1. General Information and Overview of Scope of IIC E&S Review The IIC's scope of review during Tropicalia's appraisal included analysis of the Project's Environmental Impact Assessment (EIA), meetings and conference calls with client representatives. In addition, IIC E&S specialists conducted a four-day site visit (September 17-20, 2017) which included the following activities: i) meeting with the Ministry of Environment in Santo Domingo; ii) meeting with the Mayor of Miches; iii) meeting with the District Council of El Cedro; and iv) a visit to the site of the proposed Four Seasons Hotel and surrounding area. Throughout this period document review continued and included the Four Seasons Hotel Environmental Impact Statement (EIS, or DIA for its Spanish acronym) in 2016, legal permits, Tropicalia's annual sustainability reports, the draft ESMS prepared for the Tropicalia Project, the management plans of Laguna Redonda y Limon Wildlife Refuge, The Marine Mammal Sanctuary, amongst others. 2. Environmental and Social Categorization and Rationale This is a Category B Project according to IIC's Sustainability Policy because it has environmental and social risks that can be mitigated via measures that are readily available and feasible to implement in the context of the operation, and because the Project is aligned with the territorial zoning proposed by the Ministry of Tourism for the Miches area in their Regional Tourism Land Use Plan (POTT), for the Coast of Miches, El Seibo and Hato Mayor (Resolution No. 04/2012 – DPP). Key environmental and social (E&S) impacts associated with this type of operation include: i) production of wastes, both hazardous and non-hazardous; ii) air emissions; iii) noise pollution; iv) increased wastewater generation; v) movement of soils; vi) removal of natural vegetation; vii) potential impact to natural or cultural resources, including Critical Natural Habitat (CNH); viii) ground vibrations; ix) disruption to ground water levels; x) occupational health and safety of workers; and xi) community health and safety concerns related to life and fire safety. During the operations phase, risks are related to: i) hotel guest and worker health and safety, ii) generation of wastes, both solid and liquid (sewage), iii) air emissions and noise, and iv) use of resources such as energy, groundwater and local services. Natural disasters such as earthquakes, fires, floods and hurricanes also present risks to the Four Seasons Hotel, both from the potential of risk to workers and guests, but also in terms of structural and environmental damage to physical infrastructure. 3. Environmental and Social Context The Project site is located in the El Cedro District within the Municipality of Miches, which historically has been an isolated community located in one of the poorest regions of the Dominican Republic. Its main industries include agriculture, cattle-raising, artisanal fishing, micro-business services and artisanal crafts. Despite its diverse and abundant natural resources, Miches faces many social and economic challenges including poverty, unemployment and delinquency, which arise from limited market access, low levels of education, and scarce economic opportunities, and has led to out-migration of young people seeking work in other areas. The completion of the Highway 104 between Punta Cana and Miches has reduced the travel time between the two cities by more than half, to approximately one hour. This has greatly improved opportunities for development in the region and made the unspoiled beachfront properties very attractive for tourism and real estate developers. The Four Seasons proposal is one of several hotel developments proposed in the area, but would serve as the catalyst for the development of a new tourism cluster in the Dominican Republic. The Project's area (plots) is of approximately 70 hectares (ha), of which 26.6 ha will be developed with a directly affected construction area of approximately 3.5 ha, resulting in a development density of approx. 2.5 room per hectare, and a maximum three-level height per building. The Project is a small part of the proposed Tropicalia property along the seashore to the North of the river Caño Negro. This is the site of the proposed Four Seasons hotel development and associated facilities including a spa, gymnasium, restaurant, bars, event center and sports facilities, plus waste treatment plant, wells, electricity generation and drainage infrastructure. The development is described by the promoters as an eco-resort positioned as a model of sustainable tourism in the Caribbean. The current loan proposal is limited to these investments. This area was, and continues to be, principally a coconut plantation and the site of a now-closed, small hotel. The environmental context in the Project area is characterized by karstic soils with poor fertility and prevailing water scarcity. The Project site is bounded to the East and South by a wetland proposed as a RAMSAR site and designated as the

Laguna Redonda y Limon Wildlife Refuge (IUCN Category IV) and to the North, the sea immediately offshore is part of the Marine Mammal Sanctuary of Bancos de la Plata y La Navidad (IUCN Category I). Much of the original vegetation of this area was eliminated decades ago for the establishment of a coconut plantation (Cocos nucifera), that today is partially regenerated with native vegetation. 4. Environmental Risks and Impacts and Proposed Mitigation and Compensation Measures 4.1 Assessment and Management of Environmental and Social Risks and Impacts 4.1.a. E&S Assessment and Management System IIC's appraisal considered the E&S management planning process and documentation for the Project, as well as gaps between the Project planning process and IIC's E&S requirements. Where necessary, corrective measures, intended to close these gaps within a reasonable period of time, are summarized in the paragraphs that follow, in an Environmental and Social Action Plan (ESAP) mutually agreed with the Client. The Environmental Impact Statement (EIS, or DIA in its Spanish acronym) prepared for the Hotel Four Seasons Project prescribes the development of an environmental management system (ESMS) to address the environmental and social impacts of the Project. Responsibility for implementation of the ESMS is tasked to the Project's environmental unit, managed by an Environment and Safety Manager. For the implementation of the ESMS the Client will collaborate with both the Tropicalia Foundation and the Ocean Foundation. The ESMS includes the development of an Environmental Management Plan (EMP) that includes legal, labor, community, and other sustainability attributes. Tropicalia has included sustainability requirements for its construction contractor agreements, and its suppliers and partners will also commit to adhere to Tropicalia's policies. The Client will revise/develop a specific ESMS for the Project, to include: i) the organizational structure, including the roles and responsibilities of the environmental and social, and industrial and occupational health and safety, departments; ii) the profiles of the personnel in each department (contracted and yet to be contracted); iii) details of how the system is implemented for the Project; iv) protocols for information management; v) protocols for decision making; vi) protocols for the control and monitoring of the implementation of the environmental management actions of the EMP (PMAA); vii) protocols for the evaluation and continuous improvement of the system; and viii) protocols to ensure the fulfilment of the implementation of the social, environmental, industrial safety and occupational health plans part of the ESMS, by Tropicalia's contractors and sub-contractors (ESAP Action 1.1). 4.1.b. Policy Inversiones Cuatro Estaciones, S.A.S., has an Environmental, Social, Health and Safety (ESHS) overarching policy. However, this policy -or its implementation procedures- should indicate who, within the client's organization, will ensure conformance with the policy and be responsible for its execution, and also how this policy will be communicated to all levels of its organization. In this context, Inversiones Cuatro Estaciones, S.A.S., will: i) revise its ESHS Policy to indicate who, within the client's organization, will ensure conformance with the policy and be responsible for its execution; and ii) create a mechanism to communicate the policy and measure continuous improvement in its implementation (ESAP Action 1.2). 4.1.c. Identification of Risks and Impacts Tropicalia commissioned an Environmental and Social Impact Assessment (ESIA) in 2010, that was approved and validated by the Ministry of Environment and Natural Resources (Resolution No. 0172-10, renewed September 1st, 2015). This covered the full scope of the Tropicalia Project as it was conceived at that time. However, the Project design has since changed and, as such, a revised Project design was prepared for a smaller segment of the Tropicalia Project, corresponding to phase 1 of Inversiones Cuatro Estaciones' (Four Seasons Hotel) Project. This subsequently entailed the need for the development of a DIA study, completed in 2016, and an associated environmental permit was issued (Environmental Permit No. 3060-16). The DIA study presents the Project's site development plans infrastructure siting details; however, to facilitate management and monitoring, the Client will provide an updated/modified DIA of the Four Seasons Hotel Project (in compliance with the environmental impact evaluation process described in the Law 64-00 and its regulation, and this IFC PS-1) and any environmental license issued by the Ministry of Environment and Natural Resources (MIMARENA) in the case of additional infrastructure not currently considered in the previous Four Seasons DIA and Tropicalia EIA, with the corresponding maps that include hotel

layout and the utility compound, service areas and associated infrastructure footprint, general access and service roads right of way, location of water extraction wells, etc., with a series of overlays with key legal and environmental or social limitations or requirements (ESAP Action 1.3). The DIA study conducted the identification and evaluation of Project risks and impacts, with a total of 40 environmental and social impacts found (26 negative, 14 positive). However, since the execution and operation of the Project is dynamic, a continuous update of the environmental and social risk matrix is necessary for each project phase (ESAP Action 1.3). i. Direct and indirect impacts and risks One of the main impacts of the Four Season Hotel Project is the demand for freshwater, which is estimated to be 420 m3/day (approximately 110,300 gallons/day, or 76.5 gallons/minute). According to the Geofitec 2016 study, the northern part of Tropicalia's property, outside the area where the Four Seasons hotel is proposed, presents appropriate conditions to satisfy the Project's demand by the drilling of four wells separated from each other by at least 260 meters. The initial hydrological analysis anticipates that the wells can be exploited at a rate of 40 gal/min for 12 hours a day each, a design feature to allow necessary redundancies and a degree of flexibility in case of a malfunction of one of the pumps, as well as reducing the demand pressure on each of the pumps and reduce the risk of saline intrusion to the limited sandy coastal aquifer. However, although projected water supply will cover demand, there is no information on how this demand will impact the water balance of the hydrological system of the Laguna Redonda Protected Area (PA) and its surrounding wetland habitats to ensure sustainability of these ecosystems and/or future use of this resource . Therefore, a hydrological balance analysis study is required, that includes proposed mitigation measures and a monitoring plan to ensure no significant impact to this PA as well as hydrological sustainability of the surrounding ecosystem (wetlands, mangroves, etc.) (ESAP Action 1.4). ii. Cumulative impact analysis The Four Seasons hotel is part of a larger tourism and real estate development in the same geographical area. Tropicalia is currently negotiating additional property purchases slated to receive an 18-hole golf course, which is not included in the Project. The golf course will be sited in the same watershed of the Laguna Redonda Protected Area, and its potential environmental risks and impacts therefore need to be evaluated. Other ancillary facilities are also planned, including golf club house, parking lots, and public services areas. The Client will therefore undertake a Cumulative Impact Study of all the works of Phases I and II of the Tropicalia Eco Resort, in line with best international practice (ESAP Action 1.5). 4.1.d. Management Programs An Environmental Management and Adaptation Plan (PMAA, for its acronym in Spanish) established in the DIA study was approved by the Ministry of Environment and Natural Resources (MIMARENA) through the corresponding Environmental Permit (No. 3060-16). This PMAA, also considered as the Environmental and Social Management Plan (EMP), covers both the construction and operations phase, designed to address key E&S impacts, as follows: i) Impact Management Program for the physical and visual environment, which includes mitigation measures for the impact on the terrain relief; solid waste management (both hazardous and non-hazardous); gas emissions, dust pollution and noise disturbances controls; effluents; solid waste (both industrial and/or domestic); ii) Impact Management Program for the biological environment, which also includes mitigation measures for the protection of the biota, marine fauna and the ecosystem of the contemplative diving area; iii) Impact Management Program for the socioeconomic environment, that includes social compensation measures for the communities surrounding the Project; training for managers and Project workers; measures for interinstitutional coordination; mitigation measures for water savings and energy efficiency; measures for the control of the physical cargo capacity of the coastal sector; and measures to ensure hygienic-sanitary conditions of operations. The Client will provide an updated matrix of legal permits and certifications associated with ESHS issues handled by suppliers of the Project (for example, material extraction from quarries, water use concession, non-hazardous and hazardous waste storage, transportation and/or disposal, etc.), which includes authorizing governmental entity, dates, responsible party or organizational chart, and communication and compliance procedures (ESAP Action 1.6). The EPC contractor(s) for construction has not yet been chosen. The DIA study states that all contracts with companies that

will supply services to Tropicalia have also to abide by the requirements of the Environmental Permit, and that companies certified by the Ministry of Environment and Natural Resources (MIMARENA) should be given priority in the procurement process. The Client will therefore provide the EMP of all its construction contractors, which will contain a commitment to adhere to both the Environmental Permit and the Project's EMP, Social Management Plan (SMP) and Health and Safety Management System (HSE). Similarly, the Client will provide the operations phase contractor EMP (ESAP Action 1.7). 4.1.e. Organizational Capacity and Competency The Tropicalia Project, through the Tropicalia Foundation, has a technical and management team based in the Project's area and responsible for the management of environmental, social and health and safety issues under the purview of the Foundation. However, as prescribed by the DIA study a dedicated environmental unit will be created for the Project, and it will be responsible for planning, implementing and monitoring all the required environment, social and health & safety related actions. Therefore, the Client will structure this unit to ensure adequate human and financial resources, within the ESMS (ESAP Action 1.1). 4.1.f. Emergency Preparedness and Response The Project's DIA study requires development of an emergency preparedness and response program through a Contingency Plan, for both the construction and operations phases. This Contingency Plan is a set of specific pre-established procedures for coordination, alert, mobilization and response to the occurrence or imminence of a particular event, such as: i) natural hazards e.g. earthquakes, hurricanes, flooding and storm surge, including waves, tsunamis, etc.; and tropical storms; ii) fire, oil or fuel spills, and workers and guest accidents. The Client will therefore commission/update a/the Contingency Plan (emergency preparedness and response plan), to minimize risk to employees and guests in the case of natural disasters or technological danger, with the contact information of the appropriate and relevant collaborative third parties (ESAP Action 1.8). 4.1.g. Monitoring and Review The client is responsible to ensure the implementation of the monitoring and control plans described in the Project's original EMP and complemented in the DIA study of 2016. The EMP includes a series of monitoring measures, both for the construction and operations phase, for: i) air quality; ii) status of communities in the Project' area of influence; iii) coastal seawater quality; and iv) potable and bathing freshwater. The Client will develop a set of key performance indicators to be monitored to measure the effectiveness of the EMP, as well as all the applicable legal and contractual obligations during the construction and operations phases (ESAP Action 1.9). Finally, an Independent Environmental and Social Consultant (IESC) is required to periodically prepare a consolidated report addressing the compliance status of all environmental, social, health, safety and labor policies (ESAP Action 1.10). 4.1.h. Stakeholder Engagement 4.1.h.i Consultation and Stakeholder Engagement The stakeholder analysis and engagement planning process was carried out according to local legislation, and it included Project disclosure of information by targeted invitations to key stakeholders for public meetings that involved the communities of Miches and El Seibo; as well as representatives of the Neighborhood Boards of all adjacent communities, private sector representatives from Blue Transport, Mina Rivera, Constructora Inge Matos, Cluster Ecological Los Uveros, Federacion of Arrocero, Cisneros Group, Centro Cultural de Miches (CECULMI), Cooperativa de Producción y Servicios Múltiples de Miches (COOPROMI), Tropicalia Foundation, Ríos y Asociados, church groups such as Asamblea de Dios Central Church, Fire Department, Cluster Turístico association, Civil Governor from El Seibo, and representatives of the Ministry of Environment and Natural Resources (MIMARENA). However, the Project information has presented in general terms with insufficient specifics on potential social impacts, in particular, to contextualize strong expectations of job creation opportunities and address concerns about land titling and property ownership issues. One of the core characteristics of a sustainable tourism operation is the commitment to favoring the hiring of local staff. The Client needs to clarify what procedures it will undertake to identify potential labor force during construction and operation to be recruited from local communities as El Cedro and Miches. The Client will therefore prepare a comprehensive Stakeholder Engagement Plan for the construction phase (ESAP Action 1.11) and for the operational phase, which will integrate lessons learned from the construction phase (ESAP Action 1.12), that

presents updated information on Project's positive and negative environmental and social impacts, their respective mitigation measures and the Grievance Mechanism and how they can access it (through the Grievance Mechanism, see below) as well as opportunities for local community development commensurate with the scale of the investment. The Plan will be implemented taking full advantage of Tropicalia Foundation's field presence and work with local communities. The Client, within the Stakeholder Engagement Plan, will also develop and implement a community participation strategy for local labor force hiring and training, prioritizing the Municipality of Miches and its districts, for both the construction and operations phases of the Project and including updated job creation estimates (ESAP Action 1.11). 4.1.h.ii Disclosure of Information The information and documentation on the Tropicalia Project's original EIA and the subsequent DIA studies was made available locally according to the applicable laws (Resolutions No. 13-2014 and No. 14-2014). 4.1.i. External Communication and Grievance Mechanisms 4.1.i.i External Communications The Tropicalia Foundation has an office in the town of Miches and supports local capacity building, enterprise development and social initiatives with the local community with funding from Multilateral Investment Fund (MIF) and funding from Cisneros. 4.1.i.ii Grievance Mechanism for Workers and Affected Communities The DIA study makes reference to a complaint, suggestion and grievance procedure and form, to evaluate the effectiveness of the Project' EPM/ESMS during construction. It is currently not clear the extent of implementation of the Grievance Mechanism. The client will therefore provide evidence of implementation the Grievance Mechanism for internal and external stakeholders, including copies for direct workers, contractors and subcontractors; and for communities and/or owners within the Project's area of influence (ESAP Action 1.13). The Client will also develop a Grievance Mechanism, both internal and external, for the operations phase (ESAP Action 1.14). The Mechanism will include details of how complaints are registered, investigated/evaluated and the follow up process and closure/resolution. 4.2 Labor and Working Conditions 4.2.a. Working Conditions and Management of Worker Relationships 4.2.a.i Human Resources Policies and Procedures The Client will develop a Human Resource Policies and associated procedures for the Project, or for Inversiones Cuatro Estaciones, S.A.S. if the latter will also be applicable to the investment in Tropicalia. The HR Policy and its procedures will include, inter alia, promotion of gender equality and non-discrimination, equal opportunities, fair treatment, adequate working conditions and terms of employment agreements, notice of dismissal and severance payments, as well as a Code of Conduct (or Ethics Code) for Tropicalia workers (ESAP Action 2.1). The Client will ensure that its EPC contractors and sub-contractors also abide by its HR Policy and procedures in accordance to IFC Performance Standard 02 (ESAP Action 2.2). 4.2.a.ii Working Conditions and Terms of Employment The Client will provide: a) The procedures adopted for contractors for the hiring and firing of workers (ESAP Action 2.2); b) A reasonable working conditions and terms of employment agreement for workers (ESAP Action 2.3); and, c) A coexistence manual (rulebook) for workers, contractors and sub-contractors (ESAP Action 2.4). 4.2.b. Occupational Health and Safety The Client will update the EMP to include: i) the identification of possible risks to the health and safety of the workers according to the job that they do; ii) details of the preventative and protective measures implemented, worker trainings, and daily safety briefings mentioned during the site visit and iii) a copy of the reports developed in the event of an incident or occupational accident. The EMP will also contain a procedure to notify emergency response services and local law enforcement about any major accident or fatality (ESAP Action 2.5). Also, this mechanism shall provide a procedure to notify, emergency response entities, local law enforcement, and the Bank, about any major accident or fatality (ESAP Action 2.6). 4.2.c. Supply Chain The Client will develop a procedure for managing and monitoring the performance of its primary suppliers as well as for workers engaged by third parties (ESAP Action 2.7). 4.3 Resource Efficiency and Pollution Prevention Resource Efficiency The main resources to be used by the Project are freshwater, electricity and fuel (diesel for the power generators and LPG gas for heating system). Freshwater demand for the hotel operation is estimated to be 420m3 per day (approximately 110,300 gallons/day, or 76.5 gallons/minute), to be abstracted from four underground wells.

Electricity demand during operation is estimated at 187 kWh/day, to be provided through four diesel generators with a combined capacity of 5MW, as well as one backup generator with 1.25 Mw capacity. Therefore, the air pollutant and GHG emissions profile of the equipment will be calculated accordingly (see below); an estimated total of 8,800 gallons/day of diesel fuel would be needed. 4.3.a.i Water Use & Wastewater Treatment It is not yet clear whether freshwater consumption will also involve irrigation e.g. for landscape and golf course use and, if so, how much water this would require. Similarly, it is not yet clear whether the proposed water storage capacity has been designed to accommodate irrigation needs. Therefore, a water balance and strategy for reducing water consumption is needed, which demonstrates how efficient water use by the Four Seasons Project compares to similar sector development projects. Therefore, the Client will develop a water efficiency strategy for the Project which will include a water balance (i.e. analysis of demand frequency and inflows/outflows), types of use, measures for efficient use, water quality monitoring and a comparative analysis with water balances from other hotels in the country/region (ESAP Action 3.1). All sanitary wastewater and oily wastewater generated during construction of the Project will be collected and shipped off-site for treatment and disposal at a licensed facility. The client will adopt the principles of “duty of care” for off-site disposal of wastes including procedures for verifying the fate of materials removed from site. The client will require the selected EPC contractor for construction to protect against sedimentation and water contamination by using measures such as fencing, silt barriers, and settling ponds in the case of sediments, and secondary storage, and strict handling procedures for fuels and hazardous materials and, therefore, a hazardous material management plan is necessary (ESAP Action 3.2). 4.3.a.ii Greenhouse Gases (GHG) Emissions The Project’s EIA (2010) and DIA (2016) have not included a calculation of greenhouse gas (GHG) emissions. The Client will thus carry out a calculation of estimated energy consumption and associated quantification (updated inventory) of potential GHG emissions for the construction phase (ESAP Action 3.3). Similarly, it remains to be determined the relative use of diesel fuel generators to supply the remainder of energy needs and their respective GHG emissions. Hence, for the operations phase the client will calculate yearly GHG emissions based on a feasibility study to maximize Project’s use of renewable energy as an alternative to conventional fuel sources (ESAP Action 3.4). 4.3.a.iii Air Emissions and Ambient Air Quality Air quality monitoring was completed as part of the EIA (2010), indicating that the airshed is non-degraded for some key pollutants (e.g. particulate matter PM10µm, NO2, CO, VOC, and SO2). Measured concentrations of these substances were all well below the applicable Dominican Republic regulatory limits. This is to be expected, given that there is no industrial development or other significant sources of pollutants in the Project’s area. Construction activities will result in exhaust emissions from vehicles and motorized equipment and tools. During construction, there will also be emission of particulates resulting from wind and vehicle raised dust, material handling, and construction activities such as cutting and grinding. Key measures to limit particulate emissions include use of cover during transport of excavated earth; application of dust suppressants to internal roads, stabilizing/covering friable material prone to wind erosion, regulated vehicles speed; regular road maintenance; grading and compacting road surfaces to prevent uneven running surfaces to prevent both noise and dust impacts. Vehicle and equipment maintenance activities to reduce generation of combustions gases will be also implemented. As part of the Project’s EMP, to ensure air quality remains at acceptable levels the client will develop a plan to control atmospheric emissions and monitor air quality (i.e. particular matter) during construction (ESAP Action 3.5). The contractor’s environmental management plan will reflect the Client’s EMP and will detail air quality control and air emissions mitigation measures as well as the implementation procedures (ESAP Action 3.5). The air impacts during operation will be primarily generated by the combustion of diesel fuel by generators. Solid Waste and Hazardous Materials Management Construction will generate both solid (e.g. inert materials such as metal, paper, plastic, etc. as well as sanitary waste from portable toilets) and hazardous waste (e.g. oil, grease, paint, etc.). The operations phase will generate solid, hazardous as well as waste and sediments from wastewater treatment. For both phases the DIA proposes solid

waste to be sent to the municipal waste dump. However, this does not represent best practice and, as such, fully permitted new landfill site(s) will be necessary for this purpose. The Client will retain a qualified waste management firm accredited by the Ministry of Environment and Natural Resources (MIMARENA) for the management, transport and disposal of solid urban waste as well as hazardous waste generated during construction and operation (ESAP Action 3.6). Through the effective implementation of its ESMS the client will avoid or, when avoidance is not feasible, minimize or control the use and release of hazardous materials resulting from their transportation, handling, storage and use for Project construction and operation activities. Similarly, the client will avoid the use of chemicals and hazardous materials subject to international bans or phase-outs (e.g. herbicides for landscape maintenance). As part of the Project's EMP, the Client will develop a waste management and disposal strategy, including a protocol that contains the waste types/sources, streams/flows, storage and final disposition for common as well as hazardous wastes (ESAP Action 3.6). 4.3.b. Pollution Prevention Measures The client will use pesticides only to the extent necessary to achieve the Project objectives under an integrated pest management and integrated vector management (IPM/IVM) strategy, and only after other pest management practices have failed or proven inefficient. The client will formulate and implement an Integrated Pest Management (IPM) and/or Integrated Vector Management (IVM) approach for pest management activities (ESAP Action 3.7). 4.4 Community Health, Safety and Security 4.4.a. Community Health and Safety The proposed Project has been designed and will be constructed and operated by (a) competent and recognized EPC contractor(s) with experience in construction of and operation of hotel resorts, using Good International Industry Practice (GIIP) expected to meet applicable national and international guidelines, standards and safety codes. However, increased traffic in this isolated area both during construction and operation is an issue that requires consultation with local authorities regarding routing, road rehabilitation, calendar, road safety measures such as signage, speed controls, etc. Therefore, the Client will develop Road Safety Management Plan that will include mitigation measures for potential impacts on affected communities, especially during the construction phase, but also including the operation phase and its vehicular composition (ESAP Action 4.1). 4.4.b. Emergency Preparedness and Response The Project's DIA study contains a section where risk and their emergency preparedness and response plans (EPRP) have been described in general terms. Therefore, the Client will develop a site-specific and final EPRP containing, inter alia: i) a quantitative risk analysis to local communities during the operational phase; ii) update of the EPRP for the operation phase; iii) monitoring of migratory pressure and options to mitigate impacts to local communities (ESAP Action 4.2). 4.4.c. Security Personnel Security personnel have been based on-site for some time. Therefore, the Client shall provide copy of the contract between Inversiones Cuatro Estaciones, S.A.S. and the security company or companies to verify, among other aspects, that provisions have been included that permit the client, to: i) carry out reasonable investigations to ensure that security personnel do not have police records, or have been implicated in previous cases of abuse; ii) details of required training regarding use of force; iii) restrictions in the use of firearms; and iv) details of training in environmental awareness (ESAP Action 4.3). 4.5 Biodiversity Conservation and Natural Habitats 4.5.a. General The DIA study included some limited wildlife surveys of birds, reptiles and amphibians. The bird species under some degree of threat are: i) Patagioenas inornata, Fregata magnificens, Pelecanus occidentalis, Plegadis fasinellus, Aramus guarauna, and Thalasseus maximus – all Vulnerable. Some endemic bird species were also found: Coccyzus longirostris, Todus subulatus, Loxigilla violácea, Melanerpes striatus, Contopus hispaniolensis, Dulus dominicus, Phaenicophilus palmarum, and Icterus dominicensis. A total of 16 reptile species were identified (of which 10 amphibians); all are endemic to the island and with very stable populations in almost all the national territory. L. dominicensis and E. flavescens are considered Vulnerable. L. dominicensis is a restricted range endemic species only recorded for the Project's area of influence. Both O. vastus and H. heilprini are considered Endangered. The proximity of the hotel development to two protected areas (Laguna Redonda y Limon and the Marine Mammal Sanctuary) and the extension of these critical natural habitat buffer areas beyond their

boundaries requires particular attention be paid to avoid adverse impacts. There is an opportunity for the Project to enhance conservation efforts by providing support to the very weak management capacity of these protected areas, in particular of Laguna Redonda which is in the Project's area of indirect influence. The Client will therefore, through the Cumulative Impact Assessment and Management (CIA) study, enhance the Tropicalia Project's baseline, focusing specifically on those natural habitats, like: wetlands, mangroves, turtle and bird nesting sites, drago flooded forest, etc. Also, within the CIA, the Client will determine the additional impact that each work will generate, to ensure no net loss of biodiversity in the total Project's area of influence, based on baseline metric indicators, in particular restricted-range endemics and endangered IUCN red-listed species, and develop a Biodiversity Action Plan (BAP) for the Project's area of influence (ESAP Action 1.5). 4.5.b. Modified, Natural and Critical Habitat 4.5.b.i Legally Protected Areas and Internationally Recognized Areas Because the project will result in the removal of vegetation (including native and endemic species as well as introduced coconut palms), and this represents a degradation of natural habitat where critically endangered species including Ridgways's Hawk (Buteo ridgwayi) are reported, it will be necessary to develop a Land Compensation Plan (ESAP Action 6.1) to mitigate/compensate this impact, by: i. Recuperating a nearby area by transplanting the endemic and red-listed species that need to be removed from the Four Seasons hotel site to facilitate construction. This area needs to be identified on a map and a plan prepared for its revegetation and the transplantation of critical species from the Four Seasons site and for follow up management to ensure its wellbeing; These areas should serve the purpose of ensuring ecological connectivity between the area of the Four Seasons hotel property and the Laguna Redonda and Caño Negro, and provide a protected buffer to Laguna Redonda PA that will be free from interventions and infrastructure. They will require management plans (or just one if they are contiguous). The management plans will include robust, appropriately designed, and long-term biodiversity monitoring and evaluation program is integrated into the client's management program. The project's mitigation strategy will be described in the Biodiversity Action Plan (ESAP Action 1.5) and will be designed to achieve net gains of those biodiversity values for which the critical habitat was designated (IUCN red-listed and endemic species). 4.5.b.ii Invasive Alien Species The Projects DIA study mentions that only native species will be used for any planting or landscaping on this Project property. However, staff and contactors need to be informed of this requirement. Therefore, the Client will develop a plan to control and eradicate invasive alien species known to be present in the areas of the Project and its area of influence. These include, for example, Almendra (Terminalia catappa), Mozambique Tilapia and Lionfish. The plan will include control and monitoring as well as notifications to the relevant authorities and evidence of the plan's implementation (ESAP Action 6.2). 4.5.c. Supply Chain The Client will develop a verification procedure for responsible sourcing of goods and services. The procedure will: i) provide for an ongoing review of the client's primary supply chains; ii) limit procurement to those suppliers that can demonstrate that they are not contributing to significant conversion of natural and/or critical habitats (this may be demonstrated by delivery of certified product, or progress towards verification or certification under a credible scheme in certain commodities and/or locations); and, iii) where possible, require actions to shift the client's primary supply chain over time to suppliers that can demonstrate that they are not significantly adversely impacting these areas (ESAP Action 6.3). 5. Environmental and Social Action Plan The Environmental and Social Action Plan (ESAP), is summarized attached below. Please see Related Files. Contact Information For project inquiries, including environmental and social questions related to an IDB Invest transaction please contact the client (see Investment Summary tab), or IDB Invest using the email requestinformation@idbinvest.org. As a last resort, affected communities have access to the IDB Invest Independent Consultation and Investigation Mechanism by writing to mecanismo@iadb.org or MICI@iadb.org, or calling +1(202) 623-3952.