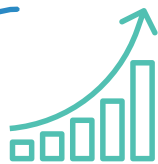


# Key Commitments to Sustainability



## Sound Business: The Right Approach

The challenges posed by the global pandemic revealed that our stakeholder approach to business, which is the foundation for our sustainability strategy, is the best line of defense when confronting the social, environmental or economic externalities that were imposed on us in 2020. At Tropicalia, the first quarter of 2020 kicked-off with early work construction for FST. Up through March 19, 2020, the project:

- ✓ Partially mobilized the Bouygues Construcciones Republica Dominicana (BCRD) team and set-up onsite operations and local offices. BCRD supervised four subcontractors, 34 workers and management staff and carried out approximately 20 training workshops in: Ethics and compliance; environmental management; and control, and worker health and safety.
- ✓ Alongside BCRD, organized its first stakeholder engagement meeting with local authorities to share project details, discuss local contracting opportunities, road safety, and community grievance mechanisms.
- ✓ Initiated site clearance activities and respected our tree transplantation plan.

With the onset of the COVID-19 pandemic, we reluctantly halted construction and financing efforts with the IFC and IDB Invest, and took a step back to see how the world reacted to this incredibly unique time in contemporary human history. By the end of the year, we modified our previous design, optimizing the project for a post-pandemic traveler and prepared our business plan to head into 2021 with full gusto.



## Environmental Balance: Our Management Systems and Programs

Tropicalia protects and conserves the natural environment and relies on its biodiversity and environmental management plans, as well as its participation in PROMICHES to pursue sustainable site development and destination management. In 2020, we:

- ✓ Continued supporting the incorporation of the El Seibo-Miches Hotel and Restaurant Association (PROMICHES) with the purpose of driving sustainable destination management through collective action.
- ✓ Transplanted 67 *Sabal causiarum* (Palma cana) and 19 *Roystonea hispaniolana* (Palma real), for a total of 88 trees. These trees stabilized in August 2020, with roughly a 50% survival turnout due to the strong winds brought about by Tropical Storm Isaias.
- ✓ Submitted Tropicalia's 14th and 15th Environmental Compliance Reports (ICA) and FST's first and second ICAs to the Ministry of Environment and Natural Resources.
- ✓ Continued implementing maintenance and clean-up efforts of the Costa Esmeralda beachfront, as well as our recycling efforts on site.



## Thoughtful Architecture: The Importance of Sustainable Design

We leveraged 2020 to reflect upon our project concept and propose modifications to the design to fully tailor to the demands of future travelers and the second home-owner. Through this exercise, we approached a wide-range of market and industry experts to understand how health and safety concerns would be accounted for in architecture, design, and layout.

Our new program prioritizes the concept of work, play and live in single family settings, and contemplates: i) multigenerational use and longer term stays on property for both hotel guests and residential owners alike; ii) increased demand for reliable connectivity and the ability to work remotely; iii) increased prioritization for biosafety, social distancing, outdoor space, and guaranteed access to essential services and medical assistance. With these key aspects in mind, the modified program for FST:

- ✓ Increased the amount of free-standing and socially distanced residential products that can be used for periods longer than previously anticipated.
- ✓ Incorporates state-of-the-art connectivity technology consistent with evolving consumer demand for adequate remote working spaces.
- ✓ Continues to prioritize LEED certification, as an essential commitment to responsible real estate development.



## Community Development: Fundación Tropicalia

Tropicalia's commitment to community development is channeled through the work of its foundation, Fundación Tropicalia (FT), which centers its programs on supporting education, environment, productivity, and sociocultural advocacy. Dominican Republic's prolonged state-of-emergency not only changed the operating environment of the foundation, but also underscored the plight of the most vulnerable. Like Tropicalia and much of the world, the foundation paused to reassess its mission, the needs of the community it's meant to serve, and the safekeeping of its team members in order to pivot, mobilize and bring hope in times of uncertainty to hundreds of families.