

LR Independent Assurance Statement Relating to Prologis' Greenhouse Gas Emissions Calendar Year 2018

This Assurance Statement has been prepared for Prologis, Inc. (Prologis) in accordance with our contract, but is intended for the readers of this Report.

Terms of engagement

Lloyd's Register Quality Assurance, Inc. (LR) was commissioned by Prologis to assure the greenhouse gas (GHG) Emissions Inventory of its corporate offices for the calendar year 2018. (hereafter referred to as "the Report").

The Report relates to direct GHG emissions, energy indirect GHG emissions and other indirect GHG emissions. GHG emissions from Prologis' wholly-owned subsidiaries, Nippon Prologis REIT and FIBRA Prologis, are included in the total emissions and also listed separately for CDP reporting purposes.

LR's corresponding Sustainability Report Assurance Statement should be referred to in conjunction with this Assurance Statement.

LR's responsibility is only to Prologis. LR disclaims any liability or responsibility to others as explained in the end footnote. Prologis's responsibility is for collecting, aggregating, analysing and presenting all the data and information within the Report and for maintaining effective internal controls over the systems from which the Report is derived. Ultimately, the Report has been approved by, and remains the responsibility of Prologis.

LR's approach

Our verification has been conducted in accordance with ISO 14064–3:2006, '*Specification with guidance for validation and verification of greenhouse gas assertions*' to provide reasonable assurance that direct and energy indirect GHG emissions data, and limited assurance that other indirect GHG emissions data, as presented in the Report have been prepared in conformance with the World Resources Institute / World Business Council for Sustainable Development Greenhouse Gas Protocol: A corporate accounting and reporting standard, revised edition (hereafter referred to as the WRI/WBCSD GHG Protocol).

The following tasks were undertaken as part of the evidence gathering process for this verification engagement:

- Conducting site visits at Prologis' offices in East Rutherford, New Jersey and Amsterdam, Netherlands. In addition to the offices, LR also visited Stapleton North Warehouse.
- interviewing relevant staff of the organization responsible for managing GHG emissions data and records,
- verifying direct and indirect GHG emissions data and records back to source for the calendar year 2018, and
- verifying other indirect GHG emissions at an aggregated level for the calendar year 2018.

Level of Assurance & Materiality

The opinion expressed in this Assurance Statement has been formed on the basis of a reasonable level of assurance and at a materiality of 5% for direct and energy indirect GHG emissions, and on

the basis of a limited level of assurance and at a materiality of the professional judgment of the Verifier for the other indirect emissions.

LR's Opinion

Based on LR's approach, the total direct GHG emissions and energy indirect GHG emissions disclosed in the Report, as summarized in Tables 1, and 2 below, are materially correct and the Report has been prepared in conformance with the WRI/WBCSD GHG Protocol, with the following qualifications:

- The reported purchased electricity consumption at one office sampled during the verification activities is inconsistent with the evidence provided. This inconsistency is not material.
- Primary evidence was not retained for one of the sampled sources, so it could not be verified to the primary level of data. The risk of misstatement for this source is low and this finding is not material.

Based on LR's approach nothing has come to our attention that would cause us to believe that the other indirect GHG emissions disclosed in the Report, as summarized in Table 3 below, are not materially correct.

Observations

Further observations and findings, made during the assurance engagement, are:

- Management may consider collecting the HVAC system maintenance records showing refrigerant recharge amounts to increase the accuracy of its fugitive emissions and identify potential sources for reductions.

Signed

Dated: May 15, 2019



Heather Moore, P.E.
LR Lead Verifier
On behalf of LRQA, Inc.
1330 Enclave Pkwy #200, Houston, TX 77077

LR reference number: UQA00000496 / 2678606

Table 1. Summary of Prologis, GHG Emissions Inventory / Report 2018

Scope of GHG emissions	Tonnes CO ₂ e
Direct GHG Emissions (Scope 1)	2,905
Energy indirect GHG emissions (Scope 2, Location-based)	3,056
Energy indirect GHG emissions (Scope 2, Market-based)	2,968
Note 1: Scope 2, Location-based and Scope 2, Market-based are defined in the WRI/WBCSD GHG Protocol Scope 2 Guidance, 2015	

Table 2. REIT GHG Emissions Inventory 2018

Scope of GHG emissions	Tonnes CO ₂ e
Nippon Prologis REIT Direct GHG Emissions (Scope 1)	7.25
Nippon Prologis REIT Energy indirect GHG emissions (Scope 2, Location-based and Market-based)	17.07
FIBRA Prologis Direct Emissions (Scope 1)	401
FIBRA Prologis Energy Indirect GHG Emissions (Scope 2, Location-based and Market-based)	316
Note 1: Scope 2, Location-based and Scope 2, Market-based are defined in the WRI/WBCSD GHG Protocol Scope 2 Guidance, 2015	

Table 3. Summary of Prologis, Other Indirect (Scope 3) GHG Emissions Inventory / Report 2018

Scope of GHG emissions	Tonnes CO ₂ e
Purchased goods and services	135,710
Capital goods	707,120
Business Travel	4,247
Employee commuting	3,667
Downstream leased assets	3,746,182

Lloyd's Register Group Limited, its affiliates and subsidiaries, including Lloyd's Register Quality Assurance, Inc. (LR), and their respective officers, employees or agents are, individually and collectively, referred to in this clause as 'Lloyd's Register'. Lloyd's Register assumes no responsibility and shall not be liable to any person for any loss, damage or expense caused by reliance on the information or advice in this document or howsoever provided, unless that person has signed a contract with the relevant Lloyd's Register entity for the provision of this information or advice and in that case any responsibility or liability is exclusively on the terms and conditions set out in that contract.

The English version of this Assurance Statement is the only valid version. Lloyd's Register Group Limited assumes no responsibility for versions translated into other languages.

This Assurance Statement is only valid when published with the Report to which it refers. It may only be reproduced in its entirety. Copyright © Lloyd's Register Quality Assurance Limited, 2018. A member of the Lloyd's Register Group.