

Management and Governance Mechanisms for Sustainable Business



Environmental and Social Management System

Tropicalia relies on its Environmental and Social Management System to monitor and assess issues in sustainable destination and stakeholder management, community development, biodiversity and other key topic areas.

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 the first phase of development 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.

In line with the project's Stakeholder Engagement strategies, we constantly map out the stakeholders that impact or will be impacted by the project and approach them accordingly. As far as community engagement is concerned, through Fundación Tropicalia we are in constant contact with our community stakeholders and invite their participation in project design whenever feasible.



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 (50% female, 50% 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.

The Committee's 2021 meeting took place in the first quarter of 2022, in company of an external advisor, covering essential topics on social and environmental performance as well as the steps taking place with destination management efforts, and finance and construction partners.



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 50% 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.

During 2021, we remained steadfast with our business continuity plans, ensuring a safe return to work for our employees, and our COVID-19 policies prevented any work related outbreaks and contagion. By year's end we were able to celebrate an open air gathering with employees, where we reunited for the first time in two years. The table below breaks down our employee workforce by gender, region, and age group.

