

Management and Governance Mechanisms for Sustainable Business



Environmental and Social Management System

Tropicalia's Environmental and Social Management System (ESMS) consists of plans, policies and procedures that set key performance indicators and guide the project's environmental and social performance. The ESMS prompts us to analyze 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 general scope of the ESMS encompasses Four Seasons Dominican Republic at Tropicalia, the Tropicalia master-planned development and Fundación Tropicalia when appropriate; which also coincides with the reporting boundaries of this sustainability report.



The ESMS and supporting documents are reviewed periodically and support Tropicalia's ongoing materiality assessment.



Stakeholder Engagement

By way of active stakeholder engagement, Tropicalia builds trust with the local community by initiating public consultation processes and disclosures regarding project impacts. Through a transparent and timely supply of information we give and receive critical information that allows for fluid communication with the people most impacted by our activities.

Prior to the commencement of early works and site clearance in January 2020, and in line with the project's Stakeholder Engagement Plan, we convened community representatives from local government, NGOs, and businesses, to present our construction partner - BCRD - and introduce their on-site staff and community liaison. BCRD shared details surrounding key issue areas, which were of particular relevance to community stakeholders, including their: i) environmental, health and safety standards; ii) employment and supply chain opportunities; and iii) community grievance mechanisms to channel environmental or social concerns. In total, 28 community members participated in this first encounter.



Sustainability Committee

Tropicalia's Sustainability Committee is a cross-functional team that meets annually to discuss strategy, report progress, and define goals for the upcoming year. Our committee is the highest governing body for reviewing environmental and social issues impacting our business and sector. The Committee plays an advisory role and guarantees the financial and human capital necessary for implementing Tropicalia's sustainability programs.

The diversity of our Committee members (60% female, 40% male) brings strength to this corporate governance body. Members include senior-level Cisneros executives, and we convene external advisors depending on the particular topic and area of expertise needed.

In 2020, the Committee met in February and again in December in company of an external advisor, covering essential topics on social and environmental performance; committee members were also introduced to the ESMS and reviewed the impact of the pandemic on our industry and our community.



Labor and Human Rights

Our commitment to the protection of human and labor rights prevails as a fundamental element for creating a healthy workplace. Our policies mitigate the risk of engaging in child labor, and allow us to advocate for gender equality and equal opportunity employment, as well as individual freedom of association.

More than 40% of our current workforce are women; all employees are remunerated based on experience and position. We also hire and train local residents, of which 57% come from rural regions. Finally all Miches-based operations deploy local community engagement and development programs with the support of Fundación Tropicalia.

As aforementioned, when Dominican Republic declared a nationwide state of emergency, businesses across the country were faced with the devastating consequences of coming to a standstill. This difficult time also provided an opportunity to support our employees and embrace a flexible and remote work schedule in order to secure their health and safety, and accommodate a drastically modified work-life balance. These efforts supported our business continuity in the short and medium term during the initial stages of the pandemic.

During 2020, we implemented a gradual and staggered return to work policy; rolled out COVID-19 safety protocols and scheduled bimonthly video conferencing with all our staff to make sure we stayed connected. Like many others, we unfortunately had to make difficult decisions and downsized our workforce by 20%. By the end of 2020, we had a total of 21 employees from affiliated entities (1) working for Tropicalia in the Dominican Republic, with a turnover rate of 12.5% due to our workforce reductions as a consequence of the pandemic. The table below breaks down our employee workforce by gender, region, and age group.

