



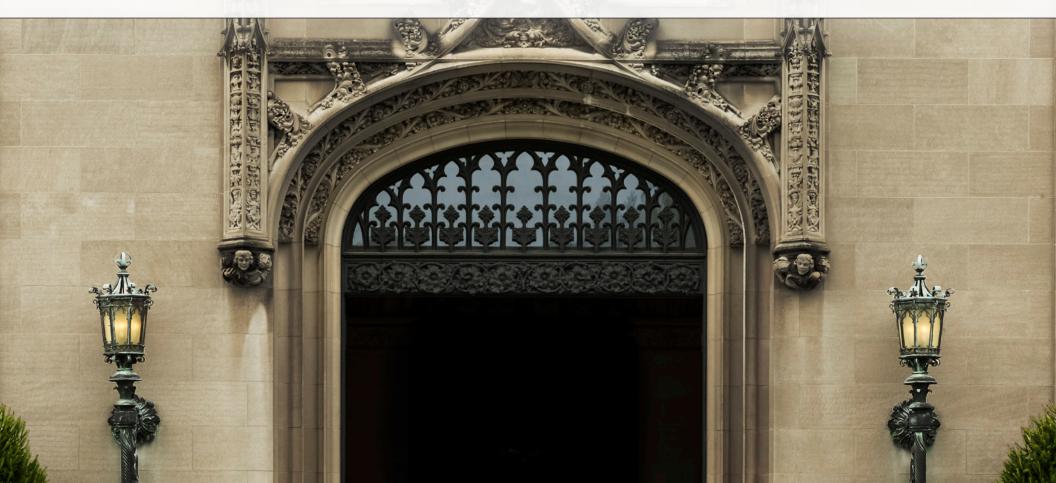


giving that continues today

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OUR GREAT-GRANDFATHER, GEORGE W. VANDERBILT, chose Western North Carolina as the location for his country retreat. The construction of Biltmore House and development of the land into a self-sustaining estate has served as the catalyst for more than a century of economic, environmental, and philanthropic endeavors.

Throughout their lives, George and Edith Vanderbilt made significant contributions to the people who worked at Biltmore and lived in the community. We are honored to share this information with you as our family business continues the Vanderbilt tradition of community involvement and support to the people of Asheville and Western North Carolina.

Bill Cecil Jr. Dini Cecil Pickering



Impact on the Community

This report presents a comprehensive look at the overall impact that The Biltmore Company and its businesses have on the economy and environment in the greater Asheville community.









BILTMORE

The Biltmore Company oversees the operations of Biltmore, a National Historic Landmark that is a privately owned attraction drawing 1.4 million visitors annually to Biltmore House & Gardens, Antler Hill Village & Winery, estate lodging, restaurants, shops, equestrian and hiking trails, and historic barns, farms, and fields. Additional businesses that are part of The Biltmore Company include:

- Biltmore Estate Wine Company—producer and marketer of wines
- Two hotel properties
 - The Inn on Biltmore Estate, a four-star, 210-room hotel offering world-class service
 - *Village Hotel on Biltmore Estate*, featuring Biltmore's celebrated hospitality in surroundings inspired by the estate's farm houses
- The Biltmore Building—management company for commercial office space in downtown Asheville
- *Biltmore Estate Reproductions*, *Inc.* a licensing company working for Biltmore-branded products



MEASURING Economic Impact

Economic data cited in this report comes from *The Economic and Fiscal Impacts of The Biltmore Companies*, a study produced in 2016 by Tourism Economics for Biltmore to measure the economic impact of its businesses. The study collected and analyzed data focusing on:

- Impacts of Biltmore operations
- Impacts of off-site visitor spending
- Fiscal (tax) impacts

TOTAL OVERALL Economic Impact

The study indicates that the combined impacts of Biltmore operations and off-site spending by Biltmore visitors, including direct, indirect, and induced impact, play a significant role in the Asheville area community. In FY2016, this totaled:

- 6,755 jobs in the Asheville area
- \$238 million in labor
- Total impact of \$583.2 million
- \$86.2 million in federal, state, and local taxes

Previous research by Tourism Economics indicates the tourism industry generated a total economic impact of nearly \$2.6 billion in Buncombe County in 2014. Based on Biltmore's estimated economic impact of \$583.2 million in FY2016, Biltmore comprised 23% of the tourism industry's economic impact in Buncombe County.



BILTMORE'S Environmental Impact





BILTMORE'S Environmental Impact

More than a century ago when George Vanderbilt first visited the land which would later become Biltmore Estate, he found a landscape that was largely worn out from repeated removal of the best trees, excessive grazing and cropping, and erosion. Frederick Law Olmsted, the nation's pre-eminent landscape architect, convinced Vanderbilt that the land could be restored through scientific forestry and cutting-edge agricultural practices. With Olmsted's strategic guidance, Vanderbilt developed a plan to restore the land, plant the millions of trees seen today, and put into effect an extraordinary and unprecedented experiment in forestry, agriculture, and horticulture.

No one before in our nation's history had attempted to do what Vanderbilt accomplished on such a large scale at Biltmore—but his persistence and determination resulted in a sustainable, working agricultural estate that became a national landmark. It also led to the development of the first program of sustainable forest management on a large scale and first school to train professional foresters in the U.S., both of which served as models for the country. Additionally, his efforts led to the restoration of more than 100,000 acres of forest and habitat that established one of the first national forests in the eastern U.S.—the Pisgah National Forest. Today, we continue this legacy of stewardship and preservation throughout the estate.



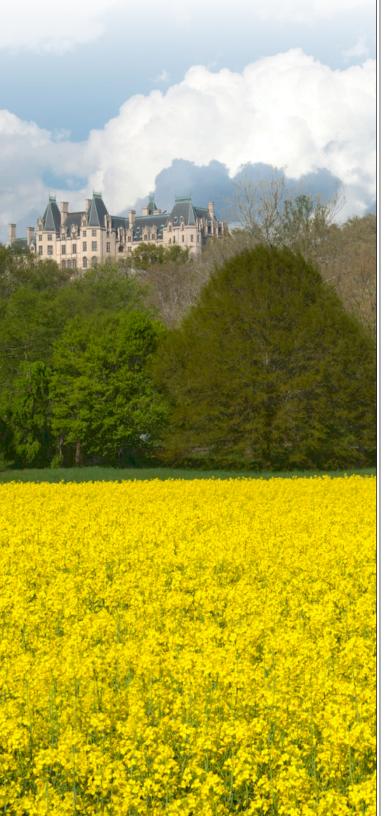
Sustainable Energy

FOLLOWING GEORGE VANDERBILT'S LEAD IN EMBRACING SUSTAINABILITY AS A LONG-TERM RETURN ON INVESTMENT, Biltmore embarked on a plan to generate energy through the installation of solar panels and the production of biofuel from estate-grown canola cooking oil used in our restaurants. Since 2011, the solar fields have grown to a total of nine acres generating 1.7 Mega Watts of renewable energy.

In addition to producing energy onsite, we are focusing on energy efficiency and conservation through retrofitting older buildings with newer, more efficient technologies and appliances and using best practices with all new construction. Offsite, Biltmore has invested in seven solar fields across the state, generating a total of 36.5 Mega Watts of solar energy. This investment expands on the Vanderbilt tradition of sustainability beyond our 8,000 acres while growing our solar network for future endeavors as we keep abreast of current developments within the solar energy industry. The total offsets are 38.2 Mega Watts.



Since 2011, Biltmore has developed nine acres of solar fields generating 1.7 Mega Watts of renewable energy.



Agriculture

SINCE ITS BEGINNING, Biltmore and its employees have contributed to the advancement of agriculture, commercial horticulture, and forestry, producing a legacy of innovations and quality products.

ESTATE-RAISED PRODUCTS

Biltmore beef and lamb are free-range pastured on the estate and fed natural grains free of hormones and antibiotics. Currently there are 500 head of Black Angus cattle, more than 500 White Dorper sheep, Hereford and Berkshire swine, and Freedom Ranger meat birds. Additionally, more than 300 chickens—fed natural grains on pasture and supplemented with sunflower seeds and excess produce from estate gardens lay about 100 eggs daily served in Biltmore restaurants that feature estate-grown products. Continuing Biltmore's tradition of growing estate-raised vegetables, herbs, and fruit, we supply estate restaurants with year-round fresh produce, including red scallions, carrots in five different colors, edible flowers, microgreens, and hydroponic lettuce. In addition to our estateraised products, we purchase locally-sourced food for our restaurants from Western North Carolina farmers.

VINEYARD

Our 50-acre vineyard produces Chardonnay, Riesling, Viognier, Cabernet Franc, Cabernet Sauvignon, and Merlot grapes that are used by Biltmore winemakers to craft award-winning wines. These wines are featured in our Winery, restaurants, and at offsite locations. The Biltmore Winery is the most-visited winery in the United States.

CANOLA PROJECT

Beginning in 2012, Biltmore started participating in a research program to grow canola on a commercial scale, and press the seed for human consumption and biofuel testing. Four varieties of winter canola were planted on 50 acres to determine which varieties best tolerate winter conditions in Western North Carolina. Each year, about 2,000 bushels are harvested and turned into food grade oil for estate restaurants, with used oil converted to biofuel to power our farm equipment and vehicles.



Stewardship Programs

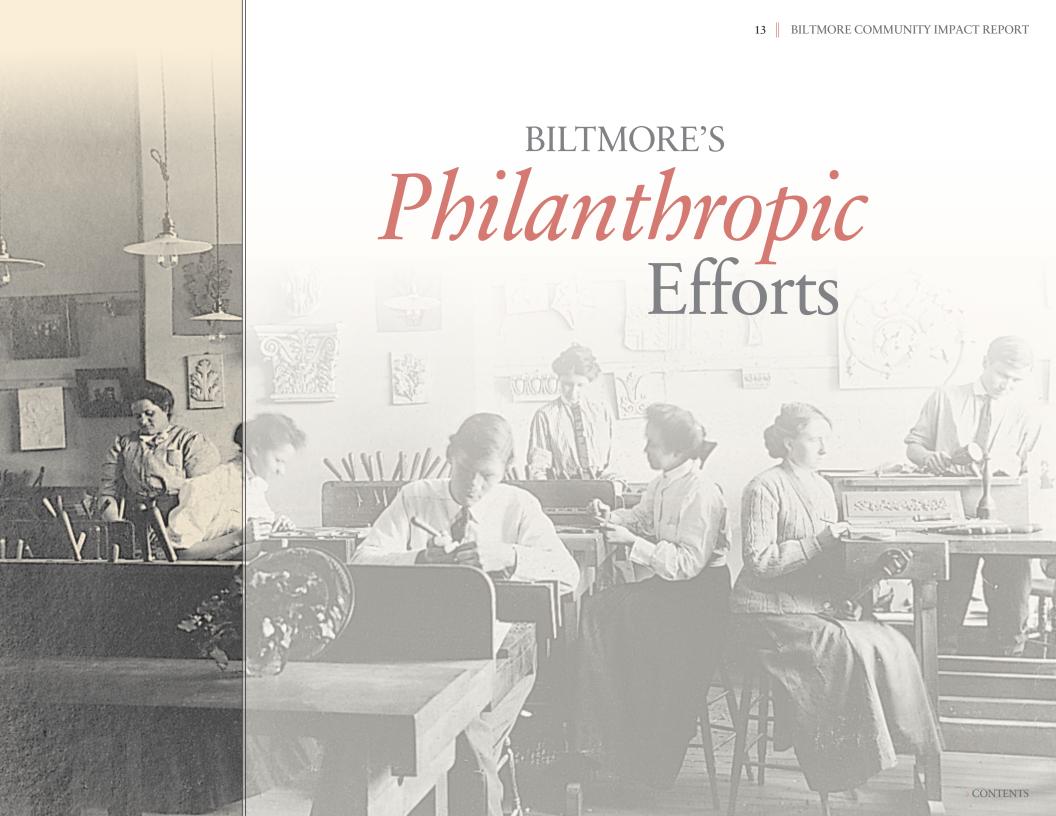
THE VISION OF STEWARDSHIP established by George and Edith Vanderbilt, aided by Frederick Law Olmsted, botanist and nurseryman Chauncey Beadle, and foresters Gifford Pinchot and Dr. Carl Schenck, continues through our philosophy of management and operations and the evolution of innovative programs, including:

- Education—hosting/organizing events on sustainable practices to engage students, educators, guests, groups, and community organizations
- Water—reduce water usage, limit production of wastewater, and use treated estate well water to be more self-sufficient
- Energy—continue seeking ways to increase energy efficiency and use clean renewable energy
- Waste Management and Recycling—limit the amount of goods sent to the landfill and lead changes in behaviors of guests and employees regarding reducing waste and recycling
- Food—continue proactive work in composting, recycling, and using estate and locally-grown products like meat, eggs, and produce to support local farmers and

- reduce greenhouse gas emissions resulting from transportation from distant suppliers
- Transportation—use environmentally sustainable transportation, using both renewable and non-renewable resources at the rate of development of renewables to limit emissions, waste, and noise pollution and minimize consumption of nonrenewable resources

AWARDS

- 2015: Air Quality Excellence Award
 presented by the Western North Carolina
 Regional Air Quality Agency for
 outstanding efforts to improve air quality in
 Western North Carolina
- 2015: Gertrude S. Carraway Award of Merit presented by Preservation North Carolina for the restoration of the Jones Farm House
- 2015: RiverBusiness of the Year Award presented by RiverLink
- 2014: Business Conservationist of the Year Award presented by the North Carolina Wildlife Federation



BILTMORE'S Philanthropic Efforts

The nature of our giving

The Biltmore Company focuses its philanthropic efforts on social, economic, and environmental goals of the overall company, as well as partnerships within the counties of Western North Carolina to support people in need, food and farming, and the preservation of natural and cultural resources.

Specifically, we support those organizations that assist people in our community with the following:

- People in need—hunger, heating, and housing needs
- Food and farming—local agriculture, nutrition education, food safety
- Preservation of cultural (significant history) and natural resources (forestry, water, wildlife)

How we give effectively

We are proud to partner in many ways with The Community Foundation of Western North Carolina (CFWNC). Managing our charitable giving through CFWNC gives us access to the guidance of professionals for both grant making and gift planning, and allows more of our charitable resources to be directed into the community. We are grateful for this collaborative partnership and the expertise of the foundation's staff.

In addition to monetary support, we also support local organizations that have a strong and lasting relationship with Biltmore through in-kind gifts of wine, auction items, and gift baskets; complimentary estate tickets; corporate sponsorships; on-property events; and volunteer hours.

Selecting community organizations to assist

The Biltmore Benefit is a collaborative effort with our business partners and a key centerpiece of our corporate philanthropy. We select an area non-profit organization to receive the proceeds from the benefit. Organizations considered as recipients must align with one of the three main areas of focus, have a specific program/ project need, and meet additional criteria determined by the selection committee. This is an invitation-only application process.

LEGACY OF EDUCATION: Preparing for the future

GEORGE AND EDITH VANDERBILT'S

VOLUNTEER INVOLVEMENT IN

EDUCATIONAL PHILANTHROPY INSPIRES

BILTMORE'S CHARITABLE GIVING TO

THIS DAY. Their deep commitment to helping
others created a powerful legacy which guides
our contributions to encourage higher education
for residents of Western North Carolina.

The Vanderbilts' philanthropy included a number of schools and facilities serving estate employees and others in the Asheville area.

YOUNG MEN'S INSTITUTE

In 1892, Prof. Edward L. Stephens, principal of Asheville's first public school for African-American students, envisioned an organization similar to a YMCA to support Asheville's African-American community. He approached George Vanderbilt for assistance. Moved by Professor Stephens' plans, Vanderbilt loaned the institute \$32,000 for an 18,000-square-foot building designed by Biltmore architect Richard

Sharp Smith, which became known as the Young Men's Institute.

The YMI offered a variety of services to the local African-American community, including a kindergarten, adult night school, library, dormitory, and athletic facilities. It served as a social and spiritual center and included office space on the ground floor for a doctor, pharmacist, barber, undertaker, and restaurant.

The Young Men's Institute is now home to the YMI Cultural Center and is listed on the National Register of Historic Places.

BILTMORE MOONLIGHT SCHOOL

Edith Vanderbilt was inspired by the success of an adult literacy program known as Moonlight Schools, which was developed by Kentucky educator Cora Wilson Steward. Understanding the need to teach illiterate adults how to read and write, Steward enlisted teachers as volunteers to teach adults at night in the same schools where they instructed children by day. The Moonlight School movement spread quickly, and by 1914 it was embraced by the N.C. state school superintendent.

Recognizing that many of the workers and their adult family members who lived on the estate were illiterate, Edith Vanderbilt founded a Moonlight School at Biltmore that met regularly on the estate near the Dairy and Creamery. Mrs. Vanderbilt also became an official spokesperson for the Moonlight Schools, making public appearances to gain support for the movement.

The Vanderbilts' deep commitment to helping others created a powerful legacy which guides our contributions today



SCHOOL OF FORESTRY

In 1895, George Vanderbilt hired German forester Dr. Carl A. Schenck to manage more than 100,000 acres of forested land Vanderbilt owned in Western North Carolina. Three years later, Dr. Schenck established on Biltmore Estate the first forestry education program in the country, known as the Biltmore Forest School. During its 15 years of existence, the school educated more than 300 students, many of whom served as the first generation of American foresters.

After her husband's death in 1914, Edith Vanderbilt sold 86,700 acres of forested mountain land to the federal government to form the beginning of Pisgah National Forest. In 1968, 6,500 acres were designated as The Cradle of Forestry in America and thousands visit the restored Biltmore Forest School annually.



SUPPORTING EDUCATION today

HONORABLE JOHN FRANCIS AMHERST CECIL SCHOLARSHIP FUND

Established in 1995, the Honorable John Francis Amherst Cecil Scholarship Fund was created to assist the dependents of Biltmore employees with the rising costs of higher education. It was created by Biltmore's owner, William A. V. Cecil, as a tribute to his father, who spent more than 20 years working to preserve Biltmore during the challenging economic times of the 1930s–1950s.

The scholarship selection process is based on the student's academic achievements and potential, financial need, moral character, community service, extra-curricular activities, leadership skills, and work experience.

Total number of scholarships awarded since the establishment of the fund: 107

Colleges/universities the students have attended:

- Appalachian State University
- Asheville-Buncombe Technical Community College
- Brevard College
- Embry-Riddle Aeronautical
- Georgia Institute of Technology
- High Point University
- Johns Hopkins University
- Lees-McRae College
- Mars Hill University
- Methodist University
- Montreat College
- NC State University
- Sarah Lawrence College
- Savannah College of Art & Design
- Spartanburg Methodist College
- UNC Asheville
- UNC Chapel Hill
- UNC Charlotte

- UNC Greensboro
- UNC Wilmington
- University of Tennessee
- Western Carolina University
- Wingate University
- Wofford College

EDUCATIONAL OPPORTUNITIES FOR AGRICULTURAL YOUTH IN OUR COMMUNITIES

Biltmore sponsors the Junior Market Lamb Show at the annual North Carolina Mountain State Fair in Fletcher, NC. In this role, Biltmore supports the winners of the Grand Champion Market lamb and the Reserve Grand Champion Market lamb. Biltmore sponsored this in 2015 and 2016, and is planning to sponsor it again in September 2017.

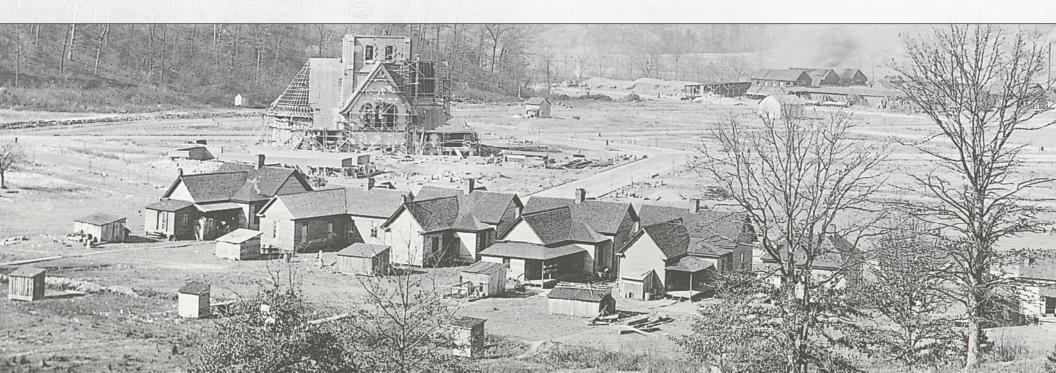
FOCUS ON HOUSING: Increasing access to affordable housing

PROVIDING FAMILIES WITH SAFE
AND COMFORTABLE HOUSING IS
AN ONGOING INTEREST FOR THE
DESCENDANTS OF GEORGE & EDITH
VANDERBILT. It began with George
Vanderbilt's development of Biltmore Village
in the late 1890s and continues today with
financial support for organizations that assist
families with housing issues.

BILTMORE VILLAGE

In the 1890s, George Vanderbilt and landscape architect Frederick Law Olmsted envisioned a model community that would serve three purposes: present an attractive prelude to the entrance of Biltmore; create institutions like a school, church, and hospital as a framework for Vanderbilt's philanthropic endeavors, and create a self-contained and self-sustaining community that provided rental income.

This forerunner of a planned community was named Biltmore Village, and featured 40 residences, business district, church, school, train station, and hospital. The cottages, designed by Biltmore architect Richard Sharpe Smith, offered residents such modern amenities as electricity—uncommon in Western North Carolina homes of the era. The original parish church is now known as All Souls' Cathedral and continues to serve the residents of the area.



SUPPORTING SAFE AND AFFORDABLE HOUSING today

ASHEVILLE AREA HABITAT FOR HUMANITY

Biltmore has been working with Asheville Area Habitat for Humanity for many years. We continue to be impressed with the work that Asheville Area Habitat for Humanity does within our community, providing safe and affordable housing to people in our area.

In 2007, Biltmore and its partners dedicated a portion of the proceeds from the Biltmore Benefit to Habitat for Humanity to initiate and sustain new building practices that incorporated products with substantial energy, water, and waste reductions. The following year, all the net proceeds from the Biltmore Benefit were invested in a Biltmore-sponsored Healthy Built Habitat House which was constructed by Biltmore employees, family members, and business partners in the spring of 2009.

Following the 2008 Biltmore Benefit, another Habitat House was built in the spring of 2010 thanks to our collaboration with the Friends of Charlie and Eleanor Owen and all of our community sponsors and patrons.

In 2014, Biltmore Benefit sponsors and patrons supported Asheville Area Habitat for Humanity's Neighborhood Revitalization Initiative Home Repair Program in the Shiloh community.

In addition to providing funds for these many projects, many of our employees have dedicated hundreds of volunteer hours to support the construction of homes in a number of Habitat neighborhoods.



EBLEN CHARITIES

During the economic downturn of 2009, the Biltmore Benefit provided funds for two programs offered by Eblen Charities to help keep families in their homes and to make their homes safe and more livable:

- The Heating/Utility Assistance Program assists families living with illnesses and disabilities with oil and gas deliveries and electric bills
- The Housing Assistance Program allows families to stay in their homes and avoid eviction with rental assistance and emergency home repair service

Funds have been given annually to support their many community programs.

SUPPORTING SAFE AND AFFORDABLE HOUSING today

MOUNTAIN HOUSING OPPORTUNITIES

The Family-to-Family Furnace Fund, part of Mountain Housing Opportunity's Emergency Home Repair Program, was the recipient of funds raised at the 2011 Biltmore Benefit. This fund was created to repair or replace furnaces to help Buncombe County low-income families avoid life-threatening situations in cold weather. Since 1997, more than 400 homeowners in the county have benefited from this program.

Biltmore continues to provide annual support of MHO programs.

"Thank you for partnering with MHO in our mission to build and improve homes, neighborhoods, communities—and lives—for the people of Asheville and Buncombe County. We value our relationship with you and look forward to many more years of collaboration!"

S. Antanette Mosley, Director of Resource Development Mountain Housing Opportunities, October 20, 2016

PASSPORT TO PROPERTY PROGRAM

Biltmore has partnered with OnTrack WNC to help employees attain their dreams of buying a home, and at the same time strengthen the community by providing assistance toward home ownership. Biltmore's program combines education, financial counseling, and a \$2 match for every \$1 up to \$2,500 that the employee saves towards purchasing a home. Employee response has been encouraging; the program has been filled to capacity since its inception in 2011 and 15 employees have purchased homes in the area for their families.

Biltmore has also sponsored the "Energy Efficiency" Class within the homebuyers program.

Biltmore sponsors the Financial Literacy Luncheon each year and donates wine for special events (Women's Financial Literacy Conference and Tax Program Celebration). In 2013, OnTrack WNC presented the Financial Literacy Community Partnership Award to Biltmore in recognition of our efforts to empower employees to take charge of their financial lives. "We are honored to receive this gift and appreciate your confidence in the life-changing impact our services can have for people as they create budgets, improve credit, pay off debt, avoid foreclosure, and save money to buy homes."

Celeste Collins, Executive Director OnTrack Financial Education & Counseling August 24, 2016

COMMUNITY COLLABORATION: Focus on working together

THROUGHOUT THEIR LIVES,
GEORGE AND EDITH VANDERBILT
DEMONSTRATED A DEEPLY-FELT
COMMITMENT TO HELPING OTHERS.
In a 1909 letter from Dr. Carl Schenck, who
established the Biltmore Forest School, to a
journalist requesting permission to interview
Edith Vanderbilt about her charitable work,
Dr. Schenck replied: "Personally, I can say
that Mr. and Mrs. Vanderbilt detest publicity,
preferring to do the right thing at the right time
without beating a drum about it."

- Their contributions included very personal acts; Edith was known to visit the homes of new mothers on the estate, bringing care baskets of food, clothing, and other necessities to help the family.
- George Vanderbilt's first major act of philanthropy occurred when he was just 23. His father, William H. Vanderbilt, had given land and a new building to the College of Physicians and Surgeons in New York City prior to his death in 1885. At a ceremony in April 1886 commemorating the donation, George laid the cornerstone of the new college. He and his three brothers funded the free Vanderbilt Clinic, providing medical care and medicine, as a memorial to their father. The clinic opened in 1888.

"Personally, I can say that Mr. and Mrs. Vanderbilt prefer to do the right thing at the right time without beating a drum about it."

Dr. Carl Schenck, 1909

EMPLOYEE EMERGENCY FUND

Partnering with Eblen Charities, Biltmore launched this program in 2003 to serve employees and their families in times of crisis through gifts and loans when specific needs extend beyond company benefits and the employee's financial means. Biltmore makes donations throughout the year to fund the Biltmore Employee Emergency Fund.

In addition to supporting the Employee Emergency Fund, Biltmore assists Eblen Charities with its Heating/Utility Payment Assistance Program. On the day Eblen begins accepting applications for assistance each year, Biltmore employees prepare and serve lunch to applicants to make their time waiting more comfortable.

PRESERVATION OF CULTURAL AND NATURAL RESOURCES

Biltmore supports local and regional organizations throughout Western North Carolina that work to preserve the area's rich heritage and natural beauty. These partnerships include:

- Asheville Art Museum
- Asheville Greenworks
- Asheville Museum of Science
- Blue Ridge Parkway Foundation
- Friends of the Smokies
- WNC Friends of the Nature Center

THE BILTMORE BENEFIT

The Biltmore Benefit is a community-wide fundraising event. Biltmore coordinates the event in collaboration with its valued business partners. The benefit committee selects one non-profit to support. The event's proceeds underwrite a specific project for the selected non-profit. Biltmore hosts the event, which includes entertainment, reception, and dinner. Thanks to the generous support of Biltmore vendors, corporate partners, and private donors, the Benefit has raised more than \$1.7 million since 2000.

Organizations that have recently been recipients of the Biltmore Benefit include:

- 2011: Mountain Housing Opportunities Family-to-Family Furnace Fund
- 2012: MemoryCare to help add a fourth physician-led care team

- 2013: Meals On Wheels to help provide nutritious meals to the elderly homebound in Asheville and Buncombe County. Co-hosted by Colton Groome & Company, proceeds from the 2013 Benefit were used to provide a new cargo van for meal delivery, assist with funding for meals to more than 500 elderly residents, and implement a sustainable practice to reduce Meals on Wheels' environmental footprint.
- 2014: Asheville Area Habitat for Humanity's Neighborhood Revitalization Initiative Home Repair Program in the Shiloh community
- 2015: YMCA of Western North
 Carolina's Healthy Living Mobile
 Kitchens (HLMK); proceeds helped
 expand these services that have the
 capacity to demonstrate healthy cooking
 techniques and provide nutritious
 meals for families, HLMKs distribute

additional food supplies and recipes for families to take home and try themselves. The expansion of the Y's healthy nutrition services will help break the cycle of malnutrition and hunger by reaching more than 7,000 new families in WNC.

In addition to Biltmore's donation of cash and in-kind services, the following partners have graciously supported the Benefit at the level of \$2,500 and above in 2015:

Diamond Sponsors (\$15,000)

- Biltmore
- Classic Event Rental*
- Wells Fargo

Platinum Sponsors (\$10,000)

- Colton Groome & Company
- Dixon Hughes Goodman LLP
- Ken Wilson Ford
- Roberts & Stevens
- Mission Health
- Royal Cup Coffee & Tea
- PGAV Destinations
- SunTrust

Gold Sponsors (\$5,000)

- Advanced Business Equipment
- Bank of America
- Biltmore Estate Wine Company*
- Insurance Service of Asheville
- Pisgah Investments
- Salvage Station
- The Richards Group
- Wicked Weed Brewing

Silver Sponsors (\$2,500)

- AvL Technologies
- Biltmore Iron & Metal Company
- CarePartners Foundation
- Ecolab
- Grove Stone & Sand Company / Hedrick Industries
- MB Haynes Corporation
- PSAV *
- Dr. Robert J. & Kimberly S. Reynolds
- Sign ONE/PrimeTime Designs *
- Sysco*
- Worley, Woodbery & Melton, PA

*In Kind Sponsor

COMPLIMENTARY TICKETS & IN-KIND DONATIONS

As our way of saying thanks to local organizations that support Biltmore, complimentary tickets are provided annually to these organizations with which we have a strong and lasting relationship. Additionally, each year The Biltmore Company and its businesses receive hundreds of requests for donations to schools, benefit auctions, charitable organizations, and other fundraisers.

In fiscal year 2016, the donation of complimentary tickets, wine, gift baskets, guided tours, meals, and gifts of labor, materials, and facilities were made to 786 organizations.

Complimentary tickets are our way of saying thanks to local organizations that support Biltmore

