



CORPORACIÓN  
ZONAFRANCA  
SANTIAGO

CORPORATE MANAGEMENT SUMMARY  
**LOOKING 2022 TOWARDS THE FUTURE 2022**





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**LOOKING 2  
TOWARDS 2022  
THE FUTURE**

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# Message from the Chairman

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## **Esteemed Members:**

**In faithful observance of the Bylaws of the Santiago Free Trade Zone Corporation (CZFS) and, on behalf of its Board of Directors, it is an honor for me to hereby introduce the 2022 Annual Reports.**

**During the last year, we have learned how to overcome situations we inherited from after the pandemic, moving in an economic, social, and political environment marked by the War in Ukraine. Despite these circumstances, with the development of the Park and investment increases, we have established processes to strengthen and consolidate the Corporation's assets.**

**Ladies and gentlemen,** the Corporation will soon be celebrating its fiftieth year operating in Santiago. Everyone is aware of the significant contribution this organization has made to the region and country. The Victor Espaillat Mera Industrial Park (PIVEM) was the third land dedicated to this purpose that began to be developed in the Dominican Republic after the establishment of the free trade zone system in 1969.

Today, PIVEM continues to lead development projects, having a high impact on the city, the northern region, and the entire country. In addition, we are proud that the Free Zone sector continues to establish itself as a fundamental pillar for the Dominican economy.

At the national level, despite post-pandemic uncertainties and the war in Ukraine, Dominican exports showed a growth of 10.5% over the year 2021, which represented an increase of US\$1,306.9 million, according to Central Bank data.

The real Gross Domestic Product (GDP) registered a growth of 4.9 % in 2022, after the monthly indicator of economic activity experienced an inter-annual variation of 3.3 % in the month of December, in line with the Bank's latest projections.

Furthermore, the Dominican President, Luis Abinader, during his accountability speech, shared that: " During 2022, the national exports of FTZ, amounted to UD \$7,768 MM, 9 % more than the previous year, which represents a growth much higher than the average experienced for almost a decade".

This accurately assesses the activities of the last 365 days at the Park:

Overall, in 2022 we continued the expansion agenda of the productive facilities of the Park, as well as the extension of its markets.

The industrial plant has been expanded again in recent years to house new infrastructure and establish service units oriented to training, solidarity economy, recruitment, mobility, and health.

The evolution of the Park has also contemplated modern logistics distribution platforms, new production and service tools, with a view to further solidifying the foundations of a "Smart Campus" and promoting the concept of "City Within a City"; advancing energy sustainability and appropriating the environment of a botanical corridor for the enjoyment of the working population, Santiago communities and the thousands of tourists who enter our country every day from Puerto Plata.



## Expanding companies

Three new facilities were opened in 2022, with an investment of more than 500 million pesos, to expand by 230 thousand square feet Swedish Match, Boombah, Insight Pack multinationals, all with an important operating history in the Park.

As you may recall, the Vice President of the Dominican Republic, Raquel Peña, accompanied us in announcing the investment of 900 million pesos to create 3,000 new direct formal jobs. Today we again raise the subject, explaining that companies that began with simple assemblies, have brought much more value-added manufacturing, as well as sophisticated logistics processes, specialized sales and customer service, product design, among others.

Some of the companies that diversified their operations in 2022 were: Sewn Products Contact Center, Swedish Match, Boombah, Sakira Manufacturing, Insight Pack, Grand Island, among others. These companies are supported by the Corporation's management with the intention of invigorating exports from the Dominican Republic.

To date, the Park is 100% operational. And in recent times it has registered a growth of approximately one and a half million square meters in its territory, to move towards the planned redistribution, with the objective of maintaining our global competitiveness.



### ZonaXol award signature

With respect to electricity, before the end of the year, we took a transcendental step with the signing of the final award of the ZonaXol Photovoltaic Project, with which we will contribute to reduce CO2 emissions and achieve stability in the electric power system through the production of clean energy.

This installation will reduce more than 107 thousand tons of CO2 emissions per year, which is equivalent to what 7.6 million trees can capture in twelve months.

In the same direction, ZonaXol is one of the leading international rooftop solar projects, with an installed capacity to produce around 60 MW and generate around 75 million kWh per year.

At the same time, the new electricity transformation substation was put into operation, with an investment of more than 200 million pesos.

### Making progress in sustainability

As you know, the Corporation's social investment prioritizes four areas: Environment, Health and Wellness, Education and Entrepreneurship. The following is a brief breakdown of the programs and actions conducted during 2022:



## Environment

For several years we have been working on the concept of the Industrial Garden, a space of 165,000 m<sup>2</sup> that aims to be a green lung that will serve as a nest of species; with areas for social interaction and cultural and sports activities; hiking, among others.

A first step for the planting of trees on this land was made in 2021 by the President of the Dominican Republic, Luis Abinader Corona. Last



year, the first reforestation day was held in PIVEM's Industrial Garden, where more than 700 plants were planted by CZFS employees.

## Education and Entrepreneurship



Through Capex, the Corporation has developed programs to benefit the community. During this reporting period, we conducted the following:

- Education for Employability: a program that provides soft and technical skills to high school students to increase their chances of entering and remaining in the labor market.
- Productive, Inclusive and Safe Park (PPIS): with the objective of cultivating integral wellbeing, generating work experiences aimed at promoting a safer and more positive environment.
- English Don Bosco Project: to raise the professional quality and English level of the facilitators and students of the Don Bosco Polytechnic, who are studying the technical career of Graphic Design.
- Multimedia School Project: focused on strengthening the Graphic Design area of the Don Bosco Polytechnic Institute, was developed in partnership with TEP-PUCMM.
- Academy-Business Partnership Agreement: agreement

between the Corporation and PUCMM, with the aim of promoting educational excellence, creating opportunities for students and professionals.

## Health and wellness



This pillar is led by the “Porque Te Quiero” (Because I Love You) campaign, which encourages breast cancer education and prevention. In recent years, the Corporation has extended mammograms and sonomammograms, in Médica, to two months for the Park’s female employees, their families and the residents in the surrounding communities. In summary, more than 11 thousand screenings have been performed through the campaign since 2015.



### Médica

What we conceived as a primary care unit, has become a high standard center for health services for the free zone community and the communities in the western part of Santiago. We also have information



on how much the Médica services are appreciated by people from other parts of the city.

More than 11 thousand emergencies were attended by December 2022; about 70 thousand laboratory tests were performed and more than 110 thousand visits were made.

Médica also operates the Hypertension and Diabetes Club, which meets a monthly schedule of care and monitoring that includes consultations required by this community.

## The next 50 years

As you can see, the actions of the last 24 months have served to achieve the goals established in the 2025 Master Plan. However, it is undeniable that the Corporation has taken sure steps to maintain projects with a long-term vision that will guarantee the sustainability of the Park and its investments well beyond 2025.

After citing statistics from the projects that have occupied this Board of Directors over the past year, let me now turn to the future.

We are at a special moment: about to celebrate our 50th anniversary and, at the same time, opening the road to the next half century. To this end, we are outlining a celebration strategy that will cover the whole of 2024. In March of this year, we created the 50th Anniversary Committee (comprised of Board members, CZFS Executives and Advisors) to be more effective in decision making.

To date, three major Master Plans have been put in place as the collective roadmap to get us to this moment. I confess that, despite

the economic upheavals, circumstances of an external nature, and the pandemic, the Corporation's team has exceeded expectations in all areas.

Now, how do we foresee the coming years? In the following manner:

- The Corporation has invested over RD\$800MM in land acquisition, adding close to 1.2 million square meters to the Park. The objective is to double the size and facilities of PIVEM over the next 15 years, and at the same time position it at the international level.
- GVA has conducted a general lotification, which will allow us to know the number and type of apartments to be developed, as well as the areas for services and urban equipment.
- Based on this reality and considering the town that will be developed around the monorail, we commissioned a micro-zoning that will provide us with more information on the service needs and demands of the families and professionals expected to live around the monorail.

In view of the above, we propose that the review of the 2023-2025 Master Plan strategy goes in the following directions:

- Improve PIVEM's design with road and urban planning projects that harmonize industrial and commercial growth with the significant impact that the monorail route will have.
- Create a new Industrial and Services Park, much more diversified, that expands the economic sectors to be installed in it, as well as the most advanced production mechanisms and higher added value; prioritizing groups of companies that promote the verticality of the clusters in the growth of PIVEM.
- Strengthen what we call the PlaZona City Center, which includes the PlaZona Housing Center, a health district, the Botanical Garden, and the infrastructure of buildings designed for business, advanced services for 21st century marketing companies, software development, call centers, among others.

To this end, we created the Strategy and Business Development Committee, with the aim of attracting large companies capable of making large-scale investments. We are pursuing a new development model for the Free Trade Zone, linked in an ecosystem with companies outside ZF and with the capacity to attract more and better investors, specialized labor, and the exchange of technology.

Additionally, this set of projects would give more sustainability to the Corporation's assets and would continue to fit the business concept that we promote, by integrating creation of wealth, industry, and the entrepreneur with governance, environmental, social and development projects; as well as bringing quality of life to the people and the country.

Dear members, the diversification of the Park's productive activities is one of the priorities of the 2025 Master Plan for the year 2025 and 2030. It is vital to have a global and strategic vision with those who dedicate their time and energy to us.

I am grateful for the promptness and presence of the members of the Board and Partners, every time they receive a call and request from this Corporation.

We are open to concerns, suggestions, and improvements to inaugurate the next 50 years at the height of the circumstances and, above all, in keeping with the mission and prestige of this organization.

We must recognize the Corporation's staff, the people who occupy the different layers of the organizational chart. They, together with the Park's working people and its investors, are the reason for the projects of the past, the present, and those that are still in the planning stage, to create the future.

We continue standing and with the best intention of honoring their trust, the responsibilities that God, the city, and the country have placed in this Board of Directors.

Thank you!

**Miguel A. Lama Rodríguez**  
Chairman, CZFS Board of Directors





**CHAPTER**



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# CZFS INSTITUTIONAL PROFILE



# Santiago Free Trade Zone Corporation (CZFS)

To the west of the city of Santiago, in an area previously deprived of employment, the Santiago Free Trade Zone Corporation set up the foundations of the Victor Espaillat Mera Industrial Park (PIVEM), where the first manufacturing infrastructure was installed in 1974.

The organization's mission was to redress balance with opportunities for development, employment, and investment attraction. Almost half a century later, the Corporation continues to consolidate the largest projects in the city of Santiago de los Caballeros; contributing to the socioeconomic development of the entire northern region and the country; and increasingly strengthening the competitiveness of the Free Zone sector as a pillar of the national economy.



Miguel Ángel Lama Rodríguez Chairman	Juan José Batlle Álvarez Deputy Chairman	Nicasio Pérez Zapata Treasurer	Mauricio Haché Álvarez Secretary	Félix M. García Castellanos Vocal Member
José Armando Bermúdez Madera Vocal Member	 <p>CORPORACIÓN ZONAFRANCA SANTIAGO</p>			Ricardo José Fondeur Victoria Vocal Member
Augusto Reyes Vargas Member Exoficio, Association of Free Zone Companies of Cibao (AEZFC)	Daniel Antonio Liranzo Ex-officio Member, National Free Zone, and Export Council (CNZFE)	Fernando De Jesús Ramírez Oviedo Ex officio member of the Santiago Municipal Council	Fernando Anibal Capellán Peralta Ex officio member of the Association for the Development Inc	Carlos Eduardo Iglesias Rodríguez Ex officio member of the Santiago Chamber of Commerce and Production
Iluminada Del Carmen Severino Bueno Ex-Officio Member Pontifícia Universidad Católica Madre y Maestra (PUCMM)	Benito Abad Ferreiras Rodríguez Ex officio member of ISA University	Juan Ventura Pichardo Ex officio member of the Association of Industrialists of the Northern Region (AIREN)	Miguel Andrés Lama Capellán Ex officio member representing ACIS	José Augusto Vega Imbert AD VITAM member



**CZFS**

## **Board of Directors**

# PARTNERS



**Association of Merchants and Industrialists of Santiago, Inc. (ACIS)**

**Association of Free Zone Companies of Cibao (AEZFC)**

**Association of Industrialists of the Northern Region (AIREN)**

**Santiago City Council**

**Benito A. Ferreiras Rodríguez**

**Chamber of Commerce and Production of Santiago, Inc.**

**Celso A. Portela Alonso**

**Cristian Reyna**

**National Council of Free Zones and Export Zones (Dominican State)**

**Félix M. García Castellanos**

**Fernando A. Capellan**

**Fernando Puig Miller**

**Francisco José Thomen**

**George Schwarzbartl**

**Inmaculada Adames**

**Iván Reynoso**

**José Armando Bermúdez Madera**

**José Augusto Vega Imbert**

**José Ramón Vega Batlle**

**Juan Alfonso Mera**

**Juan José Batlle Álvarez**

**Juan Manuel Ureña**

**Lina García de Blasco**

**Luis José Bonilla Bojos**

**Mauricio Haché Álvarez**

**Miguel A. Lama Rodríguez**

**Nicasio Pérez Zapata**

**Oliverio A. Espaillat Torres**

**Pontifical Catholic University Madre y Maestra (PUCMM)**

**Rafael Emilio Yunen**

**Ricardo José Fondeur Victoria**

**Isa University, Inc.**

**Víctor García Sued**

# ORGANIZATIONAL STRUCTURE

**1. Emmanuel De la Rosa**  
Gerente de Proyectos

**2. Scarlet Muñoz**  
Gerente Administrativa

**3. Ingrid Fernández**  
Gerente Ingeniería

**4. José R. Sánchez**  
Gerente Planificación  
y Desarrollo

**5. María F. Olivo**  
Gerente Gestión Humana

**6. Manuel De Peña**  
Gerente Operaciones

**7. Onis Polanco**  
Gerente Contabilidad

**8. Karen Gómez**  
Gerente Mercadeo,  
Comunicaciones  
y Asuntos Institucionales

**9. Fernando García**  
Director Operaciones

**10. Laura Santelises:**  
Gerente Servicios PIVEM

**11. Lourdes González**  
Gerente Compras



**MANAGEMENT**

Fernando José García González  
Scarlet Eileen Muñoz Brador  
Belkis Anastacia Salcedo Díaz

**CEGESTA**

Vielka Altagracia González Zorrilla  
Greilyn Alexa Guzmán Villalona

**PROCUREMENT**

Lourdes Yamilka González Bencosme  
Raquel María Díaz Martínez  
Yordania Patricia Reyes Rojas  
Dulce Micaelina Peguero Muñoz

**COMMUNICATIONS, MARKETING,  
AND INSTITUTIONAL AFFAIRS**

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María José Balaguer Jerez  
Mabely Teresa Jiménez Tejada  
Victoria Céspedes Echavarría

**ACCOUNTING**

Onis Altagracia Polanco Polanco  
Australia Soraida Polanco Consuegra  
Natalia Mago De Hernández  
Wendy Yasmín Lantigua Cepeda  
Ericson José Peña Jiménez

**HUMAN RESOURCES MANAGEMENT**

María Fernanda Olivo Herrera  
Ana Patricia Hernández Nurse  
Yohanna Altagracia Gómez Rodríguez

**ENGINEERING**

Ingrid Elizabeth Fernández Mata  
Adela Katiusca Tavera Santos  
Aginette Mercedes Rivera Rosario  
Polibio Ramón Collado Guzmán  
Raimy Manuel Bisonó García  
Whinton Gabriel Mesa Bisonó

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Dionisio Alberto Bisonó Peña  
Eider Castillo Mencía  
Luisa Paola García Morel  
Yamel Jesús Peralta

**PLANNING AND DEVELOPMENT**

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Eduardo Ortega Vargas  
Albania Lizbeth Fadul Lantigua  
Lissette Dinorah González Pérez

**TREATMENT PLANT**

Gioconda María Castillo Polanco

**PROJECTS**

Emmanuel De La Rosa Lendof

**TECHNOLOGY**

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Wilmer José Almonte Díaz

**PIVEM SERVICES**

Laura María Santelises Valverde

**SECURITY AND ACCESS CONTROL**

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Manuel De Jesús Cruz Cruz

**INTERNAL AUDIT**

Amisael Adelaine Felix Vicioso  
Erick José Luciano Polanco

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Lic. José Ramón Vega Batlle

**FINANCIAL ADVISOR**

Fernando Fernández

**ELECTRICAL ADVISOR**

Ing. Rafael Burgos Domínguez

**GENERAL ADVISOR**

Ing. Celso A. Portela Alonso

**TREATMENT PLANT ADVISOR**

Ing. Nicolás Batlle

**STRATEGY, COMMUNICATIONS AND  
CORPORATE AFFAIRS ADVISORS**

A + E Publicidad  
Sonríete, Agencia de Comunicación

**EXTERNAL AUDITORS**

BDO, S. R. L.

## Capítulo I - Perfil Institucional CZFS





# The Corporation and its Competitiveness Ecosystem

## Victor Espaillat Mera Industrial Park (PIVEM)

PIVEM is one of the pioneers in the Free Trade Zone sector in the Dominican Republic. With more than eighty companies, sixty-nine of them export oriented, PIVEM's buildings exceed 5.5 million square feet, advancing in a planned reconfiguration with the objective of remaining on the path of competitiveness.

Periodically reviewed and updated five-year master plans guide the Park's initiatives. In the last 25 years, new productive sectors and projects of high regional and national impact have been added to the textile, tobacco, logistics processes and product design occupations.

With the goal of creating ten thousand new jobs, PIVEM expands its facilities for the operation of growing companies, with modern machinery from the textile area to increasingly sophisticated machinery for attributes of the tobacco sector, opening the way at the same time to new economic, logistic, electronic, and mechanical assembly activities, as well as "Call Center" operations.

The operation of this industrial site directly benefits the three hundred thousand people who live in the surrounding communities,

and prioritizes dynamic infrastructures for production, without neglecting the forest and programs that guarantee quality of life for its diligent community.

It is in a privileged area of the city of Santiago and its factories have access to trained personnel, mostly from the eight communities surrounding PIVEM. Similarly, its strategic location allows easy access to the country's main airports and seaports.

The Park also has a high-capacity wastewater treatment plant, a 44MW electric power substation, and the largest rooftop solar panel installation in Free Zone parks. It will also develop the ZonaXol Photovoltaic Project on renewable energy, which will contribute to the reduction of more than 107 thousand tons of CO<sub>2</sub> emissions per year, equivalent to what 7.6 million trees can capture per year.

Supporting entities collaborate hand in hand with PIVEM to support the comprehensive offer provided to the large legion of investors that settle in the Park. This competitive habitat is described as follows:

## Chapter 1 – CZFS Institutional Profile



## CAPEX

It is the first training academy opened in a Free Trade Zone park. A decade ago, the facilities of the Center for Innovation and Professional Training were set up, where the educational programs that meet the needs of the business sector, inside and outside the PIVEM, are located.

To date, CAPEX has touched more than forty thousand people and in ten years has offered more than fifty thousand hours of training. The training programs and the various initiatives that link the academy to the companies, has rewarded them with an important impact in fifteen countries, more than fifty business projects supported and already surpassing the figure of 2,000 entrepreneurs trained.

## CEGESTA

Is a Talent Management Center, specialized in the productive sector and free trade zone. This unit provides solutions to the Human Management departments of PIVEM companies, companies in Santiago and the northern region. Among its services are advice on human management issues, organizational development, job description and evaluation, organizational climate, and culture studies.

In 2022, they recruited 2,775 people for different companies and conducted three activities to promote job openings, called: Employability Day and The Employment Route, in sectors of Cienfuegos and during Expo Cibao, in Santiago's Central Park.



## Chapter 1 – CZFS Institutional Profile

### MĒDICA

Conceived as a primary care center, with high quality standards, to offer health services to communities located in the western part of Santiago. In less than four years, the quality, speed, and cost of its services, attracts people from all parts of the city.

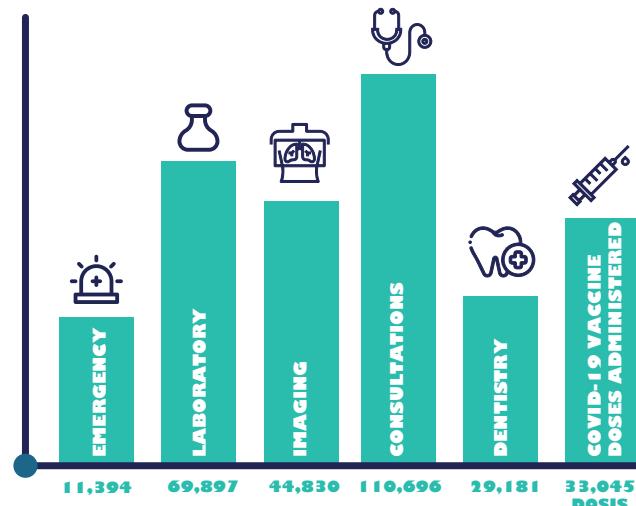
Mēdica currently offers the following services: Dentistry, Emergency, Laboratory and Occupational Health. In Imaging: Tomography, Sonography, X-Ray, Dental Panoramic and Mammography. In addition, Mapping, Holsters and Echocardiograms have been added.

In the medical consultation area, access is available to: Family Medicine, Internal Medicine, Pediatrics, Gynecology, Psychology, Urology, Nutrition, Diabetes, Cardiology, Orthopedics, Clinical Nutrition, Gastroenterology. They also have an Optician's and Pharmacy inside the building.

Mēdica also operates the Hypertension and Diabetes Club, which oversees the control of approximately 190 people. With the support of Mapfre Salud ARS, 100% of the care provided to the club's beneficiaries is covered. Laurina Rodríguez, Executive Director of Mēdica, informs that each diabetic person follows a monthly care and



#### LIST OF PATIENTS SERVED BETWEEN JANUARY 2019 AND DECEMBER 2022:



monitoring schedule that includes consultations with specialists in Cardiology, Diabetology, Nutrition and Psychology.

Other benefits are the possibility of withdrawing their medications monthly and having their analyses, images and diagnostic aids insured, free of co-payment. In addition, dental cleaning and an annual eye exam are performed.



## LA AURORA CO-OP

La Aurora Co-op is home to 12,000 people as active members. The creation of this support unit in the PIVEM has established other sources of employment and the opportunity for the population to continue to cultivate the intention of saving and growing through their own resources.

CoopLaAurora's performance indicators are based on the number of new members and the high percentage that use the App to find out about the status of its products, as well as the level of savings in contributions, certificates, and savings accounts. The goal is to invigorate and expand digital tools as a channel to strengthen the financial institution's services.



## ZONA FRANCA FIRE DEPARTMENT BOARD OF TRUSTEES

The Board of Trustees oversees maintaining the emergency unit at the forefront, to ensure the physical integrity of the infrastructure of the Victor Espaillat Mera Industrial Park (PIVEM) and the neighboring communities.

The Board of Trustees is made up of distinguished city councilors and the Association of Free Zone Companies of Cibao (AEZFC).

The internal fire station reduces risks to the factories, employees, and the community, with high-level equipment and trained, service-oriented personnel.



CHAPTER

II

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# 2022: BEST YEAR IN SECTOR'S HISTORY IN DR

## 2022: best year in sector's history in DR



Embracing the challenges, we have faced, especially in the last two years, Dominican exports showed a 10.5% growth over 2021, which represented an increase of US\$1,306.9 million, according to Central Bank data.

The entity also validated that the Gross Domestic Product (GDP) registered a growth of 4.9% in 2022, after the monthly indicator of economic activity experienced an inter-annual variation of 3.3% in the month of December.

Furthermore, President Luis Abinader, during his accountability speech, shared that: "In 2022, exports amounted to UD \$7,768 MM, 9 % more than the previous year, which represents a growth much higher than the average experienced during almost a decade".

Regarding employment, the National Council of Free Trade Zones (CNZFE) published that, at the end of October 2022, the Free Trade Zone sector registered around 192,000 direct jobs. This number represents the highest amount reached by this variable in the last 20 years.



## PIVEM

The Victor Espaillat Mera Industrial Park's (PIVEM) industrial park has been expanded to house new infrastructure and establish service units oriented to training, solidarity economy, recruitment, mobility, and health. In 2022, the Park continued its plan to expand productive facilities, beneficiary populations and new markets.

Today, the foundations have been laid for PIVEM to become known as a "Smart City" by moving towards energy sustainability and adapting the environment of a theme forest for the enjoyment of the working people and the surrounding communities. This will help maintain biodiversity, function as a forest barrier, and provide a nesting habitat for distinct species.

The evolution of the park has also contemplated modern logistical distribution platforms, new production, and service tools at all levels



## Company's growth

Three new infrastructure projects were officially inaugurated in 2022, with an investment of more than five hundred million pesos, to expand by 230 thousand square feet Swedish Match, Boombah and locally Insight Pack and Grand Island multinational companies, which have a long history of operation in the Park.



Similarly, an investment of nine hundred million pesos was announced in the presence of the Vice President of the Dominican Republic, Raquel Peña, to create 3,000 new direct formal jobs. This would mean an impact on exports of around 120 million dollars, with the subsequent generation of foreign exchange and dynamization of the socio-economic activities of Santiago and the country", said the institution's chair, Miguel Lama.

Companies that started with simple assemblies, have brought much more value-added manufacturing, as well as sophisticated logistics processes, specialized sales and customer service, product design, among others.

The characteristics of the companies that have diversified and consolidated because of the Park's expansion are listed below:



- **Treasure Craft DR by Jostens (Sewn Products):** added new processes to its production routine, adding more than 50 Dominican artists and designers. Installed a marketing, sales, and call center, generating 1,500 jobs. The company has been installed in PIVEM for 44 years.

- **Swedish Match:** is the world's largest factory of machined cigars, specialized for having a natural wrapper. It closed in 2022 with 4,500 jobs and recorded its 15th expansion in this Corporate Campus.

- **Boombah:** premiered its fifth expansion in just 7 years of operation. It continues to increase its logistics and production capacity of high-value items for the sports sector. It employs close to 1,500 people.

- **Sakira Manufacturing:** part of the CHAMPRO group, adds innovative sublimation processes for sports products, as well as four hundred new jobs.

In addition, it is home to other companies that support the productive system, sustain PIVEM's clusters and experienced growth in the year under review:

- **Insight Pack:** specializing in packaging for the tobacco sector, the company launched its second expansion, which will add five hundred jobs.

- **Grand Island:** is one of the most valued processors and suppliers

of tobacco for the country's factories. It added 140,000 square feet to increase its production capacity and employ eight hundred people.

The above is proof that the Park's management has provided the necessary infrastructure for companies to move forward and expand their export capacity.

The Director of Operations of the Santiago Free Trade Zone Corporation (CZFS), Fernando García, confirms that the industrial area is currently 100% complete and that in recent times it has registered a growth of more than one million square meters in its territorial extension to advance towards the planned redistribution, with the objective of maintaining its global competitiveness.

Similarly, progress was made in the Electric Substation with a transformation capacity of 44MW, with a strategic investment of three hundred million pesos to improve the internal system and guarantee growth in the coming decades.



Regarding roads, the road infrastructure was improved to reduce the time and cost of business operations. This, internally, between stages 2 and 4 of the PIVEM.



## BUSINESS COMMUNITY TESTIMONIALS

“ 2022 marked a year to regain our employees' post-pandemic trust and confidence. Since then, we have worked hand in hand with PIVEM to complete our ongoing expansions and plan for future ones. We also launched the remodeling of our employee cafeterias with the best amenities in the industry, in line with our operating principles and values. All these improvements are achieved with PIVEM's continued support.

Through my work at Swedish Match, I have been able to actively participate in the creation value in the sector. Our exports have grown and so has our footprint in Santiago. This gives me great satisfaction, as I am a true believer that human beings only need more and better opportunities to achieve their goals. In the human and personal aspect, PIVEM has allowed me to collaborate actively in CAPEX and from there, we contribute to the nearby communities, young people, and managers to achieve neuralgic changes in our society and the companies of the Park.

Investors from other countries highlight the business climate and our legal certainty. ”

**Oscar Frías**  
General Manager  
Swedish Match Dominicana

“Expectations were exceeded last year, as 705 free zone parks were in operation in Latin America, housing more than 10,700 companies and generating close to 1,180,000 direct jobs and 1.6 million indirect jobs, which, for developing countries, means an especially important contribution and exports more than US\$60 billion per year.

This is equivalent to 62% of the country's total exports in the Dominican Republic in 2022.

At AZFA we are working together with the United Nations Industrial Development Organization on ecoparks, with the goal of increasing industrial symbiosis and circular economy among free trade zone users.

We are aware of the Corporation's commitment to employment and productivity, always keeping in mind its goal of developing a highly competitive and innovative Corporate Campus, whose dynamics benefit not only its employees, but also investors, the surrounding communities, the city itself, the northern region, and the country.

As part of its robust corporate social responsibility plan, which includes programs in education, health, and entrepreneurship, CZFS is making considerable contributions to environmental projects, clean energy generation, water conservation, tree planting and raising awareness among young people about the importance of protecting the earth.

The Dominican Republic is setting an example for the region in terms of legal stability, despite the regulatory changes that have occurred in some countries. This factor is one of the most decisive when it comes to attracting investment in free zones and this has earned this nation recognition in Latin America. ”

**María Camila Moreno**  
Chief Executive Officer  
Free Trade Zones Association  
of the Americas (AZFA)





**CHAPTER**

III

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# **PIVEM: SUSTAINABLE FREE TRADE ZONE**



# PIVEM: Zona Franca Sostenible

The Victor Espaillat Mera Industrial Park (PIVEM) is a lively city that involves millions of talented individuals. Its factories create and ship "Made in the DR" products for export to dozens of countries and these, in turn, place them in hundreds of cities around the world.

Inside, it is a productive zone of the highest value for the region and the country. It is the gateway to opportunity for the city, and for its thousands of employees, a campus with work, health, education, and welfare facilities at all levels.

The Corporation, as PIVEM's governing body, is committed to ensuring that good practices are sustainable for the benefit of present and future generations.

With this guideline, the Productive, Inclusive and Safe Park Plan (PPIS), a program developed by CAPEX upon request of the CZFS, which includes the following aspects:

- Human Resources
- Lectures
- Sports
- Comprehensive Health

The objective of the Human Resources area is to strengthen the teams that guide the Park's workforce through training, seminars, and recreational activities.

Another component of the PPIS is lectures on different topics, according to the needs of the companies, which in 2022 reached around 50 companies. With respect to Financial Health, seminars on the culture of savings were held with La Aurora CO-OP personnel, reaching approximately 266 people.

In Sports, Softball tournaments, Zumbathon and Yoga sessions were organized. In Comprehensive Health, an Emotional Wellness Program of the Ministry of Public Health was launched.



## Health & Safety Community

Another opportunity to generate social benefits for PIVEM's different audiences is the Occupational Health & Safety (OHS) Community, created in the wake of the pandemic. The OHS is integrated by the leadership of these areas of the Park.

This working group, led by Operations Manager Manuel De Peña, is not only dedicated to health, but also includes training and activities for the entire PIVEM public.

Several practical and educational workshops were held during 2022, such as:

- Seguridad Vial y COVID-19, dirigido al personal de jardinería y limpieza.
- Desarrollo de Hábitos Positivos al Conducir, donde participaron los transportistas que brindan servicios a diferentes empresas del Parque.
- Manejo Defensivo, orientado al personal de la Corporación, que conduce motocicletas y los vehículos internos de la institución.

- Taller Buenas Prácticas de Fumigación, desarrollado con las empresas del Parque que realizan fumigación de tabaco.
- Charla Utilización Correcta de los Equipos de Protección Personal (EPP), dirigido a los colaboradores del área de jardinería.
- Manejo de Químicos, con los equipos de: jardinería, limpieza, mantenimiento, planta de tratamiento de aguas residuales y supervisores de Seguridad Física.
- Simulacros de acción ante situaciones de emergencia.

## Among the best

Santiago Free Trade Zone Corporation (CZFS) was chosen among the top 10 of the prestigious ranking of the "Best Companies to Work For" by Mercado Norte Magazine.

To support the measurement, Mercado Magazine values the following categories: innovative strategies, technological processes, treatment of staff, training, and productive relations, both in person and virtually.



## Inter-institutional Relationships



### Government URBE Representatives

Leaders of Santiago's Council for the Strategic Development of Santiago (CDES) visited the CZFS together with the manager of the Executing Unit for the Redevelopment of Neighborhoods and Environs (URBE), Benjamín Gil, to introduce the Integrated Transportation System of Santiago (SIT). The meeting was attended by: Miguel Lama, President of the Corporation; Carlos Iglesias, President of the Santiago Chamber of Commerce and Production (CCYPS), and Juan Ventura, President of the Association of Industrialists of the Northern Region (AIREN).



### Ministry of Foreign Affairs

At a meeting held in the Capex auditorium, we received the heads of the commercial sections of the Dominican embassies and consulates

abroad of the Ministry of Foreign Affairs. They toured the PIVEM and witnessed the institutional presentation of the CZFS.

In attendance were: Cheyenne Bueno Gomez, Richard Kenny Basilis Mora, José Manuel Vargas D' Oleo, Jonathan Aragonez, Emmanuel Guzman, Miriam Garcia Stern Velazquez, Raul E. Hernandez Lopez, Carolina González Reynoso, Alexander Sarante Fernández, Rodney Reynoso, Pridah M. Suero Díaz, Juan Carlos Bonelly Ginebra, Miguel Cohn, Ricardo Acosta, Ralph Anselmo Guzmán, Laura María González Suárez, Jairo Tomás Guerra Mejía, Zoila María Cedeño Martínez, Alfredo Castro Castellanos, Hanoi K. Reyes, Carmen Concepción Peña, Litzanna Marmolejos, among others.

### Diplomatic Delegations

#### European Union



In March, we received the visit of the Ambassador of the European Union in the Dominican Republic, Katja Afheldt. She was hosted by members of the CZFS Board of Directors, who guided her on a tour of PIVEM, Capex and Mēdica. The diplomat learned about CZFS infrastructure, employability, education, and sustainability projects.

#### Ambassador of Japan

His Excellency Takagi Masahiro, Ambassador of Japan to the Dominican Republic, was received by the President of the Corporation, Miguel Lama. The meeting was attended by Tsuchiya Chisa, Head of Economic Affairs of the Ministry of Foreign Affairs; Manuel Ramon Grullon, Federico Dominguez, Soffeny Diaz and Sandy Filpo. Also present at the meeting were: Saul Abreu, Juan Ventura, Augusto Reyes, Miguel Andrés

### Chapter III - PIVEM: Sustainable Free Trade Zone



Lama, Fernando Miguel Lama Capellán, and Fernando García. The diplomatic delegation was invited to visit the PIVEM facilities.

#### Institutional

#### World Bank Representation



Fernando García, Director of Operations of the Corporation, received the delegation from the World Bank's Finance, Competitiveness, and Innovation Unit, composed of Jade Salhab, senior private sector specialist, Fausto Patiño Peña, economist, and Etienne Raffi Kechichian, senior private sector specialist. Karla Batista accompanied them, in charge of free trade zone policies of the Ministry of Industry, Commerce and MSMEs (MICM).



#### DP WORLD representatives

Senior executives from DP World, a logistics solutions provider, visited the CZFS, where they were welcomed by its President and Chief Operating Officer. Morten Johansen, CEO DP World Dominican Republic; Ramon Badia, Commercial Director, Ports & Terminals, and Economic Zones; Alex Olliffe, Project director; Carla Solano, Senior Manager DP World Logistics; Karen Popa, Manager DP World Economic Zones Dominican Republic and Arlina Peña, Corporate Affairs & Communications Director, were part of the group that participated in a tour of the PIVEM and the projection of the mission and initiatives of the organization.

DP World is a company that promotes the connectivity and development of the Dominican logistics sector.

#### New York Presbyterian Hospital

Rafael Lantigua, Medical Director of New York-Presbyterian Hospital, was received at the Corporation together with Andrea Dacquino, Director of Operations & Business Development, and Nancy Velázquez, International Ambassador in the country. Participants included: Miguel Lama, President of CZFS; Mercedes Carmen Capellan, from the Médica Board of Directors; Fernando García, Director of Operations CZFS and Laurina Rodríguez, Executive Director of Médica.

## Dominican Free Trade Zones Association (ADOZONA)

The initiative called "Santiago Medical Devices", was promoted at the meeting held at the Corporation, with the assistance of Federico Domínguez Aristy, President of the Santiago Norte Industrial Park (PISANO); and the consultants of The Foundation Global Group, Tulio Martí and Carlos Rivera. Also present were Dariana Lorenzo, Manager of Clusters-Interinstitutional and International Affairs of ADOZONA, and Andrés Noboa, Legal Manager of ADOZONA.

## Student Award



The Zone of Excellence Program was designed to reward the academic merit, in primary and secondary school, of the sons and daughters of school-age employees. Twenty-nine children and adolescents participated. The following were awarded:

### Achievement Award:

- Lucas Colón (son of Laura Santelises - PIVEM Services)

### Elementary awards:

- 1st Place: Eduardo Andre Ortega (son of Eduardo Ortega- Planning and Development)
- 2nd Place: Amanda Calderon (daughter of Scarlet Muñoz- Management)
- 2nd Place: Jhoandry Fernandez (son of Joel Fernández- Management)

- 3rd Place: Yuberki Vasquez (daughter of Inocencio Vásquez- Physical Security))

## High School Award:

- 1st Place: Genesis Núñez (daughter of Bartolo Núñez- Physical Security)
- 2nd Place: Asterlin Rosario (daughter of Leonardo Rosario- Gardening)
- 3rd Place: Braylin de Jesús Núñez (son of Bartolo Núñez- Physical Security))

## Team Building



To promote integration, teamwork, and the consolidation of strategies, a "Team Building" or networking activity was conducted in August, designed for administrative personnel. This activity, called "The Tribe", was held at Hacienda Fernandez, in the municipality of Moca, Espaillat province.

Other important celebrations for the labor force included festive gatherings for Workers' Day and traditional dates such as Valentine's Day, Women's Day, Mother's Day, and Father's Day, as well as Christmas celebrations.

## Gifted Lens

An initiative that focused and captivated the Park's attention was the call to participate in the **"1st PIVEM Digital Artistic Photography"**

### Chapter III - PIVEM: Sustainable Free Trade Zone



**Contest**, whose mission was to capture and communicate the essence of the Victor Espaillat Mera Industrial Park (PIVEM), through the camera's lens.

Under the theme "CZFS, Sustainable Essence", participants were invited to submit a maximum of three unpublished photographs of the industrial site, which could be taken with a cell phone or professional camera, with the following focus: People, Environment, and Infrastructure.

Greilyn Guzmán, with the photograph " Working in the Sun"; Albania Fadul, with "People, work and environment at PIVEM" and Laura Santelises with the image " Synchrony", won first, second and third place, respectively.

The honorable mentions were: "From the Outside" by Lissette González; "Identity" by Eduardo Ortega; "Productive Harmony" by Victoria Céspedes; "Shining Modernity" by Lissette González; "PIVEM's Soul" by Dionisio Bisonó and "Back Home" by Lenny Polanco.



In the contest, judges evaluated the originality, creativity, respect for human dignity, photographic layout, and concept.

### Relationship with unions and associations



The Santiago Strategic Development Council (CDES) website [www.cdes.do](http://www.cdes.do) defines the Santiago Commitment as a strategic space for governance that was launched in May 2010.

For the occasion, representatives of: the Association of Industrialists of the Northern Region (AIREN), Santiago Free Zone Corporation (CZFS), Chamber of Commerce and Production of Santiago (CCYPS), Association for Development, Inc. (APEDI), Association of Traders and Industrialists (ACIS), Association of Free Zone Companies of Cibao (AEZFC) and the Council for the Strategic Development of Santiago (CDES), who had on their agenda action items to be promoted through Cibao United Media (MUCI).

Other city aspirations were eventually added, such as working towards the creation of green areas for leisure activities. CDES website states that, because of the joint efforts, the Central Park and the Botanical Garden were inaugurated, as well as other forested areas in industrial sites.

With new strategic objectives, the management of the Santiago Commitment continues to promote projects for the benefit of the city. The Strategic Plan for West Santiago, led by the Mayor's Office of West Santiago, the Santiago Free Zone Corporation, the Strategic Council, and the Dominican Municipal League, was validated in 2022.

The Strategic Plan of West Santiago will count on the scientific-technical expertise of the Santiago Strategic Development Council (CDES). An entity certified since 2008 by the Ibero-American Center for Urban Strategic Development", publishes the site [www.cdes.do](http://www.cdes.do).



The new plan is expected to benefit an area populated by around 240 thousand inhabitants, who reside in just 16.4 square kilometers, accumulating the second highest population density in the province. This makes the territory a district with many opportunities, but also with great threats and weaknesses associated with urban violence, femicides, low social services from the State and high cases of dengue fever, among other diseases.

### Other actions of the Santiago Commitment in 2022

- They valued the Summit of the Central American Integration System (SICA) in Santiago, given the importance of interaction with the city, which is one of the key productive hubs of the region, due to the value of its institutions, free trade zone parks, agro-industrial companies, as well as the committed and sustainable territorial development.
- Meeting with the Vice President, Raquel Peña Rodríguez, in December, to know the status of the projects developed between the Presidency and the Santiago Commitment. The meeting was also attended by Ángel Hernández, Minister of Education.
- Fernando Capellán, Ricardo Fonduer Victoria, Carlos Iglesias, Sandy Filpo, Miguel Lama, Juan Bautista Ventura and Augusto Reyes, presidents of the business and development associations

that comprise the Santiago Commitment, called on the public to support the 2022 National population and housing census. They arranged for all the headquarters of their associations and partners, to join and collaborate with the population count. They recognized that the Census would have a good impact on the planning and implementation of public policies, fair and impactful projects.

### Media and community leaders



The workshop "Connection Factor: Generating Relational Content with the Media" was dedicated to the representatives of the press and Capex, an activity motivated in gratitude for the follow up they have offered for almost 50 years to the development of the free trade zones and their support to the Corporation's initiatives.

The learning session was given by Kris Viñas, journalist, broadcaster, and digital content creator.

"Leader's Role in Community Impact Projects". A conference focused on the leaders of the different communities near PIVEM.

The conference, led by Cayra Bencosme, Executive Director of Capex, had the purpose of strengthening the support to community leaders' management; a mission that is part of the Inclusive and Safe Productive Park Program.

# Testimonials

**“** I got to know the free trade zone from the inside, Miky Lama and Fernando are our allies. The free trade zone's mission is improving people's quality of life, so that they can have a decent job.

We participated in the Plazona concert, where they open their arms to the community and the children of the Santa Lucia community enjoyed an activity of this magnitude.

The free zone conducts operations against breast cancer, and they are



committed to the Strategic Plan of West Santiago. It is a sustainable plan that means long-term development. In addition, the Corporation supports us and listens to us. They also see things firsthand. A wonderful experience was to see a delegation, including Fernando, go to the communities and visit every street, see the problems. Together with the free trade zone, we are fighting against inequality. We have overcome our fear. They give us opportunities to participate in their programs and show us that together we can achieve a fairer and more organized society. **”**

## Rosa Silverio

*Coordinator of the Development Council of the Santa Lucia Neighborhood and Vice President of the Women's Cooperative of West Santiago.*

**“** The Santiago Free Zone Corporation (CZFS) is a notable example of the entrepreneurial spirit and social responsibility of the Santiago business community, which has been able to consolidate the main free zone park in the Dominican Republic, with a productive alliance with the public sector.

The integrated development vision with environmental sustainability, the generation of tens of thousands of jobs, the integration to the value chain of diverse productive sectors and the support to diverse economic and social initiatives, make it one of the most important pillars of the development of Santiago and the northern region of the country. **”**



**Saúl Abreu**  
Executive Director  
Association for Development, Inc. (APEDI)

**“** The construction of social capital is based on imagination, passion, and action, while creating institutions that give value to society. The Corporation is a spark that drives Santiago's development, articulating its own projects and accompanying outside plans to make this city the economic center of the region and a national benchmark for productivity. **”**



**Fernando Puig**  
Executive Vice President  
Chamber of Commerce and Production of Santiago (CCYPS)

# “PIVEM’S 1st Digital Artistic Photography Contest”



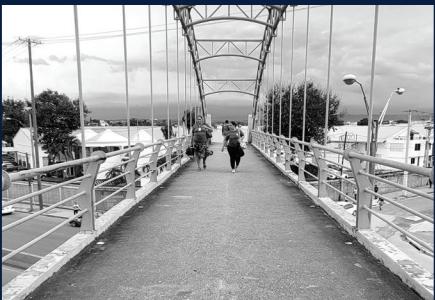
**1st Place:**  
Trabajando “AL TETERO DEL SOL”  
("Working “UNDER THE SUN”")  
Greilyn Guzmán



**2nd Place:**  
“Gente, Trabajo y Ambiente en el PIVEM”  
("People, Work and Environment at PIVEM")  
Albania Fadul



**3rd Place:**  
“Sincronía”  
("“Synchrony”")  
Laura Santelises



**1st Honorable Mention:**  
“Desde Afuera”  
("From Outside")  
Lissette González



**2nd. Honorable Mention:**  
“Identidad”  
("Identity")  
Eduardo Ortega



**3rd Honorable Mention:**  
“Armonía Productiva”  
("“Productive Harmony”")  
Victoria Céspedes



**4th Honorable Mention**  
“Modernidad Resplandeciente”  
("Resplendent Modernity")  
Lissette González



**5th Honorable Mention:**  
“Alma del PIVEM”  
("PIVEM'S Soul")  
Dionisio Bisonó



**6th Honorable Mention**  
“De Regreso a Casa”  
("“Back Home”")  
Lenny Polanco



CHAPTER

IV

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COMPETITIVE  
SUSTAINABILITY

## Chapter IV – Competitive Sustainability

### Sustainability starts a home

Being socially accountable should not be, nor can it be, the result of being forced to do so. A company is consciously socially responsible when its strategic tasks and daily practices favor the working community, its suppliers, the surrounding communities, and the environment. Thus, our corporate social responsibility is outlined in a daily and committed exercise in each organizational initiative.

The social investment of the Santiago Free Trade Zone Corporation (CZFS) is governed by 4 fundamental pillars: Environment, Health and Welfare, Education and Entrepreneurship.

The following is a breakdown of the programs and actions conducted during 2022:

#### Environmental Pillar

##### Industrial Garden

This 165,000 MT2 space will serve as a green lung that will provide a natural nest for species, with areas for social gatherings, cultural and sports activities, sightseeing, and hiking, among others.

The Industrial Garden will provide continuity to the Corporation's historical environmental work. The institution has been supporting the mission of the Sierra Plan for decades with significant donations and the enthusiastic participation of the employees of the Park's companies in its reforestation activities.





The first reforestation initiative was conducted by the President of the Dominican Republic, Luis Abinader Corona, and the Minister of the Environment and Natural Resources, Orlando Jorge Mera, in 2021. Later, in 2022, we conducted the first reforestation day in the Industrial Garden of the Victor Espaillat Mera Park (PIVEM), where more than 700 plants were planted by CZFS employees.

### Clean energy

Apoyamos la producción de electricidad limpia, a través de paneles solares ubicados sobre los techos de las edificaciones del PIVEM desde

el año 2018. A la fecha, han acumulado unos 15 millones de kilovatios hora (más de 3 millones de kilovatios generados en el 2022), evitando la emisión al ambiente de 93,100 toneladas de CO<sub>2</sub>.

### Water Treatment System

The industrial site has had a wastewater treatment plant since 1998, operating with an efficiency of more than 95% in the reduction of pollutant load, and a capacity to process 1 million gallons per day, guaranteeing a totally clean re-entry into the Yaque River.





### Environment Axis

- **• Photovoltaic panels:** solar panel farm with 2MW of energy, installed on 15,000 M<sup>2</sup> of roof.
- **• Water Treatment System:** Since 1998, PIVEM has had a wastewater treatment plant to ensure the clean reentry of water into the system and the Yaque River.
- **• Industrial Garden:** CZFS is developing a 165,000 M<sup>2</sup> Botanical Park, which will serve as a green lung for its users, the surrounding communities, the city, and the region.
- **• Partner of:** Yaque del Norte Water Fund (FAYN) and Santiago Central Park.

## Chapter IV – Competitive Sustainability

# EDUCATION AND ENTREPRENEURSHIP PILLARS

Through Capex, CZFS has developed programs that impact its vast free trade community. Through these programs we benefit not only the companies located within the Park, but also our investors, employees, surrounding communities and, especially, young people and children that will be the future leaders of our nation.

We have conducted the following educational initiatives to achieve a productive ecosystem network, thus contributing to the development of the region:

- **Education for Employment:** aimed at providing secondary school students with comprehensive training in soft and technical skills to increase their chances of entering and remaining in the labor market.

Implemented since 2018, it has a list of 16 technical colleges that have benefited, more than 160 teachers trained to date and close to 4 thousand young people who have graduated from the program.

- **Productive, Inclusive and Safe Park (PPIS):** with the objective of cultivating holistic wellbeing among all PIVEM audiences, CZFS and CAPEX work hand in hand in this program, whose pillars comprise the generation of work experiences aimed at promoting a safer and more positive environment.

Some of the activities conducted include lectures on financial education, health and safety, softball games, concerts, Zumbathon, yoga sessions, health days with operations and specialized care for physical and emotional care, among others.



- **Road Safety Education PIVEM**

As part of the Corporate Social Accountability campaign “Todos Podemos Contribuir” (We Can All Contribute), the Corporation, in partnership with The You Are the Country Foundation (“Fundación Tú Eres el País” or FUNTUEEP), developed the PIVEM Cultural, Education, and Road Safety Day project, with the purpose of contributing to model road behavior in the productive community, creating citizen awareness, and promoting agents of change.

Pantomime artists starred in these days, with the mission of communicating, influencing and inspiring actions that generate positive behavioral changes, both in pedestrians who travel on public roads, as well as in drivers of vehicles in the areas surrounding the Victor Espaillat Mera Industrial Park (PIVEM).

- **Don Bosco-English Project:** Seeks to raise the professional quality and English level of the facilitators and students of the Don Bosco technical college, who are studying Graphic Design. It began in 2021 with the training of teachers and technical visits to free trade zone companies with bilingual personnel.

- **Multimedia School Project:** Focused on strengthening the Graphic Design area of the Don Bosco Technical College, this project was developed in partnership with the TEP-PUCMM. Approximately 42 students have participated in this project as of December 2022.

- **Academy-Business Relationship Agreement:** an inter-institutional agreement between the Santiago Free Trade Zone Corporation (CZFS) and the pontifical Catholic University Madre y Maestra (“Pontificia Universidad Católica Madre y Maestra,

PUCMM"), with the purpose of promoting educational excellence, creating opportunities for students and professionals, and promoting development projects connected to the university.

As part of this agreement, we conducted a program of technical visits by PUCMM Industrial Engineering students to various companies in the Park.

- **Educational Centers Visits:**

We welcomed students from: Technological Institute Mexico, ISA University, and the Technological Institute of Santo Domingo (INTEC), students had the opportunity to gain experience more about the role and importance of the Free Zone sector for our national economy and be part of the productive processes of the PIVEM companies.

CZFS, as a project promoter, sponsors the educational programs and actions of the Center for Innovation and Professional Training (CAPEX):

- **Entrepreneurs Community:** active since 2017, it is the first CAPEX Community created to keep graduates of entrepreneurship educational

programs connected. It has instructed more than 4 thousand people and includes: the celebration of the Entrepreneurial Diploma for SMEs; Bootcamp for entrepreneurs; the presentation of 55 entrepreneurship projects and 300 participants in an entrepreneurship fair.

- **Technological Development:** Future Entrepreneurs: this CAPEX Social Accountability program, which began in 2013, offers a learning space and new tools to the children of PIVEM employees. To date, more than 1,500 graduates have taken advantage of training in various technology topics.

- **Living in Values Parenting Workshop:** its objective is to provide parents with a source of support that allows them to successfully instill values in their children to optimize their family life and therefore their social environment. It was created in 2014, aimed at PIVEM parents and surrounding communities. 31 speakers have participated in the program to date, and close to one thousand people have registered.



## Chapter IV – Competitive Sustainability

### Because I Love You (“Porque Te Quiero”, PQTQ)

One of the Corporation's most recognized and prominent Corporate Social Accountability projects, aimed at encouraging breast cancer prevention.

During the months of October and November, female employees of the Park, their families and the residents of the surrounding communities can undergo mammography and sonomammography screenings at Médica's facilities. More than 11 thousand preventive studies have been performed through the campaign since 2015.

Prevention and education on breast cancer mobilizes the Free Trade Community and other institutions that join forces to fight the spread of this type of cancer.

In the 8th version of PQTQ, the following institutions functioned as partners in solidarity: AFP Siembra, ARS Simag, AFP Crecer, AFP Popular, ARS Futuro, ARS Monumental, Humano Seguros, ARS Primera, ARS Meta Salud, A&D Group Services and Black Box.

### PQTQ Big Human Ribbon



Following the tradition of the campaign, on the last Friday of October, more than 800 employees of the free trade zone gathered at the 6th stage of PIVEM to complete the PQTQ Big Human Ribbon and to emotionally stand united against breast cancer.

The awareness created with these types of activities has been key for more women to have timely access to initial treatment.



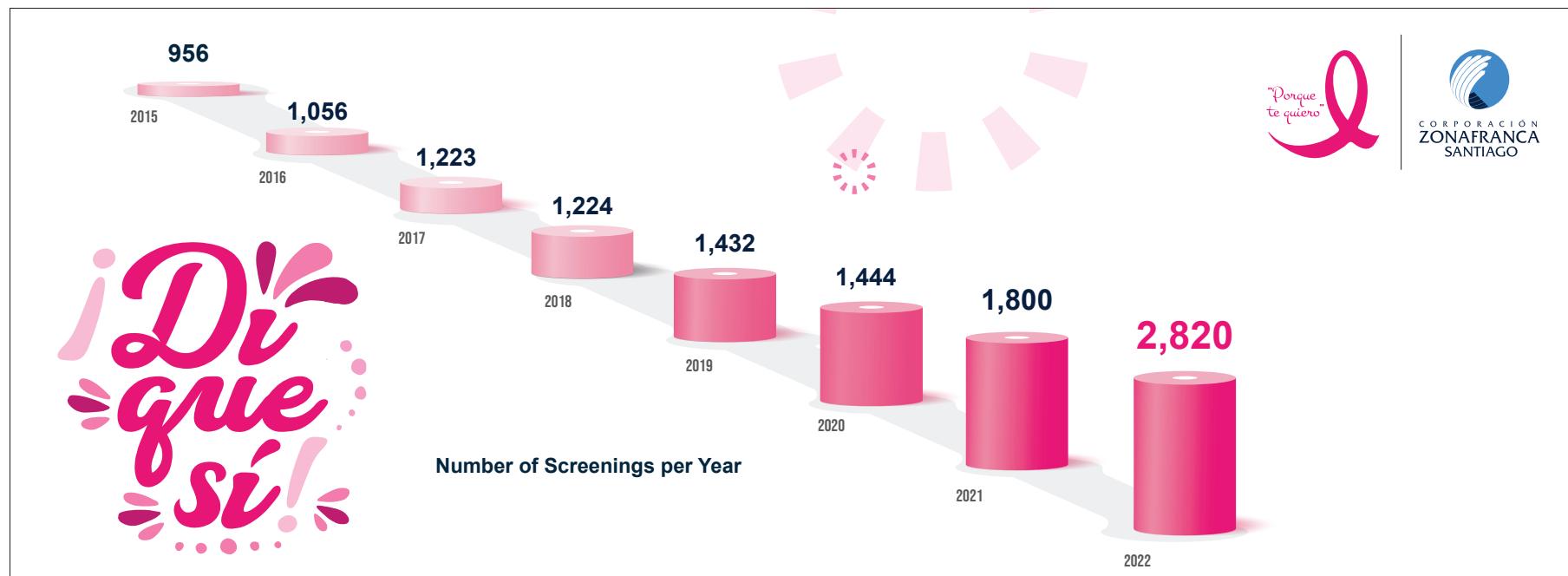
According to World Health Organization data, breast cancer affects more than two million women and continues to be the leading cause of mortality in women. According to the Ministry of Public Health, 35% of the malignant tumors diagnosed in the country are breast cancer and unfortunately 70% of the patients are detected at an advanced stage of the disease.

### Healthy days

The purpose of Wellness Week is to provide employees of the Corporation and its support institutions with regular checkups to monitor their health. Its program of activities also includes sessions aimed at emotional well-being.

The Human Resources Department offers tools that enable employees to maintain, improve, and nourish their physical and mental health through a day of medical evaluations; a talk entitled " Healthy Life Calorie by Calorie", with a practical process of juice therapy; a lecture entitled "Being Emotionally Intelligent"; aromatherapy; and Zumba afternoons.

Nearly 150 employees participated in these initiatives in 2022.



## Chapter IV – Competitive Sustainability



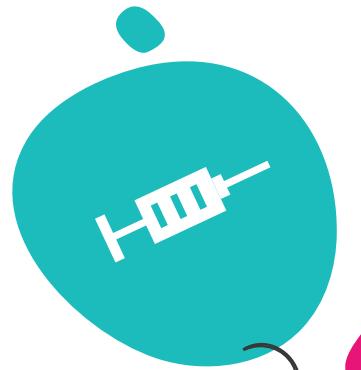
### Health and Wellness Pillar

#### • MĒDICA:

More than 11 thousand emergencies attended by December 2022; close to 70 thousand laboratory tests and more than 110 thousand medical appointments were carried out.

#### • "Porque Te Quiero" ("Because I Love You") Campaign (PQTQ):

More than 11 thousand screenings performed in 8 years.



#### • Ongoing contributions made to institutions:

Cibao Rehabilitation Board, Leprosy Fighting Board, Dominican Pain Foundation (FUNDOLOR), Women's Branch against Cancer, among others.

#### • Labor Welfare Week:

A program of activities and health days for CZFS personnel have been developed since 2015.

## TESTIMONIALS

“

*Our strategic alliance with CZFS has allowed us to move towards the consolidation of financial sustainability, which enables the implementation of conservation projects in the water-producing micro-watersheds of Yaque del Norte. As well as the development of green infrastructure, based on the construction of artificial wetlands, for the sanitation of wastewater and education projects with ecosystem-based adaptation methodology. These programs contribute to the common mission, which is to improve the most important watershed in the Dominican Republic.*

*We recognize, value, and commend the entire CZFS community for being a point of reference for the promotion and involvement of so many projects that contribute to the economic, social, and environmental development of Santiago and the country. Without a doubt, the Corporation is a large family that promotes best practices, social cohesion, sustainability, and transparency in all its initiatives.*

”



**Walkiria Estévez**

Executive Director of the Yaque del Norte Water Fund  
("Fondo Agua Yaque del Norte", FAYN)

“

*CZFS's most important projects for the community are Mēdica and PlaZona. Thanks to Mēdica it is possible that many people no longer must travel to receive quality care. We feel incredibly grateful. These projects help a lot to the families.*

”



**Dionicio Rodríguez**  
President of the Neighborhood Board of Altos de Rafey

“

*I was diagnosed during the campaign; now I receive treatment and am grateful with God every day to get the chance of getting out of bed and seeing my loved ones.*

”



**Juanita Encarnación**  
UTP company employee



**CHAPTER**

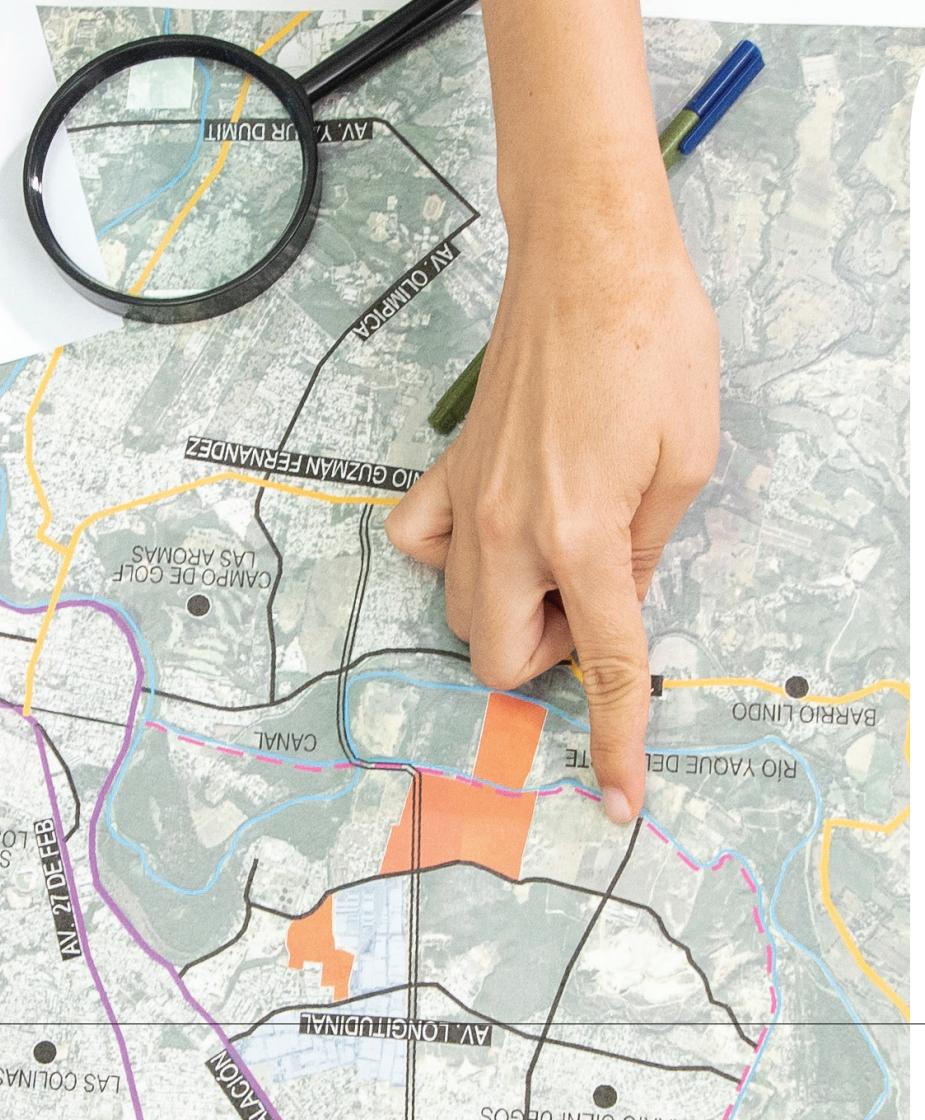
**V**

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# **REDESIGNING THE FUTURE**

## Chapter 1 Redesigning the Future





Santiago Free Trade Zone Corporation's (CZFS) commitment to sustainable production, global quality standards and the social and economic development of the country is a mission that motivates us every day and commits us with future generations.

The Corporation's actions and investment program and projects have been outlined in the five-year master plan that outlines our path since 2010. The focus of these actions for 2015-2020, following an arduous demographic study, was directed to the western part of our city, Ciudad corazon ("Heart City"), a community that, according to its residents, "was developed with the Free Trade Zone". An example of this is the establishment of the Cienfuegos neighborhood in 1975, one year after the opening of the Victor Espaillat Mera Industrial Park PIVEM (in 1974).

West Santiago is one of the areas with the highest concentration of population in the city. In this area alone, about 30% of the total population of urban Santiago is concentrated. This space, which covers the industrial site, is comprised of 8 different neighborhoods: Ensanche Libertad, Cienfuegos, Monterico, La Otra Banda, Altos de Virella, Las Colinas, Ensanche Bermudez, and Ensanche Espaillat / Rafey-Altos de Rafey; which contain a total of 53 sub-neighborhood units.

Based on the importance of cultivating the progress of these communities and the significant impact it has in terms of jobs, growth, and quality of life of the inhabitants, CZFS continues to support its Strategic Development Plan and to promote projects that pursue these objectives.

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### Development opportunities in the west of the city

Together with the Santiago Strategic Plan and the entities that comprise the Santiago Commitment, CZFS supports the planning efforts of the Western Santiago Municipal District, in order to grow in an orderly manner and conceive habitats that raise the standard of living in the area. This plan includes the communities adjacent to Cienfuegos, Ensanche Espaillat, Santa Lucia, Mella I and II, urbanization Don Jaime, Monterrico and other surrounding neighborhoods; a population that, as a whole, exceeds 300 thousand inhabitants.

Along these lines, several projects are being carried out to bring greater dynamism to a very commercially active area. The foundations have been laid in terms of infrastructure, road connections and services, which can accelerate real estate growth and job opportunities. One of

these significant projects is the construction of the monorail, which will connect the families and commercial areas of West Santiago to employment opportunities throughout the city.

"No government entity had ever thought of an investment of this magnitude in favor of mass transportation for the city of Santiago," said Fernando García, CZFS director of operations, regarding the construction of the monorail. He argued that this and the other initiatives, supported by the Corporation, will stimulate social and commercial growth, promoting an important development in the entire region, making it a more attractive place for the different social classes, which will translate into other lines of services and demands for education, health, recreation, and leisure areas.



## Integrated Transportation System

As Santiago's urban growth continues, so does the need for transportation. The increase in traffic limits travel at all hours, which implies higher costs, social delay and restricts productivity.

The solution proposed by the Dominican government was the implementation of the Integrated Transport System (SIT in spanish), designed to integrate in a physical, technological and fare system, the different means of public transport in the city for the benefit of the population and the environment, as established by the Office of the President of the Dominican Republic.



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The SIT includes the construction of a monorail, the operation of a cable car, a bus network and public bicycles. It will cover a distance of 15 kilometers, with 16 stations and a central terminal for integration with the cable car, reported Jhael Isa, director of the Office for the Development of Urban and Interurban Mobility Projects.

The government also stated that the first monorail in Santiago is the first of its kind in Central America and the Caribbean. Its benefits include a 30% reduction in household transportation costs and road congestion, as well as an increase in productivity.

Thanks to the management of the Corporation's governance, it was possible to draw the attention of this important project to this area of Santiago and include it in the route of the transportation system. Three of the monorail stations will be directly adjacent to the Victor Espaillat Mera Industrial Park (PIVEM). These are the Ensanche Espaillat, La PlaZona (Zona Franca) and Circunvalación stops. The others, due to their proximity, will be fully involved in the productive perimeter managed by the institution.

In terms of logistics and passenger flow, it is estimated that the system will transport 20,000 passengers per hour in each direction, which is equivalent to 200,000 passengers per day. Fernando García, operations director of PIVEM, where more than 22 thousand people work, assured that the monorail is a terrific addition to the great productive and service ecosystem that the free trade zone conceives in its master plan.

So far, PIVEM has contributed with around 5,000 square meters of land for the extension of the track that traces the route of the monorail, which has an approximate value of 50 million pesos. And if we add to this the infrastructure adaptation work for spaces affected in the process, it will add up to about 45 million pesos.

## Monorail stations will be:

- E1 Cienfuegos Station.
- E2 San Lorenzo Station.
- E3 Ensanche Espaillat Station.
- E4 La Plazona Station (Zona Franca).
- E5 Circunvalación Station.
- E6 Cuesta Colorada Station.
- E7 Águilas Cibaeñas Station.
- E8 Pueblo Nuevo Station.
- E9 Central Terminal Station.
- E10 Las Carreras Station.
- E11 Monumento a los Heroes de la Restauración Station.
- E12 Juan Pablo Duarte Station.
- E13 Madre y Maestra Station.
- E14 Villa Olímpica Station.
- E15 Pekin.



## ZonaXol: Photovoltaic Project

"Energy is essential for development, and sustainable energy is essential for sustainable development," said former U.S. Senator Tim Wirth. The Corporation has taken a crucial step toward achieving its environmental goals by signing the concession for the ZonaXol photovoltaic project.

Through ZonaXol, business and industrial activities will help reduce CO2 emissions and achieve stability in the electricity system through the production of clean energy. This is a relevant step towards the future, planting responsibly now.

It is possible to generate electricity without contributing to global warming. This facility to produce renewable energy in the Park will reduce more than 107 thousand tons of CO2 emissions per year, which is equivalent to what 7.6 million trees can capture in twelve months.

ZonaXol includes an investment of approximately US\$50 million dollars and is one of the main international rooftop solar projects, with an installed capacity to produce around 60 MW and generate close to 75 million kWh per year.



### Data:

**Project name:** ZonaXol Solar Park.

**Nominal capacity:** 44 megawatts.

**Peak capacity:** 60 megawatts peak.

**Primary energy source:** solar photovoltaic.

**Location:** Roofs of PIVEM's industrial buildings.

We remain committed towards the global positioning of Santiago, the northern region, and the entire country, through social and commercial initiatives, including health, training and technology, environment, social integration of communities, housing, transportation system and clean energy production.

On its way to 50 years of operation, the Park has become a competitive ecosystem with a solid structure, strategic alliances and service entities that guarantee the profitability and sustainable growth of its traditional activity.



## Updated Designs

EAs part of PIVEM's expansion proposal, with a new park, a housing complex and new services, several design workshops and market studies have been conducted with GVA, an international firm, leader in comprehensive architecture in Latin America, with more than 55 years of experience, under an avant-garde architectural vision.

In the last two years, they have collaborated with CZFS through a mentoring process for the development of the Master Plan that will guide the next five years.

We also worked hand in hand on the planning and urban development; land use throughout the Corporate Campus and surrounding areas; and preparation of a plan for harmoniously zoning and integrating the areas of the new projects with the current spaces and the

activities within the 2 million square meters that the Corporation currently occupies.

To ensure a healthy living environment and family safety, new land was purchased for the construction of facilities with state-of-the-art designs that will bring remarkably interesting benefits to all the residents of the surrounding area, resulting in significant savings in transportation, health, and education. Among the projects being considered are a Residential Zone (Housing Project), which contemplates 4,000 projected quality homes, supermarket services, commercial banks, sports facilities, among others; so that they can be acquired not only by the people who work in the Park, but by anyone interested in the benefits that this Corporate Campus will offer.

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CORPORATE MANAGEMENT SUMMARY

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