

PROLOGIS, L.P., PROLOGIS EURO FINANCE LLC, PROLOGISYEN FINANCE LLC

2020 Green Bond Report

December 22, 2020



Prologis International Park of Commerce, Tracy, California

Green Bond Report



This Green Bond Report is being released in relation to the 2020 green bond issuances by Prologis, L.P., Prologis Euro Finance LLC and Prologis Yen Finance LLC (together with Prologis, Inc. and its affiliates, “Prologis”). Prologis is one of the global leaders on the sustainability front. As a result of our ongoing commitment to sustainability, Prologis was named the top real estate company on the 2020 Global 100 Most Sustainable Corporations in the World list published by Corporate Knights.

Sustainability is embedded in our long-term strategy and we have focused on continuously improving our portfolio by expanding the number and quality of sustainable buildings. Prologis future-proofs its buildings to stay ahead of our customers’ evolving energy, transportation and labor requirements. Sustainable design features, such as efficient lighting, cool roofs, data sensors and smart metering, result in less energy consumption, reduced carbon emissions and a better, more productive working environment for our customers’ employees.

Prologis’ leadership in green asset development over the last two decades has provided the company with an opportunity to be a leader in the green financing markets. To-date, Prologis and its related co-investment ventures have issued ten green bonds, as well as, arranged four lending facilities with sustainability-linked features.

We issued the following green bonds during 2020 in accordance with Prologis’ Green Bond Framework:

- February 2020 €550M 0.375% 8-year Green Euro (“EUR”) bond (ISIN no. XS2112475509)
- June 2020 ¥5.3B 0.850% 10-year and ¥13B 1.222% 15-year Green Japanese yen (“JPY”) bonds (ISIN no. XS2193854804 and XS2193947137, respectively), and
- August 2020 \$750M 1.250% 10-year Green U.S. dollar (“USD”) bond (ISIN no. US74340XBR17)




We utilized the net proceeds from these bonds to invest in green projects that met the use of proceeds criteria in the Green Bond Framework. Our investment in the green projects is based on the gross book value of the buildings at the end of the quarter when the buildings were stabilized for developed assets or the final acquisition cost for acquired assets. The net proceeds from these green bonds were fully allocated to green projects as detailed on pages 7-10. In the case of the assets valued in currencies other than USD the applicable foreign exchange rate at the end of the quarter that the building was stabilized was used to convert the value to a USD equivalent.

Our ESG Vision and Strategic Areas of Focus

Building a sustainable future today

- 1 Set standards for buildings of the future that deliver energy, health/well-being and resilient solutions for our customers
- 2 Implement our comprehensive strategy to measure, mitigate and reduce carbon emissions
- 3 Focus our organizational efforts to invest in the development and well-being of our employees
- 4 Impact the real estate industry through our global inclusion and diversity efforts
- 5 Support environmental, economic and social initiatives in the communities where we operate
- 6 Utilize and promote sustainable financing to further investments in our ESG initiatives

An ESG Strategy with Focused and Measurable Objectives

SUSTAINABLE DEVELOPMENT GOALS		PROGRESS	GOALS
	Certifications	143 MSF	100% ¹
	Cool roofs	46%	100% ²
	LED lighting	33%	100%
	Solar ³	212 MW	400 MW by 2025
	Science Based Targets for GHG (greenhouse gas) emission (Scope 1, 2 & 3) ⁴	Scope 1 & 2: 4,842 MTCO ₂ e ⁵ Scope 3: 5,038,778 MTCO ₂ e	Scope 1 & 2: 2,682 MTCO ₂ e to be reduced Scope 3: 133,963 MTCO ₂ e to be reduced

Note: All numbers on this page are as of December 31, 2019 and cover the portfolio, which includes wholly owned properties and properties owned by the co-investment ventures

1. 100% of new developments are designed with a goal of certification where appropriate and recognized sustainability rating systems are available
2. Goal is to install cool roofing on 100% of new developments and roof replacements, where feasible and appropriate, given climate factors
3. The generating capacity of solar installations is measured in megawatts (MW)
4. Three categories of emissions per Greenhouse Gas Protocol. Scope 1 - all direct emissions. Scope 2 - indirect emissions from electricity purchased or used. Scope 3 - all other indirect emissions.
5. MTCO₂e - Metric tons of carbon dioxide equivalent

Environmental Impact of 2020 Green Bond Portfolio

BOND OFFERINGS	AGGREGATE PRINCIPAL AMOUNT		NUMBER OF BUILDINGS	SQUARE FOOTAGE (IN MILLIONS)	SQUARE METERS
	LOCAL	USD ¹			
February 2020 Green Bond Offering	€550,000,000	\$602,580,000	16	5.7	531,000
June 2020 Green Bond Offerings	¥18,300,000,000	\$169,835,405	7	2.4	218,000
August 2020 Green Bond Offering	\$750,000,000	\$750,000,000	25	9.2	856,000
Total		\$1,522,415,405	48	17.3	1,605,000



Total electricity savings: **26,205** MWh /Year – equivalent to powering **2,138** homes for a year²



Total CO2 savings: **17,119** MTCO2e /Year – equivalent to taking over **3,600** cars off the road²



Average indoor water savings : **35%**³



Total installed solar capacity: **10.9** MW – equivalent to powering **1,258** homes

1. In the case of the bonds issued in currencies other than USD, the applicable foreign exchange rate at the end of the quarter in which the bonds were issued was used to convert the values to a USD equivalent

2. Based on energy modeling done for the core and shell of developed buildings certified through our LEED volume program compared to a market base case per LEED certification methodology. The equivalency was calculated using <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>

3. Based on high efficiency water features and estimated water efficiency in the design stage for the core and shell of developed buildings certified through our LEED volume program compared to a market base case per LEED certification methodology

Data available for: 39 / 48 buildings = 81% by building count

Prologis Green Bond Framework

GREEN BOND FRAMEWORK

1. Use of Proceeds

- Investments in green buildings
- Renewable energy: solar panel and wind-related projects
- Energy efficiency and storage

2. Process for Project Evaluation & Selection

- Dedicated Green Bond Committee
- Proceeds evaluated and allocated based on criteria listed in Use of Proceeds

3. Management of Proceeds

- Value of allocated portfolios matches or exceeds the net proceeds raised from outstanding green bonds
- Any shortfall, due to intervening circumstances, is remediated by adding eligible projects to portfolio

4. Reporting

- Allocation report within a year of issuance to include the total amount of proceeds, number of eligible projects, and levels of certification achieved

5. External Review

- Opinion by Sustainalytics, a second party opinion provider, that confirms that the framework is credible and impactful
- Report from independent accounting firm attesting to management's assertion of the allocation of bond proceeds to eligible projects

For further detail and definition of Use of Proceeds please see:

Green bond framework: <https://www.prologis.com/sites/corporate/files/documents/2020/08/august-2020-green-bond-framework.pdf>

Second party opinion: <https://www.prologis.com/sites/corporate/files/documents/2020/08/august-2020-prologis-green-bond-framework-and-sustainalytics-opinion.pdf>

Green Bond Proceeds Allocation

Prologis Euro Finance LLC – €550,000,000¹ Green Bond Issued February 6, 2020



CO2e savings per year: **5,331** MT² equivalent to taking 1,152 cars off the road³

PROPERTY NAME	MARKET	LEED CERTIFICATION LEVEL
215 Beltway DC 1	US-Las Vegas	Silver
Las Vegas Corporate Center 19	US-Las Vegas	Silver
North 15 Freeway DC 1	US-Las Vegas	Silver
North 15 Freeway DC 2	US-Las Vegas	Silver
Meadowlands 0119	US-New Jersey/New York	Gold
Ports Elizabeth Triport	US-New Jersey/New York	Silver
PLD Riverside 2	US-Phoenix	Gold
Silicon Valley Logistics Park 13	US-San Francisco Bay Area	Silver
Sumner 19	US-Seattle	Silver
Tacoma 5	US-Seattle	Silver
Kaiser DC 9	US-Southern California	Silver
Mountain View Industrial Park 1	US-Southern California	Silver
Redlands DC 7	US-Southern California	Silver
Hwy 50 DC 1	CA-Toronto	Silver
Tapscott DC 2	CA-Toronto	Silver
Tapscott DC 3	CA-Toronto	Silver
Total Allocation in USD		\$605,146,432
Total Allocation in EUR		€552,342,490⁴

1. Net proceeds amount €545,580,983

2. 81% of the portfolio having data by building count

3. Estimate based on energy modeling done for the core and shell of developed buildings certified through our LEED volume program compared to a market base case per LEED certification methodology. The equivalency was calculated using <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>

4. Asset values were translated from USD to EUR using the applicable foreign exchange rate at the end of the quarter the bonds were issued

Green Bond Proceeds Allocation

Prologis Yen Finance LLC – ¥18,300,000,000¹ Green Bonds issued June 24, 2020 (¥5,300,000,000 due 6/24/30 and ¥13,000,000,000 due 6/22/35)



CO2e savings per year: **3,007** MT² equivalent to taking 650 cars off the road³

PROPERTY NAME	MARKET	LEED CERTIFICATION LEVEL
Gateway International Building 1	US-Cincinnati	Silver
Las Vegas Corporate Center 12	US-Las Vegas	Silver
Lehigh Valley East 4	US-Lehigh Valley	Gold
Redlands DC 12	US-Southern California	Silver
Redlands DC 8	US-Southern California	Silver
Milton DC 6	CA-Toronto	Gold
Tapscott DC 1	CA-Toronto	Silver
Total Allocation in USD		\$171,005,357
Total Allocation in JPY		¥18,426,063,884⁴



1. Net proceeds amount ¥5,266,099,629 due 6/24/30 and ¥12,904,719,845 due 6/22/35
2. 86% of the portfolio having data by building count
3. Estimate based on energy modeling done for the core and shell of developed buildings certified through our LEED volume program compared to a market base case per LEED certification methodology. The equivalency was calculated using <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>
4. Asset values were translated from USD to JPY using the applicable foreign exchange rate at the end of the quarter the bonds were issued

Green Bond Proceeds Allocation

Prologis, L.P. – \$750,000,000¹ Green Bond issued August 20, 2020



CO2e savings per year: **8,430** MT² equivalent to taking 1,821 passenger vehicles off the road³

PROPERTY NAME	MARKET	LEED CERTIFICATION LEVEL
Gateway Phase III Building 1	US-Baltimore/Washington	Silver
Gateway Phase III Building 2	US-Baltimore/Washington	Silver
Beltway Commerce Center 1306	US-Central Florida	Silver
International Park of Commerce 1	US-Central Valley	Silver
International Park of Commerce 3	US-Central Valley	Silver
International Park of Commerce 6	US-Central Valley	Silver
Tracy 14	US-Central Valley	Silver
West Pointe Business Center 8	US-Charlotte	Silver
Elk Grove 1	US-Chicago	Gold
Sturtevant 1	US-Chicago	Gold
Northpark 10	US-Houston	Gold
Northpark 11	US-Houston	Silver
Northpark 12	US-Houston	Gold
Cheyenne DC 3	US-Las Vegas	Gold
Las Vegas Corporate Center 13	US-Las Vegas	Silver
Las Vegas Corporate Center 20	US-Las Vegas	Gold
Cranbury 0403	US-New Jersey/New York	Silver

Continued next page

1. Net proceeds amount \$742,576,558

2. 80% of the portfolio having data by building count

3. Estimate based on energy modeling done for the core and shell of developed buildings certified through our LEED volume program compared to a market base case per LEED certification methodology. The equivalency was calculated using <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>

Green Bond Proceeds Allocation

Continued from previous page

Prologis, L.P. – \$750,000,000¹ Green Bond issued August 20, 2020

PROPERTY NAME	MARKET	LEED CERTIFICATION LEVEL
Oakland Global Logistics Center 1	US-San Francisco Bay Area	Gold
Silicon Valley Logistics Park 12	US-San Francisco Bay Area	Silver
Mountain View Industrial Park 3	US-Southern California	Silver
Redlands DC 11	US-Southern California	Silver
Rialto I- 210 DC 8	US-Southern California	Silver
South Bay DC 5	US-Southern California	Silver
Terra Francesco DC 1	US-Southern California	Silver
Milton DC 8	CA-Toronto	Silver
Total Allocation		\$751,071,175



Beltway Commerce Center 1306, Orlando, Florida

1. Net proceeds amount \$742,576,558

Case Studies

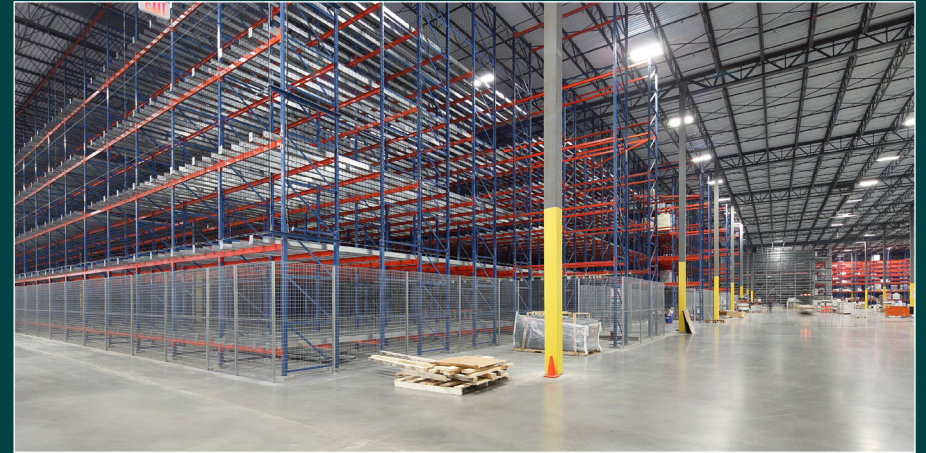


Oakland Global Logistics Center 1

Oakland, California

LEED Gold

- Annual Carbon Savings from design features compared to LEED baseline: 545 MTCO₂ /Year
- 37% annual energy cost savings (calculated in LEED energy modeling)
- EV charging
- LED lighting



Ports Elizabeth Triport

Elizabeth, New Jersey

LEED Silver

- Annual Carbon Savings from design features compared to LEED baseline: 642 MTCO₂ /Year
- 44% annual energy cost savings (calculated in LEED energy modeling)
- 4.65 MW solar installation, equivalent to powering 473 homes¹ for a year
- High functionality with employee focused amenities
- Rail access to make use of mass freight reducing transportation emissions
- LED lighting

1. The equivalency was calculated using <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>

Case Studies



Redlands DC12

Redlands, California

LEED Silver

- Annual Carbon Savings from design features compared to LEED baseline: 650 MTCO₂ /Year
- 46% annual energy cost savings (calculated in LEED energy modeling)
- Xeriscaping and drought tolerant vegetation to reduce outdoor water use
- EV charging stations
- LED lighting



International Park of Commerce Bldg. 1

Tracy, California

LEED Silver

- Annual Carbon Savings from design features compared to LEED baseline: 1197 MTCO₂ /Year
- 52% annual energy cost savings (calculated in LEED energy modeling)
- 3.8 MW solar installation, equivalent to powering 485 homes¹ for a year
- LED lighting

1. The equivalency was calculated using <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>

Leading by Example

Recognized for performance and transparency



Corporate Knights Global 100 Most Sustainable Corporations

Top Real Estate Company;
#6 in U.S.; #26 Globally



GRESB – 2020 Regional Sector Leader in Asia and Americas

NPR and FIBRA recognized as regional leader for industrial; also received 10 out of 10 Green Stars for PLD and its co-investment ventures



2020 World Index of Dow Jones Sustainability Index (DJSI)

Recognizes Prologis and NPR in top 10% globally, FIBRA also recognized for ESG efforts and successes



Institutional Investor

#1 Financially Material ESG Disclosures; #1 Communication of Strategy and Risk Management Amid COVID-19; #1 CEO, CFO and Investor Relations



CDP “A” score

For Prologis and its public ventures ranks among the top 3% of global respondents



Top Real Estate Company by SEIA’s 2019 Solar Means Business Report

Ranked #3 for onsite installed solar capacity



MSCI

AA Rating, among top 27% of Real Estate Management & Services constituents within MSCI ACWI Index

Aligned with global reporting frameworks





KPMG LLP
Suite 800, 1225 17th Street
Denver, CO 80202-5598

Independent Accountants' Report

The Partners
Prologis, L.P.

We have examined management of Prologis, L.P.'s ("Prologis") assertion in the Prologis' 2020 Green Bond Report that the net proceeds of the February 2020 €550 million green bond offering, the June 2020 ¥18.3 billion green bond offerings, and the August 2020 \$750 million green bond offering (collectively, "the Green Bond Offerings") were fully allocated to LEED Silver and LEED Gold certified buildings in accordance with the use of proceeds requirements in the Green Bond Framework. Prologis' management is responsible for its assertion. Our responsibility is to express an opinion on management's assertion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertion is fairly stated, in all material respects. An examination involves performing procedures to obtain evidence about management's assertion. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of management's assertion, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination was not conducted for the purpose of evaluating the completeness of the Green Bond Offerings or the environmental benefits of the buildings that meet the use of proceeds criteria. Accordingly, we do not express an opinion or any other form of assurance other than on whether the buildings to which the Green Bond Offerings were fully allocated to were LEED Silver and LEED Gold certified buildings in accordance with the use of proceeds criteria in the Green Bond Framework.

In our opinion, management's assertion in the Prologis' 2020 Green Bond Report that the net proceeds of the February 2020 €550 million green bond offering, the June 2020 ¥18.3 billion green bond offerings, and the August 2020 \$750 million green bond offering were fully allocated to LEED Silver and LEED Gold certified buildings in accordance with the use of proceeds requirements in the Green Bond Framework is fairly stated in all material respects.

KPMG LLP

Denver, Colorado
December 22, 2020

Management Assertion

Management Assertion

Prologis Green Bond Committee

Ms. Deborah Briones, Mr. Timothy Arndt, Ms. Trisha Burns

The Prologis Green Bond Committee asserts that the net proceeds of the February 2020 €550 million green bond offering, the June 2020 ¥18.3 billion green bond offerings, and the August 2020 \$750 million green bond offering were fully allocated^{1 2} to LEED Silver and LEED Gold certified buildings in accordance with the use of proceeds requirements in the Green Bond Framework³.



Beltway Commerce Center 1306, Orlando, Florida

1. Net proceeds are fully allocated to green projects when the net proceeds are less than or equal to the value of the assets that meet the use of proceeds requirements in the Green Bond Framework. Our investment in the green projects is based on the gross book value of the buildings at the end of the quarter when the buildings were stabilized for developed assets or the final acquisition cost for acquired assets
2. In the case of the assets valued in currencies other than U.S. dollars ("USD"), the applicable foreign exchange rate at the end of the quarter that the building was stabilized was used to convert the value to a USD equivalent
3. For further detail on the Green Bond Framework and the use of proceeds, please see:
Green bond framework: <https://www.prologis.com/sites/corporate/files/documents/2020/08/august-2020-green-bond-framework.pdf>



Forward-Looking Statements

The statements in this document that are not historical facts are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements are based on current expectations, estimates and projections about the industry and markets in which we operate as well as management's beliefs and assumptions. Such statements involve uncertainties that could significantly impact our financial results. Words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," and "estimates," including variations of such words and similar expressions, are intended to identify such forward-looking statements, which generally are not historical in nature. All statements that address operating performance, events or developments that we expect or anticipate will occur in the future — including statements relating to rent and occupancy growth, development activity, contribution and disposition activity, general conditions in the geographic areas where we operate, our debt, capital structure and financial position, our ability to form new co-investment ventures and the availability of capital in existing or new co-investment ventures — are forward-looking statements. These statements are not guarantees of future performance and involve certain risks, uncertainties and assumptions that are difficult to predict. Although we believe the expectations reflected in any forward-looking statements are based on reasonable assumptions, we can give no assurance that our expectations will be attained and, therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements. Some of the factors that may affect outcomes and results include, but are not limited to: (i) national, international, regional and local economic and political climates; (ii) changes in global financial markets, interest rates and foreign currency exchange rates; (iii) increased or unanticipated competition for our properties; (iv) risks associated with acquisitions, dispositions and development of properties; (v) maintenance of real estate investment trust status, tax structuring and changes in income tax laws and rates; (vi) availability of financing and capital, the levels of debt that we maintain and our credit ratings; (vii) risks related to our investments in our co-investment ventures, including our ability to establish new co-investment ventures; (viii) risks of doing business internationally, including currency risks; (ix) environmental uncertainties, including risks of natural disasters; (x) risks related to the current coronavirus pandemic; and (xi) those additional factors discussed in reports filed with the Securities and Exchange Commission by us under the heading "Risk Factors." We undertake no duty to update any forward-looking statements appearing in this document except as may be required by law.