significant indirect economic impacts	17, 23, 31 - Most of Fundación Tropicalia's initiatives and projects generate indirect economic impacts on those who participate in its programs. - Tropicalia itself is slated to create direct and indirect economic benefits beyond a typical tourist development given the high poverty levels of the surrounding area. - Tropicalia's participation in PROMICHES is generating several positive indirect economic impacts, from improving coastal management to creating municipal-wide solutions to waste, water and other essential infrastructure needs.	1 - 3 - 8	1.2 - 1.4 - 3.8 - 8.2 - 8.3 - 8.5	
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	31			
	413-2 Operations with significant actual and potential negative impacts on local communities	Fundación Tropicalia consistently engages community stakeholders in support of their insertion into the tourism supply chain. Tropicalia manages impact via stakeholder engagement plan and open-door dialogue with community leaders and stakeholders.	1 - 2	1.4 - 2.3	

ANNEX 1: NEW HIRES AND STAFF TURNOVER







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