## ANNUAL sustaintability REPORT

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**O**DONNELL

O'Donnell Tlalpan

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## **O1** MESSAGE FROM THE **CHIEF EXECUTIVE OFFICER**

#### GRI 2-22

#### Dear Shareholders,

It is my honor to present O'Donnell's Sustainability Report for the full year 2023. Our strategic focus on portfolio diversification and asset optimization has been instrumental to our continued success. By investing in our existing properties, we have not only strengthened our operational foundation and enhanced the value-added services offered to our customers but have also made meaningful progress in advancing our sustainability agenda. These initiatives have strengthened our market competitiveness while reaffirming our commitment to embedding sustainable practices across every aspect of our operations.

The year 2023 was marked by exceptional dynamism in Mexico's industrial real estate sector, which recorded a 16% increase in net absorption and the addition of 800 thousand square meters in new facilities. This growth was primarily driven by the nearshoring trend and last-mile logistics, which accounted for 28% and 16%, respectively, of total industrial space commercialization.

Mexico City, our principal hub for last-mile operations, experienced significant expansion amid a booming e-commerce environment. Demand for fast, reliable delivery services remained high, prompting companies to prioritize efficiency and reduce delivery times. This included the adoption of sustainable logistics solutions, such as electric vehicles and bicycles in dense urban areas. Technology played a key role, as artificial intelligence and big data were used to optimize delivery routes and reduce operational costs. However, challenges related to urban infrastructure, such as traffic congestion and population density, spurred innovative approaches, including the development of distribution centers closer to end consumers. E-commerce in Mexico, the primary catalyst behind last-mile growth, expanded by approximately 13.3% during 2023, reaching a market value of nearly MXN 528 billion. This surge in online sales placed increasing pressure on logistics providers to meet same-day and next-day delivery expectations.

In response, delivery platforms and major e-commerce companies expanded their logistics capabilities by more than 15%, through the construction of new distribution centers and the integration of electric vehicles and other sustainable practices to improve efficiency and reduce operating costs.

These trends underscore the strength and competitiveness of our core markets, where sustained demand continues to drive the development of modern industrial infrastructure. In this context, O'Donnell is well-positioned to capture emerging opportunities. Our strategic approach enables us to adapt to evolving market dynamics by optimizing our existing assets and developing new facilities to meet the rising demand for high-performance industrial space.

Sustainability remains a fundamental pillar of our long-term vision. We are committed to incorporating advanced environmental practices into every project, reinforcing our competitive position while contributing to a future shaped by greater environmental responsibility.

Looking ahead, we are prepared to face future challenges with the same resilience and adaptability that have defined our trajectory thus far. Our dedication to sustainability and responsible growth positions us to continue creating long-term value for our shareholders while making a positive contribution to society and the environment.

On behalf of the entire O'Donnell team, I extend my sincere gratitude for the trust you have placed in us. We will continue to work with commitment and integrity to ensure that O'Donnell remains synonymous with excellence, innovation, and sustainability.

Sincerely,

John David O'Donnell Dwyer Chief Executive Officer



## CORPORATE PROFILE





## ABOUT **O'DONNELL**

O'Donnell Capital Management, S. de R.L. de C.V. is a leading Mexican firm specializing in the design, development, and management of industrial real estate. Founded with a vision to deliver innovative and high-performance solutions, O'Donnell is recognized for its unwavering commitment to quality, operational efficiency, and sustainable development across all its projects.

The firm operates through a network of specialized entities that manage critical aspects of the real estate development lifecycle. These include divisions focused on architectural design, structural engineering, project management, and environmental sustainability. Each division plays a fundamental role in ensuring the efficient and high-quality execution of O'Donnell's projects, contributing integrally to the long-term value and resilience of its real estate platform.

#### DNA



#### Mission

O'Donnell's mission is to enhance its clients' competitiveness by delivering:

- Exceptional customer service
- Strategic locations
- High-quality buildings and industrial developments
- Reliable and experienced management

#### Competitive +





#### Vision

To create superior value and evolve faster than the competition.

Our added value is driven by:

- Competitive advantage
- Innovation н.
- A belief that excellence is freedom



## HISTORY



capital and secures its first client, Johnson Controls.

Latin America. Develops a 40,246 m2 Build-to-Suit for Mattel

PREI's first co-investment in



2007

#### 2014

Selected by Audi, in a joint venture with AIG, to develop a Just-In-Time / Just-In-Sequence BTS logistics complex in San José Chiapa, Puebla. The project includes four buildings and an intermodal center, totaling 241,789 m2.

#### 2015

Signs a new JV with AIG to acquire and develop the O'Donnell Puente Mexico speculative industrial park, spanning 1.5 million ft<sup>2</sup> in three phases in Cuautitlán Izcalli, State of Mexico.



#### 2020

Inaugurates its firs last-mile logistics park, OD888, located in the heart of Mexico Clty. Comprises five warehouses totaling 38,765 m<sup>2</sup>

#### 2018

Establishes O'Donnell Capital Management and completes its first MXN 2 billion (approx. USD 100 million) placement of a Development Capital Certificate (CKD) on the Mexican Stock Exchange. The capital is earmarked for developing logistics parks focused on in-fill and last-mille assets in major markets throughout Mexico.



#### 2019

Executes follow-on listing of CKDs.

Acquires a logistics park in Cuautitlán Izcalli named O'Donnell La Laguna (ODLL), comprising three warehouses ranging from 24,000 m<sup>2</sup> to 31,681 m<sup>2</sup>

#### 2022

Acquires the O'Donnell Tlalpan Industrial Park (ODT) in southern Mexico Clty. This last-mile complex includes six multi-tenant warehouses totaling 25,651  $m^2$  of rentable space.

Also acquires the O'Donnell Vallejo Industrial Park, strategically located near the Vallejo industrial zone in Gustavo A. Madero borough. The project comprises 90,588 m<sup>2</sup> dedicated to last-mile operations, offering access to key transportation routes and consumption centers.

2023

## BUSINESS **MODEL**

O'Donnell specializes in the development of in-fill, last-mile, and logistics warehouses across Mexico's principal industrial markets. Its operating model is based on strategic partnerships and co-investments with institutional partners such as AIG and Prudential, as well as its own publicly traded fund: the Capital Development Certificate (CKD), issued under the name O'Donnell Capital Management (ODOCK18). This hybrid capital structure enables O'Donnell to deploy capital efficiently, accelerate project development, and maximize value creation for its investors.



The Company generates revenue across a comprehensive value chain that includes:







Architectural and Engineering Design



Property Management



Construction and Development



Asset Disposition





Our property management services are customer-centric, emphasizing operational excellence, resource efficiency, risk mitigation, and value preservation. The goal is to maximize the utility and longevity of every asset for the benefit of tenants and investors alike.

#### **Core Services**



#### Marketing

O'Donnell maintains a dedicated marketing team that works closely with current and prospective clients to understand their operational needs and provide tailored leasing solutions within the most competitive industrial buildings in the market.



#### Site Selection

We ensure that all developments are strategically located within Mexico's most active industrial corridors, offering our clients competitive advantages in logistics, accessibility, and market reach.

#### Finance

Our team of finance and accounting professionals supports both internal operations and external stakeholders. We engage with investors to understand their objectives and work diligently to uphold our core values of reliability, competence, and integrity. O'Donnell strives to be the partner of choice for discerning institutional investors.



#### Building Inventory

O'Donnell maintains a ready inventory of industrial buildings in prime locations, enabling immediate occupancy and streamlined tenant onboarding to meet evolving client demands.

Property Management and Administration



#### Custom Development, Leasing, and Sales

We offer fully integrated solutions, spanning site selection, permitting, design, construction, leasing, and asset management, through a highly experienced team of professionals in industrial real estate development.



#### Design, Engineering and Construction

Our in-house architects and engineers specialize in industrial construction and work closely with clients to deliver facilities tailored to their operational needs, emphasizing quality, functionality, and efficiency.

#### Industrial Park Development and Operations

We operate and maintain industrial parks through certified engineering teams in Puebla, Querétaro, and Cuautitlán, focusing on preventive maintenance, cost efficiency, and asset longevity.

Currently, O'Donnell manages a portfolio of over 11.3 million square meters across nine markets in Mexico, serving more than 84 tenants. The firm also oversees 250,000 square meters of active development across three additional markets.



#### Acquisitions

O'Donnell is actively expanding its footprint through the acquisition of land for speculative development, build-to-suit projects, and value-added opportunities. A multidisciplinary team, spanning legal, construction, marketing, and finance, supports acquisitions in last-mile locations within Mexico's most dynamic markets.



#### Land Development and Sales

O'Donnell is known for developing industrial parks that meet world-class standards, offering robust infrastructure, strategic positioning, and sustainable construction practices.



#### Legal

Our legal team provides comprehensive support across the real estate investment lifecycle, from capital formation and government relations to development, leasing, and asset disposition, ensuring risk mitigation and regulatory compliance throughout.



## GEOGRAPHIC FOOTPRINT **AND CLIENT PORTFOLIO**

Since its founding in 1994, O'Donnell Capital Management has played a critical role in enhancing the competitiveness of its clients through a proven model focused on exceptional customer service, strategic location selection, high-quality developments, and professional, reliable asset management. In parallel with its commercial objectives, the Company remains deeply committed to generating a positive impact in the communities where it operates. To date, O'Donnell has developed and acquired approximately 1.26 million square meters across nine of Mexico's most strategic industrial regions, with total investments exceeding USD \$1 billion.

Among the firm's most prominent logistics developments are:

i) O'Donnell La Laguna and O'Donnell Centro Logístico, both located in Cuautitlán Izcalli, State of Mexico,

ii) Last-mile projects such as OD888 and O'Donnell Vallejo, situated in Mexico City, and

iii) The O'Donnell Tlalpan Industrial Park, also in Mexico City, designed to support multi-tenant last-mile operations.







## ODOCK 18

On November 9, 2018, O'Donnell Capital Management, S. de R.L. de C.V. successfully completed the placement of Trust Bond Certificates (CKDs) through the Mexican Stock Exchange (BMV), under Trust CIB/2659 "ODOCK 18", for an initial amount of MXN 400 million, with a maximum authorized issuance of MXN 2,000 million. Subsequently, on August 26, 2019, the trust executed a reopening of the issuance, raising the total authorized amount to MXN 2,945 million.

The primary objective of the CKD is to invest, either directly or indirectly, in Mexico's industrial real estate sector, in strict adherence to predefined investment guidelines.

As of December 31, 2023, 414 Capital Inc. reported that the non-marketable fair value of the CKD certificates stood at MXN 7.00 per certificate.

By year-end 2023, Trust F/2659 held investments in the following industrial assets:





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## BALANCE Sheet



#### Total Assets

to year-end 2022.

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Closed at MXN 3,736.65 million, representing a 12.5% increase compared



#### **Total Liabilities**

Reached MXN 1.51 million, marking a triple-digit increase relative to the previous year.



#### Solvency Ratio

Ended the year at 43.85, indicating a higher ratio compared to 2022.



#### Cash and Cash Equivalents

Stood at MXN 38.37 million, reflecting a triple-digit decrease year-over-year.



## INCOME **STATEMENT**



#### TOTAL REVENUES

Amounted to MXN 475.72 million, a triple-digit increase from MXN 67.80 million in the prior year.

#### TOTAL EXPENSES

Reached MXN 61.74 million, representing a 2.14% decrease year-over-year. This reduction was primarily driven by lower administrative expenses, which partially offset the impacto of increased foreign exchange losses.

## ESG STRATEGY GRI 2-24, 2-28 & 403-1 SAB IF-EN-160a2



At O'Donnell, we are firmly committed to integrating Environmental, Social, and Corporate Governance (ESG) factors into our operations and investment processes. We believe that ESG integration not only enhances financial performance, but also strengthens risk management by aligning our operations with principles of sustainability, responsibility, and long-term value creation

By detailing our ESG approach, we aim to clearly articulate how these principles are embedded in our decision-making and day-to-day activities. Our objective is to ensure that all stakeholders understand and share our commitment to sustainable, ethical, and transparent business practices, reflecting our efforts to help build a more equitable, resilient, and responsible future.



## COMMITMENTS

#### Integrating ESG factors into the Investment Process

We systematically incorporate ESG criteria throughout the investment lifecycle to ensure alignment with sustainability and social responsibility principles. This approach enables us to identify value-aligned investment opportunities, proactively assess and mitigate ESG-related risks, and ensure financial soundness while generating positive environmental and social impact.

All ESG analyses and proposals are presented to and authorized by our internal governance bodies, including the Technical Committee and the Holders' General Meeting.

#### Active ESG Management Across the Asset Lifecycle

We apply continuous and proactive ESG oversight throughout the holding period of each asset. This includes implementing sustainable operational practices, conducting regular impact and risk assessments, and driving improvements in energy efficiency, social engagement, and environmental stewardship. Our aim is to maximize long-term asset value while mitigating negative impacts and maintaining compliance with relevant ESG frameworks and standards.

#### Transparent ESG Disclosure through Annual Reports

We are committed to transparent and consistent reporting of our ESG performance. Our disclosures are guided by global standards and frameworks, including the Global Reporting Initiative (GRI). The Sustainability Accounting Standards Board (SASB), and Task Force on Climate-related Financial Disclosures (TCFD).

We also align our reporting practices with Principle 6 of the UN Principles for Responsible Investment (UN PRI), which calls for active communication on ESG issues.

All ESG disclosures are prepared in accordance with applicable regulations and industry best practices. In addition, our UN PRI Transparency and Alignment Report is publicly available through the UN PRI website. These reports provide stakeholders with a comprehensive overview of our progress, challenges, and achievements in ESG integration, while reinforcing our commitment to responsible investment and governance.

## AFFILIATIONS

#### United Nations Principles for Responsible Investment (UN PRI)

O'Donnell became a signatory to the UN Principles for Responsible Investment in the second half of 2020. This affiliation underscores our longterm commitment to embedding ESG considerations into our investment philosophy and portfolio management. We firmly believe that responsible investment practices contribute to improved financial outcomes and enhanced risk management, while supporting global sustainability objectives.



## RESPONSIBLE

At O'Donnell, responsible investment is defined as the integration of ESG factors into our investment decisions. We believe that ESG considerations can materially impact portfolio performance by enhancing value creation across the entire real estate lifecycle and improving operational efficiency.

As part of our firm commitment to sustainability and stakeholder well-being, we have established a <u>Responsible Investment Policy</u> that articulates our principles as an investor in Mexico's industrial real estate sector. This policy outlines the ESG criteria and governance mechanisms we apply during investment evaluation and selection and reflects our dedication to embedding ESG into every stage of the investment cycle.

This policy serves as a foundational tool to identify investment opportunities that generate both financial and ESG value, promote responsible business practices that benefit the communities where we operate, and guide decision-making toward long-term, sustainable outcomes.

Additionally, the policy supports transparent communication with our stakeholders by providing a consistent framework for disclosing practices, outcomes, and performance. Through this commitment, we reinforce trust in our strategy and our role as a catalyst for sustainable and inclusive development in Mexico's industrial real estate market.



## INVESTMENT Process

Our investment strategy is grounded in the belief that consciously managed capital generates sustainable, long-term value for both investors and society. To support this belief, we have developed a structured investment process that integrates ESG principles at every stage, from market intelligence to asset monetization.

We are committed to ensuring our stakeholders clearly understand how our process aligns with responsible investment standards and contributes to broader sustainable development goals.



Market Intelligence

Ongoing analysis of marketing data, construction costs, rental rates and trends.

Continuous monitoring of key industrial regions in Mexico.

50% of projects sourced through proprietary data and longstanding relationships.



Origination & Preliminary Analysis

Identification of opportunities via direct sourcing or brokerage channels.

Pre-structuring of projects: design concepts, cost estimates, rent assumptions, and financing models

Initial financial modeling and exploration of funding alternatives.

#### Investment 3 Committee Pre-Approval

Preparation of preliminary investment memorandum (plans, pricing, returns, risk profile).

Preliminary review by Investment Committee.

Initial investor gualification (debt/ equity).

Approval of due diligence budget.

Negotiation and issuance of a non-binding offer.

Engagement with equity and debt providers.

Appointment of approved audit service providers.

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Final Investment Committee Decision

Review of due diligence conclusions.

Approval or rejection of the investment.

Budget finalization and project timeline definition.

Approval by Investment and Technical Committees.

Closing

Execution of construction and tenant agreements.

Completion of permitting, insurance, and legal registration.

Legal documentation for asset registration.



#### Portfolio Management

Asset management services including insurance (property, liability, terrorism).

Ongoing client relationship management.

Value maximization and risk mitigation strategies.

Monthly reporting and CAPEX execution.

Property Operations

Execution of property management contracts.

Preventive and corrective maintenance planning.

Lifecycle extension through specialized maintenance.

Enhanced tenant satisfaction and operational stability.

#### Letter of intent



Execution of specialized studies (topographic, environmental, hydraulic, etc.).

Cost validation for permitting and desian.

Tenant creditworthiness review.

Finalization of development specifications.

Relationships with major buyers: REITs, family offices, and international investors.

Monetization

and Exit

Ongoing evaluation of macroeconomic factors influencing asset value.

Market intelligence on comparative pricing and leasing conditions.

#### **Eligibility Criteria**

The property must be real estate intended for lease, either already developed or slated for development or substantial redevelopment, across permitted industrial sub-sectors.

Assets must be located within Mexican territory, with preference for dense urban areas or the country's main logistics and manufacturing markets.

Eligible real estate must belong to the logistics and/or manufacturing industrial sub-sectors. Investments in the manufacturing sub-sector must not exceed 50% of the total committed amount of the issuance.

The property must undergo a formal appraisal conducted by qualified specialists, considering its technical and market characteristics.

An independent third-party appraisal is required to confirm that the proposed acquisition price reflects fair market value.

Aggregate leverage of the Investment Vehicles must not exceed 65% of the initial estimated project cost.

Eligible properties must have USD-denominated lease contracts and be leased to tenants with high credit quality.

#### **Exclusions**

As part of our Responsible Investment Policy,

- integrity or reputation of O'Donnell or its investment partners. For the following sectors, O'Donnell may consider investments only when strict criteria are met and full alignment with ESG principles is demonstrated: armaments, narcotics, and life-threatening 1. Energy, pharmaceuticals, 2. Defense equipment, 3. Freshwater infrastructure. involved in money laundering or linked to criminal 4. Mining and metals, organizations, 5. Chemicals, 6. Forestry and forest products, on public obligations or are subject to ongoing commercial, criminal, or civil litigation, unless such 7. Tourism developments and resorts, litigation is in the ordinary course of business 8. Infrastructure projects (general), and 9. Ports and port-related developments. and does not pose a material adverse impact to the relevant Investment Vehicle, and For detailed screening criteria applicable to these sectors, please refer to our <u>Responsible Investment Policy</u>.
- O'Donnell strictly refrains from investing in projects, industries, or entities that are incompatible with our ethical standards and long-term ESG commitments. The following are expressly excluded from our investment universe: 1. Industries involving tobacco, alcoholic beverages, 2. Illegal businesses, transient hotels, or entities 3. Companies or individuals that have defaulted

#### **ESG** Integration

At O'Donnell, we incorporate ESG factors throughout our investment process, particularly during the screening, analysis, and due diligence phases. This integration allows us to identify risks and opportunities that may materially affect asset performance, while reinforcing our commitment to sustainable and responsible investment.





#### **Environmental Considerations**

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To assess and manage environmental risks, we conduct a Phase I Environmental Site Assessment prior to acquiring any property. This study verifies the absence of environmental contamination. If potential contamination is detected, we analyze the complexity, costs, and timeline of necessary remediation efforts, and proceed with a Phase II Environmental Assessment when appropriate.

In addition, we carry out Environmental Impact Assessments (EIA) to evaluate potential environmental effects during the phases of site preparation, development, operation, and maintenance. These assessments inform the design and implementation of preventive, mitigative, or compensatory measures to reduce adverse environmental impacts and ensure regulatory compliance.

#### **Social Considerations**

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We evaluate the quality and safety of buildings and infrastructure across all approved projects to ensure alignment with O'Donnell's standards and ESG principles. Our objective is to contribute positively to the development of the communities in which we operate by enhancing the built environment and access to high-quality industrial infrastructure.

We are also committed to occupational health and safety. We ensure that our employees are not exposed to unnecessary risks related to site location, project design, or construction conditions. Additionally, we assess development sites for compliance with tenant safety criteria and structural safety standards to safeguard the well-being of future occupants and workers.

#### **Corporate Governance Considerations**

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We uphold the highest standards of business ethics throughout every stage of the real estate development process, from land acquisition and permitting to construction and asset management. Our Code of Ethics and Conduct governs the behavior of all partners, employees, contractors, and clients, fostering a culture rooted in integrity, transparency, and fairness.

#### "We want competent, honest, and trustworthy collaborators."- David O'Donnell

When evaluating acquisitions, we prioritize investment platforms and vehicles that share our ethical values and governance philosophy. In parallel, our internal governing bodies ensure that the investment process adheres to the guidelines established in our investment mandates.

Our risk management strategy includes risk mapping at each stage of the investment cycle, enabling us to proactively identify and manage material risks, thereby supporting informed and responsible decision-making.

Transparency is a cornerstone of O'Donnell's ESG framework. We are committed to reporting that goes beyond regulatory compliance to foster stakeholder trust and engagement. Our disclosures are designed to be clear and truthful, auditable and verifiable, and accessible to all stakeholders.

We strive to ensure that all relevant ESG practices, impacts, and performance indicators are communicated with integrity and accountability.

## MATERIALITY

In 2022, O'Donnell conducted its first materiality assessment to shape its ESG strategy and identify the sustainability topics most relevant to our stakeholders. This foundational exercise enabled us to begin defining KPIs and strategically allocate resources to the areas that generate the greatest long-term value for both the Company and society.

The results of this assessment are reflected in the following matrix, which categorizes topics based on their influence on stakeholder assessments and decisions and the importance of ESG impacts. Each topic is classified into one of four quadrants: Material, Urgent, General, and Emerging, based on its relevance and immediacy.



Importance of ESG impactsi

#### Material Topics

- 11 Business Ethics
- 3 Property Quality
- 1 Risk Management
- 12 Corporate Governance
- 2 Tenant Welfare
- 27 Tenant Satisfaction
- 17 Legal and Regulatory Environment Management
- 22 Business Model Resilence
- 4 Employee Engagement
- 28 Property Safety
- 16 Water and Wastewater Management

#### **Urgent Topics**

- 24 Employee Health and Safety
- 15 Energy Management
- 25 Tenant Health and Safety
- 30 Innovation Systems

The Material Quadrant comprises topics with both high strategic relevance and high stakeholder concern. These issues are central to O'Donnell's long-term ESG priorities and business continuity.

The General Quadrant contains globally relevant issues that resonate more strongly with external audiences but currently have a limited impact on internal operations.

The Emerging Quadrant identifies topics that are gaining momentum in the ESG landscape. These may move into other quadrants as their significance evolves.

The Urgent Quadrant includes critical issues that may have been under-addressed but now require immediate focus due to their direct operational and reputational implications.

	General Topics
8 19 5 14	On-site Renewable Energy Labor Practices Human RIghts Waste Management
	Emerging Topics
10 20 7 23 18 26 29 6 13 21	Climate Change Strategy Tenant Privacy Greenhouse Gas (GHG) Emissions Community Health and Safety Complaint Reporting Mechanisms Employee Satisfaction Data Security Diversity and Inclusion Supply Chain Management Community Relations

9 Philanthropic Efforts



## ANALYSIS

O'Donnell recognizes the increasing relevance of climate-related risks and opportunities in shaping long-term corporate value. As part of our commitment to sustainability and transparency, we are integrating the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) into our overarching ESG strategy. This effort strengthens our resilience, reinforces stakeholder trust, and positions O'Donnell as a leader in sustainable industrial real estate development in Mexico.

#### Strategic Objectives Aligned with TCFD

We have established strategic pillars aligned with the TCFD framework to guide our climate action:



Sustainable Construction Practices: Incorporating renewable energy systems, energy-efficient designs, and sustainable materials across all projects.



Diversified Property Portfolio: Developing infrastructure that supports sustainable logistics, energy optimization, and climate adaptation.





Carbon Neutrality Programs: Participating in carbon offset initiatives to minimize our operational climate impact.



Strategic Communication: Demonstrating leadership in climate resilience through transparent and proactive communication with stakeholders.

Partnerships for Climate Solutions: Collaborating with strategic partners to implement mitigation and adaptation solutions.

We acknowledge that climate change poses both material risks and strategic opportunities for our operations.

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**KEY CLIMATE RISKS** 

- **Extreme Weather Events:** Increased frequency of storms and flooding could disrupt logistics operations and damage physical assets.
- Water Scarcity: Limited water availability may compromise the operational efficiency of our facilities, particularly in high-risk zones
- Supply Chain Disruptions: Weather volatility can affect material availability, cost structures, and project timelines.
- **Regulatory and Market Shifts:** Transitioning to low-carbon economies may reduce demand for traditionally designed industrial spaces.





#### SUSTAINABLE OPPORTUNITIES

- technologies.
- Climate-Focused Partnerships: Leveraging alliances with solution providers to implement cutting-edge adaptation and mitigation strategies.
- support emissions reduction goals.
- and demonstrate climate leadership.

**Sustainable Construction Practices:** Enhancing competitiveness by adopting green construction standards and energy-efficient

 Green Infrastructure: Positioning our properties to serve the growing demand for climate-resilient and low-emission logistics hubs.

• Carbon Management: Participating in verified offset programs to

**Stakeholder Engagement:** Using strategic communication to build trust



#### **TCFD Recommendations for O'Donnell**

Governance

- Board Oversight: Establishing a governance framework for monitoring climaterelated risks and opportunities.
- **Executive Accountability:** Defining roles and responsibilities for management in implementing the TCFD-aligned strategy.

Strategy

- Scenario Analysis: Conducting forward-looking assessments to understand the financial impact of different climate scenarios.
- Strategic Integration: Embedding climate considerations into long-term business planning and investment decision-making.

Risk Management

- physical and transition climate risks.
- enterprise risk management (ERM) system.

#### Metrics and Targets

- performance across energy, emissions, and resilience.
- gas (GHG) emissions and improve resource efficiency.

**Risk Identification:** Developing methodologies to identify, assess, and prioritize

**Framework Integration:** Embedding climate-related risks into the broader

• Performance Monitoring: Establishing key indicators to measure climate

• Emissions Reduction: Setting and disclosing clear targets to reduce greenhouse



#### **Future Commitment**

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O'Donnell is committed to advancing the integration of climate-related disclosures and practices in line with TCFD. We aim to set ambitious short- and long-term goals, uphold transparency in climate-related decision-making, and maintain continuous engagement with our stakeholders.

Through collaboration and proactive feedback, we aspire to lead the transformation of industrial real estate into a resilient, low-carbon sector that generates enduring value for our investors, clients, and the communities we serve.

#### Strategy Implementation and Future Plans

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To operationalize the TCFD recommendations, O'Donnell is actively:

- Forming partnerships with climate solution providers for adaptation and mitigation initiatives at the project level.
- Implementing TCFD training programs for executive management and technical teams.
- Adopting digital tools to improve data collection, analysis, and climate risk reporting.
- Expanding our portfolio of sustainable assets in priority markets.
- Engaging stakeholders in impact monitoring, validation, and continuous improvement processes.



## CORPORATE GOVERNANCE STRUCTURE

GRI 2-9, 2-12, 2-13, 2-15, 2-16, 2-17, 2-22, 2-26 & 205-2

OD 888





## HOLDERS' GENERAL MEETING

The Holders' General Meeting is a cornerstone of the corporate governance framework of O'Donnell Capital Management, S. de R.L. de C.V. It represents all certificate holders and possesses the authority to make binding decisions on their behalf, including over those who are absent or dissenting.

This body plays a critical role in the strategic oversight of the issuing trust. Its key responsibilities include:

Approval of Significant Transactions: The Meeting must authorize material transactions that could impact the trust's assets, ensuring such decisions are supported by a representative majority of certificate holders.

Authorization of Certificate Issuance Changes: Any extensions, modifications, or structural changes to the terms of the certificate issuances must be approved by the Meeting.

Qualified Majority Requirements: Strategic decisions may require a qualified majority vote to ensure robust consensus around material changes.

The decision-making process is designed to be inclusive, transparent, and aligned with the collective interests of holders. Meetings are convened periodically to deliberate on critical matters, reinforcing accountability and fostering stakeholder confidence in the governance of the trust.

## EXECUTIVE MANAGEMENT TEAM

#### JOHN O'DONNELL DWYER Founder and Chief Executive Officer

Experience: Founded O'Donnell in 1994 and has since acquired, developed, and managed approximately 17.4 million ft<sup>2</sup> across 10 markets in Mexico, deploying over USD \$900 million through partnerships with AIG, PGIM, and the O'Donnell Capital Management CKD (ODOCK18).

Active member of AMPIP, AmCham, NAIOP Forum, and former Trustee and Foundation Governor at ULI.

Education: B.A. in Political Economy, University of California, Berkeley.

Born in Newport Beach, California.

#### MARIO DEL BOSQUE Legal Director

Experience: Over 15 years in real estate, corporate law, and M&A.

Has advised on industrial real estate transactions exceeding USD \$500 million.

Previously served as Senior Associate at Greenberg Traurig.

Education: Law degree, Universidad Iberoamericana; LL.M., Northwestern University; Diploma in Business, Kellogg School of Management.

#### MARIONO CINAROGLU Commercial Director

Experience: More than 11 years in real estate investment.

Previously Principal at KKR, managing a USD \$7 billion global real estate portfolio.

Also held roles at Lionstone Investments and PGIM Real Estate (U.S.).

Education: BBA, McCombs School of Business, University of Texas at Austin.

#### JOSÉ CABALLERO

#### Director of Development

**Experience**: Over 7 years in industrial real estate development.

Most recently an Associate at Hines, leading new development initiatives. Past roles at Linio, Cambas, and Citibanamex.

Education: Degree in Financial Management, ITAM

#### JAVIER PANO

#### Director of Operations and Investor Relations

Experience: Former Deputy Director of Investment Management and ESG at Afore Profuturo with oversight of USD ~\$5.5 billion in alternative investments.

Specialized in strategic analysis, investment recommendations, and ESG integration.

Education: Bachelor's in Business Administration, Universidad La Salle; Diploma in Corporate Finance and Management, ITAM; Entrepreneurial Capital Program, IPADE Business School.

#### HÉCTOR ARMIENTA

#### Director of Human Resources

**Experience**: Extensive international HR leadership experience.

Former HR Director at Telasist and Global HR Partner at Eutelsat, where he led restructuring efforts across Italy, France, Mexico, Brazil, and the U.S.

Education: Master's in Psychology, Universidad Anáhuac; Diploma in Education, ITAM; Bachelor's in Psychology, Universidad Iberoamericana



### GOVERNANCE COMMITTEES

The Technical Committee of O'Donnell plays a central role in the corporate governance of the Trust. It is composed of up to 21 members, of whom at least 25% must be independent, as designated by the Trustor. The committee includes both proprietary and independent members.

The Committee is responsible for overseeing and authorizing key strategic and operational matters, including:

- 1. Approval of initial and subsequent issuances of trust certificates,
- 2. Authorization of amendments to the management agreement,
- 3. Approval of significant capital contributions to, or withdrawals from, the Trust,
- 4. Oversight of the trustee's obligations, and
- 5. Establishment and review of investment policies for the Trust's asset portfolio.

Composition as of December 31, 2023:

#### **Technical Committee**

Member	Role	Independent
John David O'Donnell Dwyer	President	No
Mario del Bosque Martínez	Secretary	No
Javier Pano Navarrete	Member	No
Blanca Patricia Rodríguez Ortiz	Member	No
Juan Manuel Valle Pereña	Member	No
Manuel Sánchez González	Member	Yes
Eduardo Valdés Acra	Member	Yes
Alejandro Aranda Jáuregui	Member	Yes
Arturo Guerrero García	Alternate	
Felipe Alonso Bustos Sumano	Alternate	
Amira Yolatl Monroy López	Alternate	
Ángel Santiago Fernández	Alternate	
Iván Javier Lara Molina	Alternate	
Francisco Javier Martínez García	Alternate	
Miguel Ángel Corona Gaspar	Alternate	

#### **Investments Committee**

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The Investment Committee is a core component of O'Donnell's investment decision-making process. It is responsible for:

- General Meeting,
- 2. Conducting technical analyses of development projects, and
- value creation.

Composition as of December 31, 2023:

#### Member

John David O'Donnell Dwyer Mario del Bosque Martínez Javier Pano Navarrete



1. Preparing and presenting investment proposals to the Technical Committee or the Holders'

3. Structuring investment flows and financial modeling to evaluate opportunities that maximize

Independent
No
No
No

## BUSINESS ETHICS **AND COMPLIANCE**

At O'Donnell, business ethics is a foundational value that guides our conduct, operations, and relationships. We are committed to upholding the highest standards of integrity and fostering a corporate culture rooted in transparency, accountability, and ethical leadership.



#### Code of Ethics and Conduct

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O'Donnell's Code of Ethics and Conduct provides clear behavioral expectations for all employees, partners, and contractors. It establishes the ethical foundation for responsible business conduct and covers critical areas such as:

#### Integrity and Honesty

Commitment to thruthfulness and transparency in all interactions and transactions

#### **Regulatory** Compliance

Full adherence to applicable laws, industry standards and regulatory obligations.

#### Conflicts of Interest

Policies to identify and mitigate situations that may impair impartiality or professional judgment.

#### Confidentiality

Protection of sensitive data and proprietary information relating to clients, partners and the company.











To embed our ethical values throughout the organization, we make appropriate efforts on education and training, ensuring alignment with our standards. Such actions include:

- 1. All new hires receive comprehensive onboarding training, covering the Code of Ethics, ESG principles, and key company policies.
- 2. Periodic training sessions are conducted for all staff, reinforcing our ethical framework and updating employees on regulatory and industry developments.
- 3. We implement interactive workshops and awareness programs to promote integrity, ethical leadership, and responsibility across business functions.

Parallelly, O'Donnell supports professional growth through our 360 Program, a performance review and development platform that identifies improvement areas and recommends personalized training plans.

To further enhance employee satisfaction and workplace culture, we offer a variety of benefits aimed at improving quality of life, including:



These initiatives reflect our holistic approach to corporate responsibility, prioritizing ethical conduct, stakeholder trust, and employee well-being.

#### **Compliance Mechanisms**

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To uphold the integrity of our operations and ensure strict adherence to our Code of Ethics and corporate standards, O'Donnell has implemented a robust set of compliance and monitoring mechanisms. These tools reinforce our commitment to ethical conduct, transparency, and accountability at all levels of the organization.

#### Whistleblower Hotline

O'Donnell operates a confidential whistleblower hotline, enabling employees, partners, and stakeholders to report ethical violations or misconduct anonymously and without fear of retaliation. This mechanism ensures that concerns can be raised in a secure and trusted manner.

Internal Audits

We conduct regular internal audits and compliance reviews to monitor adherence to internal policies, procedures, and legal regulations. These evaluations help us promptly identify non-compliance issues and implement corrective actions.

Investment Committee Oversight

The Investment Committee plays an essential role in overseeing the implementation of responsible investment policies. It ensures that all transactions and strategic decisions are aligned with O'Donnell's governance standards and ESG commitments.

### EVALUATION AND CONTINUOUS **IMPROVEMENT** FRAMEWORK

At O'Donnell, continuous improvement is a core principle that sustains our competitiveness, innovation, and leadership in the industrial real estate sector. Our commitment to operational excellence and stakeholder satisfaction drives a dynamic process of self-evaluation, adaptation, and enhancement across all business areas.

To ensure that our operations meet the highest standards of quality, sustainability, and client service, we employ the following evaluation tools:

- Internal Audits: Periodic assessments of internal controls, compliance with policies and procedures, and alignment with applicable legal and regulatory frameworks.
- Performance Monitoring: Ongoing tracking of project and organizational performance using KPIs to assess the efficiency and impact of our strategies.
- Customer Satisfaction Surveys: Systematic collection of feedback from clients and tenants to gauge satisfaction levels and identify service enhancement opportunities.

In addition, our approach to continuous improvement focuses on proactive transformation and operational optimization through the following practices:

- inefficiencies, streamline operations, and improve resource utilization.

At O'Donnell, we recognize employee feedback as a critical driver of innovation and value creation. We actively foster a collaborative environment where all team members are encouraged to contribute ideas and solutions to enhance company performance. This open feedback culture enables us to:





Identify new opportunities for innovation and operational excellence.

Develop and implement impactful changes that improve results across the organization.

Process Review and Optimization: Regular evaluation of business processes to identify

Innovation and Technology Adoption: Integration of emerging technologies and innovative practices to enhance productivity, reduce environmental impact, and future-proof operations.

Employee Training and Development: Ongoing investment in learning and capacity-building programs to foster adaptability, upskill our workforce, and align teams with strategic objectives.



Adapt swiftly to market shifts and evolving stakeholder expectations.

## CYBERSECURITY MEASURES

At O'Donnell, cybersecurity is a strategic priority, reflecting our commitment to protecting the confidential information of our clients, employees, and business partners. As cyber threats continue to evolve, we have adopted a proactive and resilient approach to risk identification, prevention, and incident response to ensure the integrity, availability, and confidentiality of our data and digital infrastructure.

#### **Cybersecurity Strategies**

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Our IT systems are designed to be both secure and resilient. We employ advanced firewalls and intrusion detection technologies to prevent unauthorized access and detect suspicious activity across our networks. To safeguard sensitive information, we apply encryption standards to data both in transit and at rest, ensuring full protection throughout its lifecycle.

Additionally, we perform regular backups of critical systems and information to enable rapid recovery in the event of a cyber incident or technical failure. These measures are central to maintaining the continuity of our operations and minimizing business disruption.

#### **Training and Awareness**

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#### **Incident Response**

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O'Donnell has established a dedicated cybersecurity incident response team tasked with monitoring, detecting, investigating, and mitigating potential security breaches. This team is trained to act promptly and decisively to reduce the impact of any incident. Furthermore, we have developed a comprehensive business continuity plan, which includes well-defined disaster recovery procedures and incident response protocols to ensure a swift and coordinated return to normal operations following any disruption.

#### **Collaboration and Compliance**

Our cybersecurity framework complies with all applicable data protection and privacy laws, including the General Data Protection Regulation (GDPR) and Mexico's Federal Law on the Protection of Personal Data Held by Private Parties. We also collaborate closely with cybersecurity consultants and participate in industry forums to stay informed on evolving threats and regulatory trends. These collaborations ensure that our cybersecurity practices remain robust, current, and effective.









SASB IF-EN-410a.2

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## WASTE MANAGEMENT PRACTICES

The majority of waste generated in our industrial parks originates from landscaping activities and miscellaneous paper collected from guardhouse bins. This waste is managed responsibly and is transported to landfills certified by Mexico's primary environmental watchdog, which comply with the necessary environmental standards to ensure safe and sustainable disposal. While the tenants of our properties are individually responsible for managing their own waste, O'Donnell actively promotes best practices in waste segregation and disposal, encouraging all stakeholders to collectively contribute to sustainability efforts.

To complement this, we have implemented a hazardous waste separation system across our facilities. This system enables the proper classification and handling of hazardous materials in accordance with applicable environmental regulations. Specialized treatment of these materials minimizes their environmental impact and supports the protection of both ecological systems and public health.

## ENERGY MANAGEMENT

At O'Donnell, we apply strategic energy planning across all facilities to enhance operational efficiency and reduce environmental impact. This begins with the precise design of electrical systems in our warehouses, tailored to the specific energy demands of each facility. By integrating advanced technologies and efficient layouts, we ensure the optimal use of energy from the outset.

Operational efficiency is further maintained through continuous monitoring and preventive maintenance of installed equipment. We conduct regular performance assessments and implement necessary adjustments to avoid energy waste and reduce operational costs. Additionally, we have adopted automated systems and operational procedures to manage lighting and equipment usage in common areas, ensuring that energy consumption is minimized during off-peak periods.

To strengthen the energy culture within the organization, we promote awareness programs for both tenants and employees. These initiatives include training sessions, distribution of educational materials, and internal campaigns designed to highlight the importance of energy conservation and the shared responsibility in achieving sustainability goals.

Looking ahead, we plan to deepen tenant engagement by involving them in the monitoring and control of energy usage across their leased spaces. Awareness efforts will focus on three key areas, water, waste, and energy, to reinforce a holistic understanding of sustainability. We will continue to analyze energy consumption data to ensure alignment with operational benchmarks and will implement more rigorous monitoring of electrical loads. This will allow for more precise control of high-consumption areas, further enhancing energy efficiency across our portfolio.

## WATER **STEWARDSHIP**

Most of our parks are equipped with on-site water treatment plants designed to achieve zero discharge by recycling treated water for non-potable uses, such as irrigation and toilet flushing. These systems operate in full compliance with applicable Mexican Official Standards (NOMs) for wastewater treatment and contribute to resource conservation and environmental protection.

To ensure optimal functionality of our water systems, we have established a rigorous operational protocol. This includes:



#### Monthly Water Quality Testing:

We conduct regular laboratory analyses to verify that treated effluent consistently meets established quality parameters.



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#### Preventive Maintenance:

Our teams perform scheduled maintenance on treatment equipment to ensure uninterrupted and optimal functionality

#### Biological Enhancement:

We add essential microorganisms to the treatment process to optimize biological degradation and system performance



#### Reactor Cleaning:

We routinely clean treatment reactors to eliminate contaminants and maintain biological efficiency.

#### Safe reuse and disposal:

Treated water is managed responsibly, with a focus on maximizing reuse while minimizing environmental impact.

#### Recycling for Non-potable Use:

Treated water is recycled on-site for irrigation and sanitary uses, advancing out commitment to sustainable water management.



2023 Annual Report



### BUILDING QUALITY AND SECURITY STANDARDS

At O'Donnell, we uphold strict quality control procedures for the construction of our facilities, with a particular focus on critical materials such as concrete, reinforcing steel, earthworks, and welding. These controls are implemented in coordination with certified laboratories to ensure full compliance with the highest safety and quality standards, as established by the applicable NOMs for the construction industry.

Beyond materials, we maintain rigorous occupational safety procedures across all worksites. These include daily safety briefings for new personnel, mandatory use of personal protective equipment, such as helmets, safety boots, reflective vests, and harnesses, and adherence to all regulatory requirements by specialized, certified professionals. This approach ensures that our operations fully comply with NOMs related to workplace health and safety, safeguarding the wellbeing of everyone involved in our development projects.



#### HEALTH AND SAFETY OF TENANTS AND EMPLOYEES

In response to the COVID-19 pandemic, O'Donnell implemented a comprehensive health and hygiene monitoring protocol to protect the well-being of our employees and tenants. This included the distribution of personal protective equipment to all staff, ensuring a secure working environment and minimizing the risk of virus transmission. These preventive measures were reinforced through strict compliance monitoring and coordination with tenants, who share our commitment to maintaining high health and safety standards within their operations. For our employees, we provide not only social security coverage but also major medical insurance, offering comprehensive protection in the event of health-related needs. To promote overall wellness, we have launched various initiatives such as Be Wellness Releases, health insurance briefings, laboratory discount coupons, healthy lifestyle materials, and our "Stress Management" program. These programs are designed to foster physical, emotional, and psychological well-being throughout the organization. In tenant spaces, we apply the same commitment to health standards by implementing a hygiene monitoring process aligned with our internal safety criteria. This process was enhanced during the pandemic and remains in place to ensure that all facilities uphold a safe and healthy environment for employees and visitors alike. Our properties are also covered by comprehensive liability and all-risk insurance policies, and we maintain full compliance with documentation requirements issued by regulatory authorities.



To further strengthen the health and safety of our properties, we have adopted a set of preventive protocols that include the installation of fire detection and suppression systems, controlled access mechanisms, and the enforcement of no-smoking policies. Electrical and gas systems are subject to regular maintenance to prevent malfunctions, and all chemicals used on-site are managed through Material Safety Data Sheets (MSDS) to ensure safe storage and handling. Additionally, we conduct environmental assessments at the start and end of each lease period to confirm regulatory compliance and reduce environmental risk exposure.

#### EMPLOYEE ENGAGEMENT AND SATISFACTION

At O'Donnell, we firmly believe that the success of our organization is inherently linked to the well-being and professional development of our employees. Guided by this principle, we have implemented a comprehensive 360-degree feedback program designed to identify areas for personal and professional growth for each team member.

This program evaluates performance from multiple perspectives, allowing us to understand individual development needs while recognizing strengths. Based on these insights, we design customized training plans that align both with the strategic goals of the company and the professional aspirations of our employees. These programs focus on strengthening both technical and soft skills, ensuring that our workforce remains agile, capable, and prepared to meet the evolving demands of the industry.

Beyond professional development, we are deeply committed to supporting the holistic well-being of our employees. Our benefits program is designed to enhance quality of life inside and outside the workplace. It includes personal loan support, as well as discount agreements with partner establishments, offering preferential access to a range of goods and services.

Recognizing the importance of work-life balance, we have implemented Home Office Fridays, providing our team with added flexibility and convenience to manage their professional and personal responsibilities. In addition, we cultivate a positive work environment through regular social events, including year-end celebrations, raffles, birthday recognitions, and other special day observances. These initiatives foster camaraderie, strengthen team spirit, and reinforce our culture of appreciation.

At O'Donnell, we are committed to creating a workplace where every employee feels valued, supported, and inspired to reach their full potential. Our focus on satisfaction and engagement is not aspirational, it is embedded in the core of our organizational culture and reflected in the day-to-day experience of our team.



## TENANT SATISFACTION AND RETENTION

We maintain ongoing, proactive communication with our tenants and conduct semi-annual satisfaction surveys to evaluate KPIs such as cleanliness, safety, and facility quality. These insights help us continuously improve the tenant experience and uphold the high standards that characterize our properties. Complementing this effort is a preventive maintenance and repair program that ensures all of our facilities are well-maintained, functional, and aligned with tenant expectations. In addition, every property in our portfolio is protected by comprehensive liability and all-risk insurance policies, reinforcing our commitment to operational continuity and tenant security.

## RESILIENCE OF OUR BUSINESS MODEL

To safeguard the continuity of our operations, we have developed business continuity plans designed to address a range of contingencies, including natural disasters and security-related incidents. These plans ensure that our operations remain robust, adaptive, and sustainable, regardless of external disruptions.

## INDUSTRY ENGAGEMENT AND COLLABORATION

At O'Donnell, we actively maintain institutional relationships with leading industry associations, reinforcing our commitment to knowledge-sharing, responsible business practices, and sector-wide advancement. These affiliations enable us to remain at the forefront of industry trends, regulatory developments, and best practices in real estate and logistics.

ampip

Asociación Mexicana de Pargues Industriales de México (AMPIP): The leading association of private industrial park developers and operators in Mexico. AMPIP supports the competitiveness of the sector through training programs, technical advisory services, and representation before government authorities.

ULI Urban Land Institute

UrbanLandInstitute (ULI): Aglobal non-profitorganization committed to advancing sustainable land use and urban development. ULI promotes improvements to the built environment through knowledge sharing, research, and education on topics such as urban planning, real estate development, and land use policy.

Asociación Mexicana de Venta Online (AMVO): An organization that represents companies engaged in e-commerce in Mexico. AMVO promotes the growth of the digital market by providing research, best practices, and support services to its members.

American Chamber of Commerce (AMCHAM): A business organization that represents the interests of U.S. companies operating abroad. AMCHAM fosters dialogue between the private and public sectors, promotes international trade and investment, and provides a platform for members to exchange insights and best practices across markets.





Consejo Nacional de Ejecutivos en Logística y Cadena de Suministro (ConaLog): A Mexican organization that brings together professionals, academics, and students in the logistics and supply chain sectors. ConaLog aims to enhance the sector's competitiveness through knowledge exchange, events, research, and the promotion of integrated logistics solutions that contribute to national economic development.



In addition to institutional involvement, we cultivate direct relationships with key stakeholders across our value chain to promote a collaborative, transparent, and efficient environment within the real estate industry. These stakeholders include:









# ABOUT THIS REPORT

2023 Annual Report

## STATEMENT OF USE

This report presents a comprehensive overview of O'Donnell's activities and performance during the reporting period from January 1 to December 31, 2023. It highlights our commitment to sustainability and outlines our ESG initiatives, actions, and achievements.

The report has been prepared with reference to the Global Reporting Initiative (GRI) Standards, the Sustainability Accounting Standards Board (SASB) framework, and the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), ensuring alignment with internationally recognized best practices for sustainability reporting and transparent disclosure to investors and other stakeholders.

The information presented in this Sustainability Report was compiled by the teams responsible for each respective area. It was subsequently consolidated and validated by the internal ESG team, and formally approved by the Chief Executive Officer, who reviewed and authorized its final publication. Additionally, this report was externally verified by Vert Desarrollo Sustentable, a firm specializing in sustainability reporting and assurance, to confirm its compliance with applicable reporting standards.



## GRI CONTENT INDEX

Content	Description	Section	Page					
	GRI 2: 2021 General Content							
2-1 2-2 2-3 2-5 2-6 2-9 2-12 2-13 2-14 2-15 2-16 2-17 2-22 2-23 2-24 2-26 2-28	Organizational details Entities included in the organization's sustainability reporting Reporting period, frequency and contact point External assurance Activities, value chain, and other business relationships Governance structure and composition Role of the highest governance body in overseeing the management of impacts Delegation of responsibility for managing impacts Role of the highest governance body in sustainability reporting Conflicts of interest Communication of critical concerns Collective knowledge of the highest governance body Statement on sustainable development strategy Policy commitments Embedding policy commitments Mechanisms for seeking advice and raising concerns Membership associations	Corporate Profile Corporate Profile About this Report About this Report Corporate Profile Corporate Governance Structure Corporate Governance Structure About this Report Corporate Governance Structure Corporate Governance Structure Corporate Governance Structure Corporate Governance Structure Corporate Governance Structure Message from the Chief Corporate Governance Structure Corporate Governance Structure	6 88 88 6 52 52 52 88 52 52 52 52 4 52 52 52 52 52 28					
Economic Performance 2016								
201-1	Direct economic value generated and distributed	Economic Performance	22					
	Anti-corruption 2016							
205-2	Communication and training on anti-corruption policies and procedures	Corporate Governance Structure	52					
Occupational Health and Safety 2018								
403-1	Occupational health and safety management system	ESG Strategy/ Social Scope	28 y 76					

# **SASB** CONTENT INDEX

Торіс	Metric	Code	Section	Pages
Environmental impacts of project development	Discussion of processes to assess and manage environmental risks associated with project design, siting and construction.	IF-EN-160a.2	ESG Strategy	28
Lifecycle Impacts of Buildings & Infrastructure	Discussion of process to incorporate operational-phase energy and water efficiency considerations into project planning and design.	IF-EN-410a.2	Environmental Scope	70

#### EXTERNAL ASSURANCE STATEMENT ON GRI AND SASB DISCLOSURES



Annual Sustainability Report 2023 External and Independent Verification Letter

To the Stakeholders of O'Donnell Capital Management, S. de R.L. de C.V.:

This document presents the independent assurance opinion of Vert, Desarrollo Sustentable (Vert)regarding the 2023 Annual Sustainability Report of O'Donnell Capital Management, S. de R.L. de C.V.

Vert's objective was to conduct an external verification of the contents of the report, in accordance with the Global Reporting Initiative (GRI) Standards 2021 and the Sustainability Accounting Standards Board (SASB) framework applicable to the Engineering and Construction Services sector.

Verification Methodology:

To gain a full understanding of the report's structure and underlying processes, Vert held meetings with O'Donnell's Investor Relations team, which coordinated communication with the relevant internal departments responsible for data and disclosures. Vert evaluated the data collection mechanisms used to compile the information presented in the report, including both qualitative and quantitative content. Additionally, Vert validated the application of topics in alignment with the GRI Standards 2021 and SASB Standards relevant to the sector, assessing the accuracy, traceability, and materiality of the disclosures based on supporting documentation provided by O'Donnell and its internal ESG team. The verification process was designed to confirm the report's adherence to the core reporting principles of accuracy, balance, clarity, completeness, comparability, timeliness, sustainability context, and verifiability, ensuring consistency across this and future disclosures.

Conclusion:

To gain a full understanding of the report's structure and underlying processes, Vert held meetings with O'Donnell's Investor Relations team, which coordinated communication with the relevant internal departments responsible for data and disclosures. Vert evaluated the data collection mechanisms used to compile the information presented in the report, including both qualitative and quantitative content. Additionally, Vert validated the application of topics in alignment with the GRI Standards 2021 and SASB Standards relevant to the sector, assessing the accuracy, traceability, and materiality of the disclosures based on supporting documentation provided by O'Donnell and its internal ESG team. The verification process was designed to confirm the report's adherence to the core reporting principles of accuracy, balance, clarity, completeness, comparability, timeliness, sustainability context, and verifiability, ensuring consistency across this and future disclosures.

Miguel Gonzalo Bermejo Rocher (Socio) Partner, Vert Desarrollo Sustentabl Certified Sustainability Professional (GRI Standards 2021) Issuance: Nov. 2023 Certification ID: 88330479

About the Verification

Vert's professionals are qualified to assess and verify compliance with internationally recognized guidelines for the preparation and publication of sustainability reports. This assurance engagement was conducted under principles of independence, objectivity, and confidentiality. Vert does not assume responsibility for the internal data collection processes used in this report. This verification statement is dated December 4, 2024, and remains valid unless the report is modified or republished.



3 Sulgado

Benjamín Salgado Pérez FSA Credential Level II Candidate



## CONTACT

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