HEALTHY COMMUNITIES

ESG Impact Report 2021
Our pledge to be an industry leader in sustainability means evermore collaboration, innovation, and community-wide engagement.

This year, we brought together major stakeholders from across the peninsula to begin the process of measuring our water, waste and carbon footprint — a first but important step to understanding the full scope of the community’s environmental footprint.

Creating a Strategic Sustainability Committee and Environmental, Social, and Governance (ESG) structure for the entire Peninsula Papagayo Resort Community has helped us define and implement our ESG strategy more efficiently.

Six operating committees, comprised of more than 40 individuals from Andaz, Four Seasons, and Ecodesarrollo, now work together and are aligned on specific focus areas: water, waste, emissions, biodiversity, and social.

Our progress this past year has highlighted the vital role of a strong anchoring community. Papagayo Legacy aims to grow engagement further through innovative experiences that raise environmental awareness and allow visitors to leave a positive long-term impact on the peninsula. Residents and guests are now able to refill their bottles in the water stations located across the peninsula, offset carbon emissions from travel, help regenerate the coral reefs surrounding the peninsula, and volunteer in one of the surrounding local communities.

When I arrived at Peninsula Papagayo last year, I instantly felt connected to Guanacaste — the people, the culture, the landscape. It is impossible not to feel incredibly grateful for being able to experience nature in a place like this, and that sentiment inspires all of us on our journey toward greater sustainability.

Susana Vicente Alamo
Head of Sustainability
ENVIRONMENTAL

100% of used potable water is treated and reused for irrigation

4,500 corals fragments planted in Bahía Culebra

40 camera traps installed to monitor wildlife

59 species identified

550 trees planted

9 Blue flags awarded for best practices in our beaches and facilities.
SOCIAL

- 3,815 kids received medical care
- 3,807 kids received psychological care
- 7 elderly care homes supported with PPE and funds
- 63 families provided with home gardens
- Over 150 volunteers
- 200 tablets donated
- 21 schools supported with PPE
- 100% return-to-work rate after parental leave
- 260k of USD in donations
GOVERNANCE

- 35% women in managerial positions
- >50% spent on local providers (from Costa Rica)
- 40 people in 6 different operating sustainability committees
- 300 hours training in Ethics & Conduct
‘PENINSULA PAPAGAYO IS SHAPING THE NEXT GENERATION OF PRIVATE CLUBS WITH A SMART COMBINATION OF LUXURY AND SUSTAINABILITY.’

FRANCESCA PODDIE
SENIOR VICE-PRESIDENT RESORT COMMUNITY & DESTINATION
ENVIROMENTAL

A magical ecosystem for wildlife—and humans.

Since the founding of Peninsula Papagayo, we have taken our role as stewards of the land seriously and invite our employees and guests to join us.

Water efficiency measures

- 100% of water used is treated, processed and reused in the irrigation of green areas.
- Implementation of aerators in the faucets and showers of the rooms.
- Update of WC technologies to save in the tank volumes and discharge.
- Constant flow monitoring system and generation of alerts to prevent leaks and detect possible anomalies.

Water consumption

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ecodesarrollo</td>
<td>44,819</td>
<td>51,584</td>
<td>41,429</td>
<td>41,987</td>
</tr>
<tr>
<td>Four Seasons</td>
<td>361,408</td>
<td>328,090</td>
<td>216,599</td>
<td>318,065</td>
</tr>
<tr>
<td>Andaz</td>
<td>104,043</td>
<td>94,563</td>
<td>71,981</td>
<td>128,150</td>
</tr>
<tr>
<td>Residential</td>
<td>82,773</td>
<td>81,172</td>
<td>71,422</td>
<td>89,873</td>
</tr>
<tr>
<td>Total</td>
<td>593,043</td>
<td>555,419</td>
<td>401,431</td>
<td>578,075</td>
</tr>
</tbody>
</table>
Waste

Reducing our impact

Our pledge: be plastic-free in the guest-facing experience before the end of 2022. While this is a bold commitment, we don’t want to just swap for more sustainable alternatives.

Some of our achievements so far:

Glass bottles: Four Seasons & Andaz have their own refilling station and they provide glass bottles in every room.

Single use items:

- Alternative straws and single use cups – Green options such as bamboo, steel, and paper are offered instead of plastic.

- Room amenities – Replacement of plastic guest room amenities with bamboo or paper.

Composting center: Our composting center processed 50,02 tones of organic waste were composted from the residences, Prieta Beach Club and Marina, 31% of the total organic waste generated.
Emissions

Energy efficiency measures taken across the resort

• Transition to **led lighting**.

• **AC automatic shutdown** in guest rooms and detection switching.

• Presence **sensors** for automatic lighting.

• **Electric golf carts** at Golf Course and **electric motorbikes** for our security department.

• **Electric bike share program** available for guests and residents.

‘SUSTAINABILITY HAS ALWAYS BEEN AT THE HEART OF PENINSULA PAPAGAYO.’

DANIELA RETANA
SUSTAINABILITY COORDINATOR, ECODESARROLLO
Biodiversity

An extraordinary biological corridor.

Focused on understanding our realm through research and monitoring, minimizing our impact, and ecosystem restoration:

Research and monitoring:

- **Biodiversity monitoring:** Wildcats research study kick off in December 2021 with the purpose to understand our wild neighbors and create protocols to ensure coexistence in harmony. 40 camera traps installed around the Peninsula.

- **Species:** In 2021, 59 new species of terrestrial and marine flora and fauna were identified within the concession area. In total, more than 280 identified species.

- **Mangroves protection:** The Palmares estuary is located in the neighboring border of Peninsula Papagayo and we have placed a high priority on helping to preserve it. As part of our long term relationship with the University of Costa Rica, we are now also working to characterize it in order to understand its importance and help preserve it pristine as a forest conservation area.
Impact to date:

**Ecosystem restoration:**

- **Tree planting:** 550 trees planted at Fundación Horizontes.

- **Coral restoration**
  - Culebra Reef Garden Alliance formed in 2018 with the goal to **revitalize the waters** around the peninsula and **restore the degraded coral reefs**.
  - A fully functioning **volunteer program** is rolling to engage the community in helping maintain and monitor the nurseries.

**Coralmania** - In 2021, Culebra Reef Gardens participated in Coralmania, an **international event for the massive transplantation** of different species of corals in the Dominican Republic, Honduras, and Costa Rica. **32 divers participated, intervening 260 m²**, and managed to transplant **204 colonies** and **804 fragments** placed in nurseries.

- **47 nurseries in 3 restoration sites and more than 950 sqm²**

- **8 organizations involved**

- **150 volunteers to date**

- **4,500 fragments**

- **83% success rate**
Impact minimization:

Awareness raising: Throughout the year we deliver several awareness raising campaigns for visitors:

- ‘Do not feed me’ campaign: To increase awareness on the importance of not feeding animals.

- Turtle nesting campaign: To train our staff on how to react to turtle nesting and hatching and tell our visitors what to do if they present any of those events.

Kids clubs & Mini - Explorers: Our 3 kids clubs offer a wide variety of sustainability activities including nature tours and arts & crafts.

Speed limit: A maximum speed of 40 km/h was established, internally, to minimize wildlife collisions. Our security team monitors speed at several locations across the resort. In 2021, the measure was extended to all suppliers and contractors, who must accept the speed limit as part of their contracting conditions.
‘THE CONTRIBUTION OF AN ORGANIZATION TO THE DEVELOPMENT OF ITS COMMUNITY CAN HELP PROMOTE HIGHER LEVEL OF WELLBEING AND DEVELOPMENT.’

MARIELA CABEZAS
MARKETING & COMMUNICATIONS MANAGER, ANDAZ COSTA RICA
COMMUNITY OUTREACH

Asociación Creciendo Juntos
Growing with our Community

When we say community, we’re referring to people beyond the geographical boundaries of Peninsula Papagayo.

For us, community expands to the surrounding neighborhoods and towns. Realizing that Peninsula Papagayo has the potential to help its surrounding communities, Creciendo Juntos was founded in 2001 to support local sustainability efforts and to promote closer relationships with the greater communities. Given its philanthropic success and impact, in 2013 it was constituted as a non-profit.

Creciendo Juntos improves access to quality healthcare and education and increases opportunities for quality jobs by partnering with local and international organizations.

‘OUR COMMITMENT IS TO CONTINUE BUILDING A BETTER TOMORROW, FOR GUANACASTE’S COMMUNITIES.’

ELSA BONILLA
DIRECTOR, CRECIENDO JUNTOS
Education

School supplies: 21 schools supported in their return to school, with materials, supplies and PPE (Regresar Strategy).

Books: 1,071 students were donated school books (Books for all).

Technology: 10 schools were provided with internet connection, 14 schools were provided with flat screens (Connected Schools) and 200 tablets and headsets were donated to enable the usage of ABC mouse program at schools.

Social-emotional workshops: 331 students, 140 teachers and 42 parents attended several workshops and talks: bullying, prevention of covid-10, prevention of sexual abuse, empathy, etc.

Hospitality industry career training: 36 young people trained as bartenders and waiters in our training center.
Health

Children’s health: 3,815 under aged received medical care at our 2 clinics.

Mental health: 3,807 kids and youth benefited with psychological care.


Blood donation to Liberia Hospital: 102 patients benefited.

‘WE ARE PROUD OF A COMMUNITY OF SOLIDARY RESIDENTS STRONGLY COMMITTED WITH OUR SOCIAL PROJECTS.’

ESTEFANIA PIGNANNI
LEAD CONCIERGE, MEMBER SERVICES
Volunteering and Donations

School improvement: Four Seasons and Andaz staff and Papagayo members volunteered in projects in infrastructure improvements for: El Coco School, El Triunfo School, Obandito School and Horizontes Experimental Forest Reserve.

Donations: Andaz’s and Four Seasons guests and staff also contributed to our community with donations of masks, clothing, school supplies, books, uniforms, and Christmas gifts valued over USD $260,000.

Volunteering: During 2021 more than 150 resort employees volunteered with a beach clean up, road clean up, painting of the schools, tree planting, etc.

‘OUR TIME IS ONE OF THE MOST IMPORTANT GIFTS WE CAN GIVE.’

ELSIANA LUNA
SUSTAINABILITY SPECIALIST, OPERATIONS
Vegetable Home Gardens Project: Funded by Mohari Hospitality, the families participating in the first stage received additional training, equipment and materials. Inspired by its impact, L360 Family Group funded a second phase which benefited 63 families of 8 communities.

Painting Hope: with the funding of the Scheinberg Relief Fund, unemployed staff (due to Covid-19) were hired to make infrastructure improvements in our communities.

- 70 jobs created.
- 8 renovation and painting projects were carried out.

Food packages: 300 families benefited per month with the delivery of food packages.

Senior homes: 7 senior homes provided with PPE and economic support to face the budget cuts.

Senior mental health: 3 senior homes received an Obie projector, an intelligent device that allows seniors to develop their cognitive skills.
Labor

Poverty

Improving the lives of our team members.

Our concern for the welfare of our employees extends beyond the workplace. When their welfare improves, the positive changes reverberate throughout the surrounding community. In 2021, we conducted the second census of the Escodesarollo team, using the IPMe tool. We’re proud that the results show a 7.6% reduction in the incidence of multidimensional poverty, compared to the first census of two years ago. In 2022, the census will also be conducted throughout the resort, including both hotels.

‘SUSTAINABILITY HAS A DIRECT IMPACT IN THE FUTURE OF NEXT GENERATIONS.’

ING. ILEANA DÍAZ
OCCUPATIONAL HEALTH & SUSTAINABILITY COORDINATOR, ANDAZ
## Our people

<table>
<thead>
<tr>
<th></th>
<th>Four Seasons</th>
<th>Andaz</th>
<th>Ecodesarrollo</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Women</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total employees</td>
<td>243</td>
<td>154</td>
<td>279</td>
<td>676</td>
</tr>
<tr>
<td>Permanent employees</td>
<td>168</td>
<td>94</td>
<td>260</td>
<td>522</td>
</tr>
<tr>
<td>Temporary employees</td>
<td>75</td>
<td>60</td>
<td>19</td>
<td>154</td>
</tr>
<tr>
<td><strong>Men</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total employees</td>
<td>501</td>
<td>279</td>
<td>88</td>
<td>868</td>
</tr>
<tr>
<td>Permanent employees</td>
<td>354</td>
<td>142</td>
<td>84</td>
<td>580</td>
</tr>
<tr>
<td>Temporary employees</td>
<td>147</td>
<td>137</td>
<td>4</td>
<td>288</td>
</tr>
</tbody>
</table>

Parental leave: 6 women and 5 men took parental leave this year, and subsequently, 100% of them returned to work.
Benefits

The value of benefits.

We show that we care about our employees by offering them benefits and stability beyond a salary.

All employees enjoy: transport, cafeteria, uniform in line with weather and other health conditions, telephone, medical care, wellness care, discount in our facilities, training. Apart from that we carry out the Health Week, Wellness Week, Improvement Ideas Contest, Acknowledgement of employment anniversaries, and our cafeterias celebrate special theme weeks and meet a variety of food restrictions.

Four Seasons also provides: emotional support for employees, complimentary nights and discounts at other FS hotels.

Andaz also provides: complimentary nights, cross training at other Hyatt hotels, leadership training and Hystar program.

37,5h per employee
Four Seasons

3,650h of training
Andaz

39,21h per employee
Ecodesarrollo
Safety and occupational health

Taking a preventive approach to health and safety.

- **Andaz has an Occupational Health Committee**: an occupational health program for risk prevention and another for emergency care. In 2021, 74 trainings on risk and accident prevention were held.

- **Four Seasons Health Committee**: Training for 75 attendees on chemical handling, PPE and accident prevention.

- **180° Program**: Founded by Ecodesarrollo, this program promotes the well-being of employees through medical consultations, workshops, talks and sports activities.

- **Health Week**: All our sites celebrated the Health Week in 2021. In Ecodesarrollo alone, 332 people attended nutrition talks and more and, more than 280 psychology talks.

- **Hazard identification**: The company has a procedure to identify and evaluate hazards and risks and also carries out preventive inspections at the company’s facilities.

- **Medical office**: All employees have access to the medical office within the company’s facilities. In 2021 in Ecodesarrollo alone, 742 consultations took place.
‘A GENUINE DESTINATION, A CONSCIOUS COMMUNITY, A COMMITMENT TOWARDS THE FUTURE.’

CAROLINA FERNÁNDEZ
EXECUTIVE ASSISTANT, FOUR SEASONS
**Sustainability is a team effort.**

We actively listen and communicate with our stakeholders. Their feedback lets us know if our sustainability strategies fit their needs, expectations and goals.

<table>
<thead>
<tr>
<th>Group</th>
<th>Communication channel</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff</td>
<td>Facebook group, Yammer, email, PR Newsletter, FSCOS</td>
</tr>
<tr>
<td>Clients</td>
<td>Social Media, Website, PR, Flyers, Activity Boards, FS App, Sinfony, In-room collateral, prearrival emails</td>
</tr>
<tr>
<td>Members</td>
<td>Peninsula Papagayo Newsletter, Club communications, Calls, invitations, Face to face activities for members</td>
</tr>
<tr>
<td>Local community</td>
<td>Creciendo Juntos, email</td>
</tr>
<tr>
<td>Providers</td>
<td>Email</td>
</tr>
<tr>
<td>Academia</td>
<td>Partnerships, cooperation agreements, emails, workshops and technical visits, periodic reporting</td>
</tr>
<tr>
<td>National and International Governments and Public Entities</td>
<td>Communication is channeled via C-level</td>
</tr>
</tbody>
</table>

‘WE ARE COMMITTED TO PROVIDING TRANSPARENT AND PERIODIC REPORTING ON OUR ESG PERFORMANCE TO ALL OUR STAKEHOLDERS.’

DANIELLE FINNEGAN
DIRECTOR OF PUBLIC RELATIONS, PENINSULA PAPAGAYO
**Ethics**

**Code of Ethics:** All entities in Peninsula Papagayo have a Code of Ethics every employee has to comply with. Each of the entities deliver its own Ethics and Conduct training. Only at Andaz, in 2021 more than 300h of training in ethics were delivered.

**Support to local economy**

**Buy local:** We try to source as much as we can locally. Sometimes products are not available in Costa Rica or are provided by the hotel operators.

**Hire local:** Hiring locally helps sustain the surrounding communities.

<table>
<thead>
<tr>
<th>Percentage spent on local providers</th>
<th>Senior management hired from the community</th>
</tr>
</thead>
<tbody>
<tr>
<td>Four Seasons</td>
<td>80,00%</td>
</tr>
<tr>
<td>Andaz</td>
<td>82,5%</td>
</tr>
<tr>
<td>Ecodesarrollo</td>
<td>55,36%</td>
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<table>
<thead>
<tr>
<th>Women in managerial positions (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Four Seasons</td>
</tr>
<tr>
<td>Andaz</td>
</tr>
<tr>
<td>Ecodesarrollo</td>
</tr>
</tbody>
</table>

**Diversity and inclusion**

**Diversity - Creating a more inclusive environment.**

**Gender equality:**
- WEP (UN Women) diagnosed implemented and Gender Committee created:
- 3 sessions on gender stereotypes.
- Women of Papagayo: a dedicated program carefully designed by and for the women of our community. It aims to provide a place for interaction, support, growth, learning, and celebration of identity.
- 25 managers received gender equality training.

**LGBTIQ+:** Pride week/month were celebrated both at Andaz and Four Seasons with hotel decoration and staff training.

**Indigenous week:** celebrated each July.

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**Creating a more inclusive environment.**
**AWARDS AND CERTIFICATIONS**

**Award-winning Efforts**

Although we are honored to receive recognition for our conservation efforts, the greatest reward is knowing that we are creating a more sustainable future for our peninsula.

<table>
<thead>
<tr>
<th><strong>Creciendo Juntos</strong></th>
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<tbody>
<tr>
<td><strong>Public-Private Partnerships</strong>: AMCHAM awarded our Home Gardens project the Best project in the Public-Private Partnerships of their annual Social Responsibility in Action awards.</td>
<td></td>
</tr>
<tr>
<td><strong>Philanthropy</strong>: within the same awards, Creciendo Juntos was also awarded an Honorable Mention in the Covid-19.</td>
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<table>
<thead>
<tr>
<th><strong>Blue Flag Beaches</strong></th>
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<tbody>
<tr>
<td><strong>9 Ecological Blue Flags</strong> awarded to Peninsula Papagayo: Virador, Nacascolo, Prieta, Sombrero and Blanca beaches; Nacascolo Mangrove and Marina Biotope, and Marina Papagayo.</td>
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<table>
<thead>
<tr>
<th><strong>Sustainable Tourism</strong></th>
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<tbody>
<tr>
<td><strong>Andaz Costa Rica Resort</strong> earned Sustainable Tourism in Costa Rica (CST) certification at the Elite Level.</td>
<td></td>
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<tr>
<td><strong>Four Seasons Golf Course</strong> has been awarded the Audubon International certificate for the management of the golf course.</td>
<td></td>
</tr>
</tbody>
</table>
The scope of this report includes the integrated impact of:

Marina Papagayo
Ecodesarrollo Papagayo
Andaz Costa Rica
Four Seasons Resort Costa Rica

For the purposes of this report, Ecodesarrollo refers to the operations of both Ecodesarrollo and Marina Papagayo.

Please direct any inquiries regarding this report or ESG at Peninsula Papagayo to:

susana@peninsulapapagayo.com