



SUSTAINABILITY
BE HOTELS GROUP

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MESSAGE FROM MANAGEMENT

The first Sustainability Report of Be Hotels Group 2019 shows our efforts as a company where awareness is cultivated. We are committed to reconnecting the Human Being with his ancestral wisdom, and we understand the need to make a transition to a system that restores the planet and the global community.

Thanks to the efforts of more than 600 collaborators in 4 business units in the Yucatan Peninsula in Mexico, we are consolidating the foundation of our goals of sustainable impact on the people, planet, and local economy of the places where we operate. We have ambitious aspirations for the coming years, which is why we are implementing the principles of sustainability in our global expansion plan, integrating them into the design and development processes of all our internal and external projects.

This document outlines the achievements accomplished up to 2019 and the proposed objectives with growth indicators. We have aligned to international standards in the presentation of this report and implemented frameworks and methodologies to manage and report our contributions for the fulfillment of the Sustainable Development Goals. We are proud of what we have achieved and hope for a prosperous future for all.

Mizraim Corpus

EXECUTIVE MANAGING DIRECTOR



2.0 - BUSINESS REVIEW

2.1 .- Who are we?

BE HOTELES BUSINESS UNITS

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graph TD; A[BE HOTELES BUSINESS UNITS] --- B[be playa]; A --- C[be tulum]; A --- D[nômade]; A --- E[yään];
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be playa

Located in Playa del Carmen, with a vintage atmosphere, combines comfort and avant-garde design

be tulum[®]

Home to the luxurious experience of being barefoot

nômade[®]

TULUM

The meeting point of those whose journey never ends

ⓑ yään
healing sanctuary

Inspired by the ancestral wisdom of the Mayans, this has been called by visitors from around the world, "the most beautiful spa in the creation"

2.2 .- Our philosophy

VISION

As temporary habitats, we want to be a space where awareness is cultivated, and that creates experiences for guests and collaborators. We value the natural, architectural, and cultural beauty of the environments where we are present.

MISSION

To generate innovative and unforgettable experiences for guests and collaborators through the creation of spaces centered on the Self, seeking global expansion.

VALUES

- Innovation
- Beauty
- Wellness promotion
- Respect for ancient wisdom
- Transformation and evolution



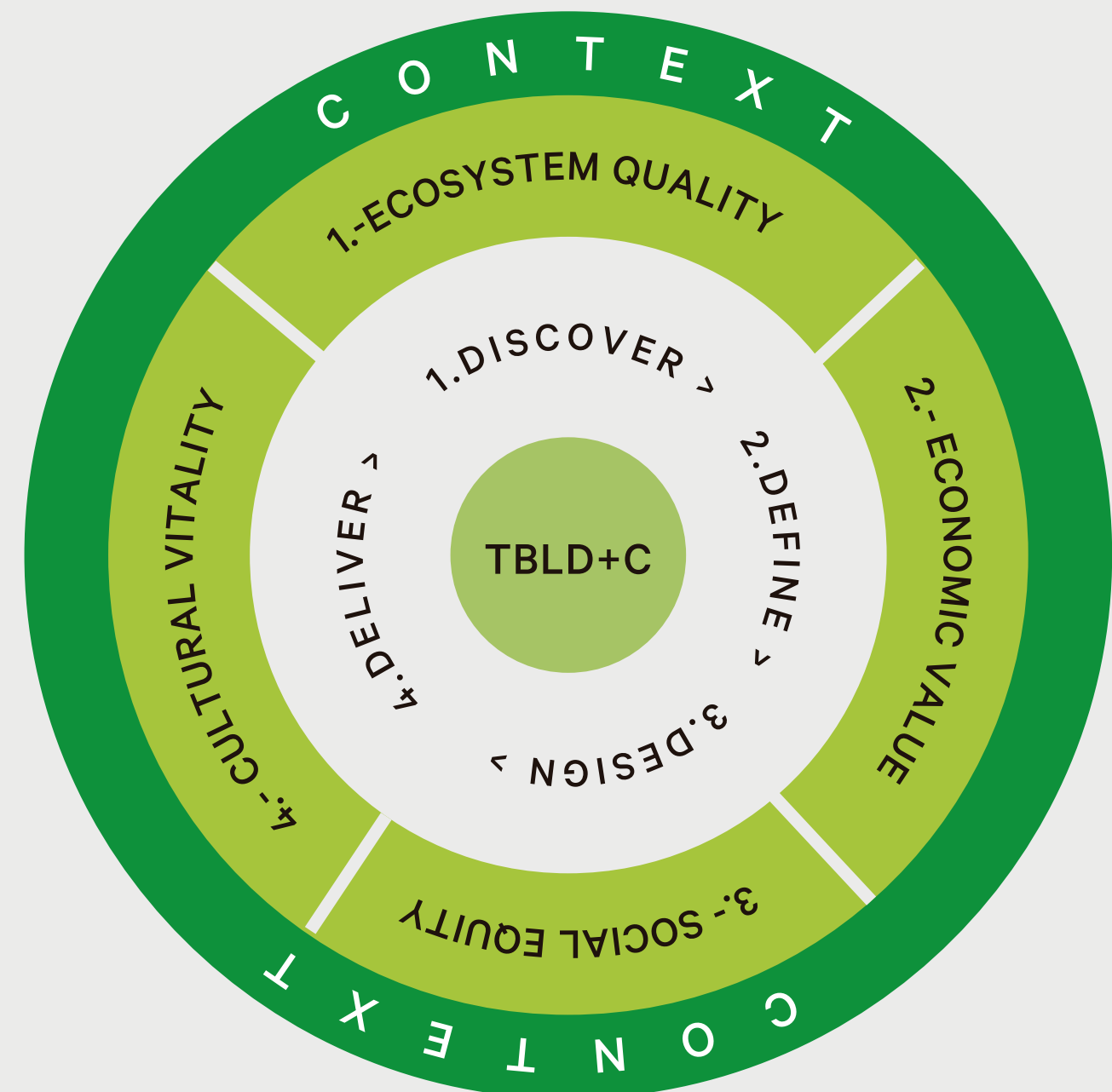
3.- SUSTAINABILITY OBJECTIVES OF BE HOTELS GROUP

Be Hoteles has a department devoted to Corporate Social Responsibility and Sustainability, which supervises the implementation of programs to preserve and care for the environment, culture, and society. As a foundation, we implement a conceptual framework of sustainability that promotes sustainable development, economic welfare, cultural and environmental preservation, and family health of the communities and local environments where we are present.

We work in accordance with the agenda for Sustainable Development 2030 adopted by the 193 member countries of the UN, which establishes a shared roadmap to peace and prosperity for the people and planet. 17 goals that call for urgent action to fight the main problems facing humanity.



SUSTAINABILITY MODEL CHART / TBLD+C



In our strategic plan for Sustainability and Corporate Social Responsibility 2020-2030, we have emphasized in the progress of the Sustainable Development Goals. In particular, SDG 4 "Quality Education", reducing the educational gap of our population, so that they can access elementary, middle, and high school education; and SDG 8 "Decent Work and Economic Growth", maintaining and improving the conditions for full, productive and decent employment. Throughout this report, we emphasize the different SDGs that are addressed by each initiative.



SUSTAINABILITY MODEL



3.1.- Sociocultural

At Be Hotels, we are a space where guests and collaborators transform themselves. Our competitive strategy is to be one of the best companies to work at. In 2019 we were awarded the certificate of BEST PRACTICES IN CORPORATE SOCIAL RESPONSIBILITY by CEMEFI (Centro Mexicano para la Filantropía), for our efforts to improve the quality of life of our collaborators. In line with Sustainable Development Objective 8 (Decent work and economic growth), our purpose is to INCREASE full and productive employment and continue to guarantee decent work for all men and women, not only in our business group but in the entire social fabric of our environment.



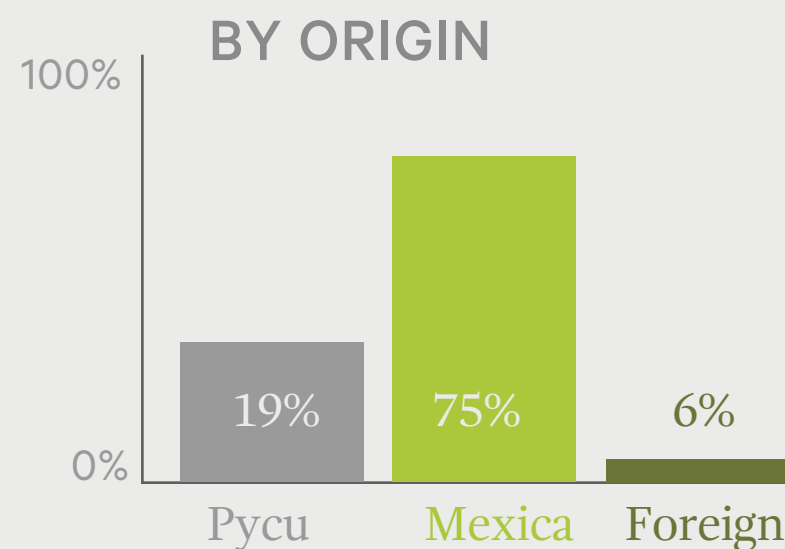
By 2020 our corporate wellness program "Abierta-Mente", will deepen in providing tools to our collaborators so that they have a proper balance in their physical, emotional, spiritual, and social aspects (in relation to the community). For this, we will have the external support of our wellness coaches. This program will not only improve the quality of life of 600 direct collaborators, but it will also impact their families and, therefore, their community. The focus of Abierta-Mente 2020 will be to develop during such year the discovery and understanding among the staff, of the grounds for such program and to deepen the practice of the values of gratitude, joy, and responsibility.

3.1.1.- Quality of life in company: Collaborators

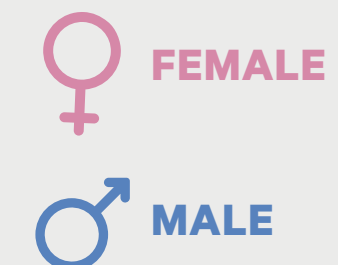
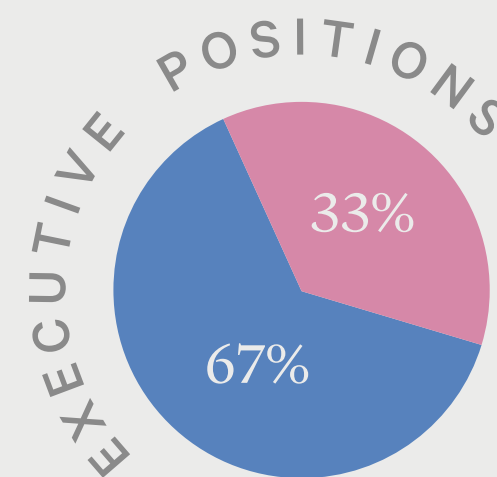
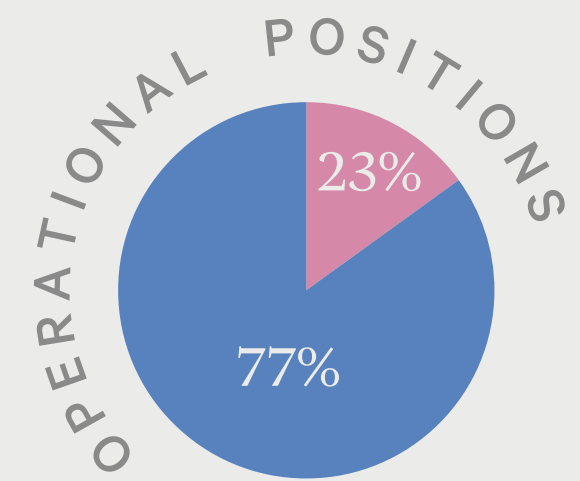
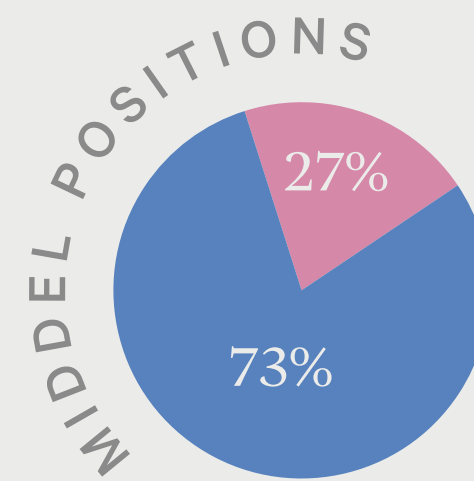
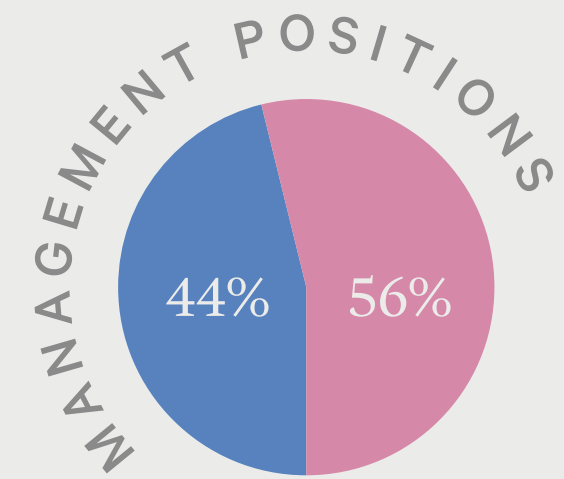
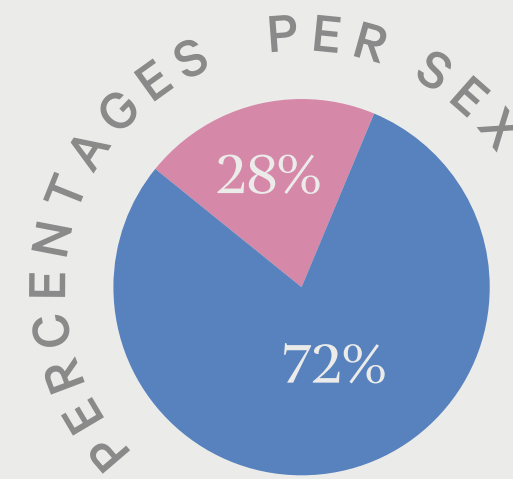
The Human Development and Corporate Social Responsibility department provides programs and training that bring holistic enrichment to our collaborators, promoting a good quality of life, and a creative, motivating and inclusive work environment.

DEMOGRAPHIC CHARACTERISTICS:

Be Hoteles employs 600 people. Since it is our priority to create local employment 94% of our collaborators are Mexican. Thanks to our gender equality and inclusion policies, we have made progress in closing the gap between the number of women and men working in the different departments. Women hold 56% of the management positions and 33% of the executive positions with defining and decision-making power. The goal is to continue increasing these numbers to achieve gender equality under our business ethic of equality and inclusion.



TOTAL OF COLLABORATORS:
600



WELLNESS PROGRAM:

The different psychosocial risks to which our collaborators in Tulum are exposed due to lack of family support and an intense and changing rhythm, cause physical symptoms, stress, depression, alcoholism, etc., which makes us co-responsible for their physical and emotional well-being.

To date, 453 people have benefited from the 'Collaborator Wellness Program', which focuses on four priorities:

Nutrition, physical health, emotional well-being, and family and professional balance. The 'Wellness Program' team includes various teachers, nutritionists, healers, psychologists, coaches, and shamans who help us comprehensively implement the entire program.

QUALITY OF LIFE: WELLNESS PROGRAM



75.5%

of people was impacted by the corporate Wellness Program



3,624 hrs

Annual working hours devoted to the Personal Wellness Program during the work shift.



80 Kilos

lost during the 2019 nutritional challenge



NUTRITION

- In the nutritional plan, 25 people were motivated to lose or gain weight through exercise and personalized diets. By 2020 our nutrition program will impact all collaborators through the conscious eating training program and detox program.

- Every day collaborators have access to balanced and nutritious food in their staff dining rooms, with vegetarian and healthy options.

- We sponsor access to cross-training programs, yoga, Zumba, and in 2020 we will sponsor, in addition to our soccer tournament, a race with a cause.

EMOTIONAL WELL-BEING

- To support the emotional health of our collaborators, we provide free access to our guest menu of wellness activities such as emotional resilience activities, Cocoa Therapy, guided meditations, energetic alignment, Biomagnetism, among others.

Likewise, we regularly give talks to prevent family violence.

PERSONAL AND PROFESSIONAL BALANCE

- We implement company policies to improve the balance of our collaborators' personal and professional lives and to support them in fulfilling their family responsibilities. We provide tools such as working from home, vacation days above the law, day-off for birthdays, sports, cultural and leisure activities, and celebrations to integrate their families, among others.

- The personal economy of our collaborators is supported by providing financial support for the purchase of their children's school supplies from year 3.



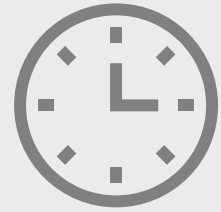
3.1.2.- Training

With a department devoted to strengthening the capacities of our collaborators, we have executed 8,000 hours of training through programs designed for human development in the company and the tourism industry.

Through the adult education program, we support SDG 4 Quality Education. With our teachers specialized in adult education, our collaborators can finish their elementary, middle, and high school studies, preparing themselves free of charge during their workday. In addition, we offer a language program for collaborators so they can learn and/or perfect foreign languages (English and French). This language program has benefited 150 people (25%), a number we plan to increase to at least 40% by 2020.



TRAINING: OPERATIONAL / MANAGEMENT / FORMATIVE



8,000

NUMBER OF
TRAINING HOURS



15 hrs

NUMBER OF HOURS PER
YEAR PER COLLABORATOR



95%

PERCENTAGE OF
ATTENDANCE BY DEPARTMENT



50%

PERCENTAGE OF DECREASE
IN THE EDUCATIONAL
GAP OF THE POPULATION IN 2019



25%

PERCENTAGE OF PEOPLE LEARNING A FOREIGN
LANGUAGE DURING WORKING HOURS (ENGLISH
AND/OR FRENCH)



3.1.3 Connection with the community

ALLIANCES TO ACHIEVE THE GOALS

The Sustainable Development Goals can only be achieved with a strong commitment to alliances and co-operation. At Grupo Be Hoteles we work with governmental and non-governmental organizations to achieve our objectives. Some of the groups we have allied with and/or supported are:



FLORA FAUNA Y CULTURA DE MÉXICO A.C.



- Our work with this non-profit civic organization focuses on the protection and preservation of endangered sea-turtles
- Our beaches house sixteen turtle nests. This represents roughly 160 turtles:
- Seven nests for loggerhead turtles, a vulnerable species
- Nine nests for central american river turtle

COMISIÓN NACIONAL FORESTAL (CONAFOR)



- We partnered with this governmental agency to complete a large reforestation effort near **Felipe Carrillo Puerto**. 25 employees planted 140 trees in order to replenish the tree stock in this area with two native species.

LOS AMIGOS DE LA ESQUINA A.C



- Los Amigos de la Esquina develops fun, educational after-school programs for low-income children. Be Tulum works with this organization to offer a cooking class for children and their parents that teaches them simple, healthy cooking skills.

CENTRO COMUNITARIO LA CEIBA A.C



- Centro Comunitario La Ceiba supports the local children of Tulum. Be Hotels Group regularly donates time and material resources to the organization.

GRUPO ALCOHÓLICOS ANÓNIMOS A.C.



- Alcoholics Anonymous is a fellowship that supports individuals in recovery from addictions, as well as their families. Be Hotels Group provides meeting space, food and beverages for the organization.

MOVIDA MAYA A.C



- Movida Maya provides educational support to Mayan communities near Tulum. They focus on programs that promote leadership, self-sustainability and gender equality, as well as supporting efforts to preserve cultural heritage. Yaän Wellness donates 10% of its sales to Movida Maya.

ANÍMATE A APRENDER A.C.



- Animate a Aprender provides educational materials to Mayan communities. In 2018, Be Hotel Group donated financial support to provide materials to 60 students.

OCELOTE Y SOSTENIBILIDAD A.C.



- Ocelote y Sostenibilidad organizes a multidisciplinary festival to promote environmental conservation. The festival features forums on biodiversity and bio-cultural heritage in order to highlight the specific environmental challenges faced by coastal areas. For the past two years, Be Hotels Group has provided donations to support the organization's promotion of environmental conservation in Tulum.

GIVE BACK PROGRAM

The goal of Be Hotels Group "Give Back" program is to provide resources for the regeneration, preservation, and inclusion of local communities in the regions where we are present. We work with professionals and strategic allies to design and develop possible solutions to the basic needs of life, to preserve natural and cultural ecosystems, and to co-create with local communities innovative projects that promote their sustainable development.

The program was born with acting guidelines that serve as foundations to be applied in the different contexts that will be impacted. The 'Give Back Roadmap' is a facilitation tool that connects our project designers with local communities, to promote mutual understanding and guidelines to work in a partnership.

It is designed with the integration of the following principles: the sustainability conceptual framework TBLD+C (Triple Bottom Line by Design and Culture); the UNWTO Sustainable Tourism Development Principles (Respect, Conserve, Sustain); and the 'Participatory Action Research' method to ensure that communities are consulted, involved and empowered throughout the planning process.



CONSERVATION OF CULTURAL HERITAGE

Cultural and spiritual experiences offered by Be Hotels to guests and collaborators (Experience Portfolio):

- Temazcal
- Fire ceremony new moon / full moon
- Cocoa ceremony
- Gratitude tent / guided meditations
- Yoga



3.2. Environmental

Tourism brings many positive impacts to local economies, such as employment, the possibility to learn new languages and cultures, among others. However, it also brings negative impacts such as pollution to the environment. At Be Hotels, we have chosen to operate tourism from a sustainable perspective that is concerned with the well-being of the communities and nature, which is why we implemented projects for the protection and care of the local flora and fauna.

As a hosting service center, we have developed, as a business policy, a culture aware of sustainability that forges a commitment to the environment and society.

Such culture aligns with our objectives and goals which are based on the compliance, implementation, and verification of the legislation and regulations in force in environmental matters applicable to the work center.



3.2.1 Animal Welfare

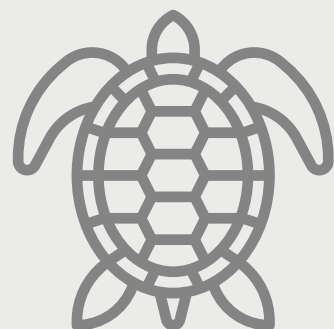
The beaches of Be Hotels Group in the Mayan Riviera are home to nests of Caribbean Sea turtles. During 2019 we protected more than 42 nests in our beaches, and along with our partner Flora y Fauna de México, ensured the return of 1760 hatchlings to the sea.

TURTLES NESTS DURING 2019



42

HATCHLING



1,760



3.2.2 Conservation of Natural Heritage

In all of our business units, we have implemented a waste separation program under the regulations of the Mexican government to ensure that all waste reaches its proper destination.

A large percentage of the organic waste generated by Be Hotels is used to create compost that is eventually used as fertilizer in our plant nursery. Inorganic waste is separated by material and sent to recycling facilities within the country.

Hazardous waste, such as grease, oil, paint, and solvents, are sent to a company certified by the Mexican Government to ensure their safe disposal. We have intentionally sought and formed partnerships with suppliers who share our commitment to sustainability. These companies monitor the life cycle of the product, reusing materials, and taking responsibility for waste disposal and recycling

Thanks to these strategies and our effective and sustainable waste treatment system, we received the Oceanic Global certificate from the Art With Me festival.





This year we went from recycling 4 types of materials to 14:

Tetrapack, Cardboard, Aluminum, PET Plastic, Glass from bottles or containers, LDPE Plastic, cigarette butts, Coffee capsules, coconuts, candles, sawdust, among others.



In 2019, an average of **15 tons of garbage were removed per month**, and 1 ton of PET plastic was recovered for recycling



The use of PET plastic was reduced by 20% by implementing policies that forbid the sale of plastic products to guests, and we expect to reduce 15% more by 2020.



Our takeaway containers, napkins, cutlery, disposable plates, and straws **are all biodegradable.**



In 2019 **we changed the conventional black plastic bags** for corn starch bags, which means a saving of 10 Tons of plastic per year. More than 10,000 bags of cornstarch were used.



In 2019 **we produced 4 Tons of compost** with 60% of our vegetable and fruit waste, and in 2020 we expect to reach 15 Tons (375%) through the new industrial composting procedure that will be implemented.



In 2020 **we will implement the purchase of Carbon Credits to neutralize all our CO2** emissions and thus participate in the reforestation of 90 rural and indigenous communities in the state of Chiapas through the Scolel'te program.

The United Nations Environment Division's GEO-6 report, launched in 2017, lists the Caribbean Sea as the second most polluted by plastics. In Tulum, the contamination caused by the garbage spread in the town, beach, and jungle seriously affects the terrestrial and marine ecosystems, the aquifers, and the general population. The lack of a comprehensive waste treatment system, public garbage dumps, or people in charge of cleaning the streets, causes large amounts of garbage to accumulate. If you add this to the lack of environmental education of the people who continue to generate waste and dispose it in places where they shouldn't, the need for a cleaning system is urgent.

At Be Hotels, we created the "Cuadrilla de Limpieza - We can BE the change", a program that organizes beach cleanings with a team of permanent collaborators and the help of volunteers. Our hired cleaning team removes around 10 Tons of garbage per month. The crew meets at the hotel where they pick up their tools and are transported by our staff to the areas (areas, beaches, natural reserves) where they clean for 8 hours, pick up the garbage, select it, bag it and register the weight. At the end of the day, they return to the hotel, make a second selection of waste depending on the type and condition, and then the waste is recycled or reused.

46 volunteers and the crew removed 5980 kilograms of garbage from Sian Kaan in 2019. Our goal is to triple this number with our new volunteer program in 2020: collect 10% in the streets and 15% in the Sian Kaan Reserve.



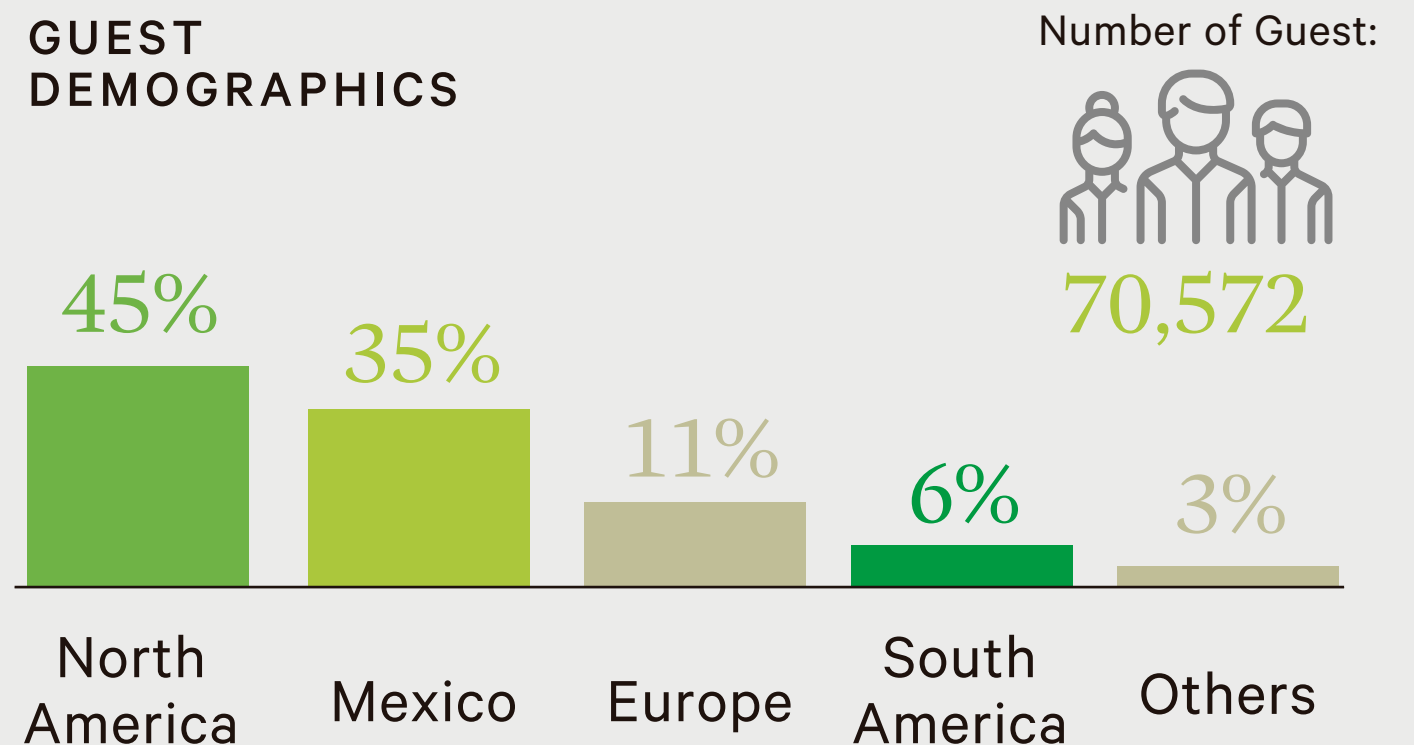
3.3.- ECONOMIC



3.3.1 Visitors

This year we received visitors from different parts of the world that enjoyed the beauties that Tulum has to offer, and we hope that next year we will have the pleasure of receiving even more people.

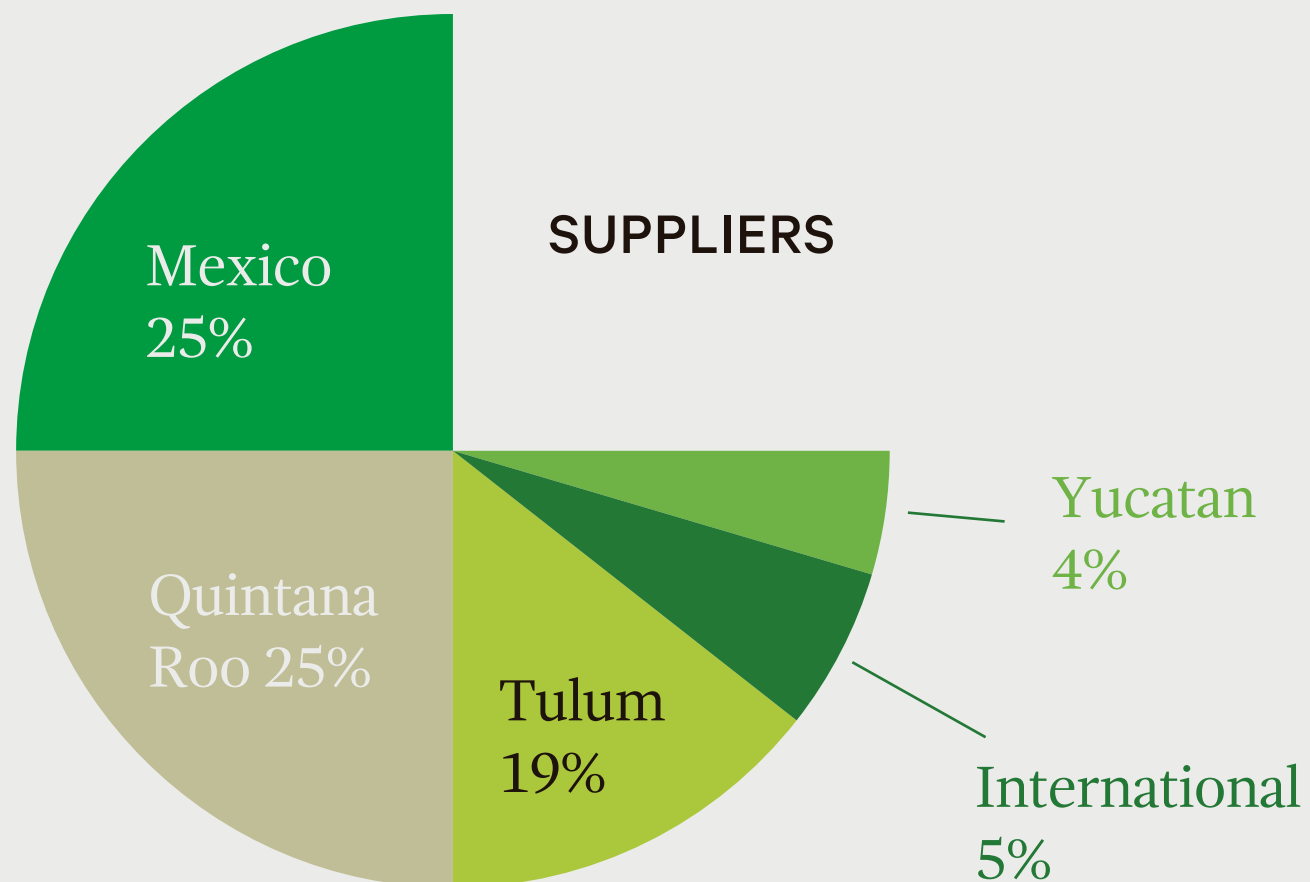
GUEST DEMOGRAPHICS



3.3.2.- Value Chain

For Be Hotels, suppliers are a very important part of our activities, and we seek to establish long-lasting and efficient relationships. We seek to benefit mainly small and medium businesses of the Yucatan Peninsula in order to distribute wealth in the region and reduce the impact of emissions generated by logistics.

For example, many of the handicrafts that decorate our hotels are made by the hands of men and women who live in the Mayan area of the Yucatan Peninsula and use techniques and materials typical of the region.



3.3.3.- Equality + Inclusion

The Human Development and CSR area is committed to recruiting, selecting, and hiring the highest qualified collaborator without discriminating race, sex, age, religion, social status, or any other feature, receiving equal conditions and treatment, as well as equal opportunity to be hired. The mere fact that you meet the requirements of the position and demonstrate capacity, potential, attitude and skills, will be sufficient for the recruitment and hiring.



