

Creating Value Beyond Real Estate

2019 Prologis ESG Impact Report



Prologis Park Osaka, Osaka, Japan



Creating value beyond real estate

Fellow Stakeholders,

Communities around the world are struggling under the social and economic weight of the COVID-19 pandemic, while at the same time expressing pent-up frustrations over centuries-old systemic social and racial injustices. First, please know that our hearts go out to everyone affected, as does our gratitude to those on the frontlines working to address these challenges every single day.

Also know that Prologis is not simply supporting from the sidelines. In fact, the demonstrated resiliency of our global platform has put our company in a position of financial and operational strength, which has allowed us to deploy a variety of resources to help.

Specific to COVID-19, we established a \$5 million global relief fund to support nonprofits, hospitals and organizations that are focused on public health and safety, as well as access to food and economic recovery. We also donated 1.2 million square feet of space, equal to \$4.9 million of in-kind rent, in Prologis facilities across 13 global markets through our Space for Good program, which we stood up to assist municipalities and relief organizations. Furthermore, we made an initial donation of \$250,000 to the Equal Justice Initiative, with a total of \$1 million committed to support racial equality causes. We also made a public statement reinforcing our continued commitment to focus on inclusion and diversity, and speak out against racial injustice.

Importantly, we view our response to these challenges as a meaningful extension of our historical leadership and ongoing commitment to environmental stewardship, social responsibility and governance (ESG). To guide us through our next phase of growth, in 2019 we launched the 3Cs: Customer Centricity, Change Through Innovation and Operational Excellence, and Culture & Talent. We believe our ESG initiatives further and embolden the 3Cs, and create value for our stakeholders—value that reaches beyond the walls of our real estate.

Customer Centricity has always been at the core of our business, and on the ESG front this past year we expanded our approach to improve the customer experience even further. For example, we made significant strides to enhance the Community Workforce Initiative (CWI), which we launched in 2018 to address our customers’ pain points around labor. To that end, we developed a cutting-edge, digital logistics training curriculum and formed direct partnerships with global customers to develop solutions to address their specific talent needs, such as virtual reality training tools for supervisors and employee engagement platforms for frontline workers. In addition, through our Prologis Ventures investment into WorkStep, an industrial talent hiring and retention platform, we delivered customers a more efficient and cost-effective way to meet their talent needs. In fact, in one case, a global third-party logistics customer leveraged WorkStep to hire during its peak season while significantly improving their retention.



Change Through Innovation & Operational Excellence is about embracing new challenges and using our global footprint and expertise to offer innovative solutions to our customers. As an example, we leveraged our scale to establish a dedicated

manufacturing line of LED light fixtures that we can install through our Prologis Essentials LED program, which resulted in procurement cost savings of \$15 million in 2019. Also, as our customers come to us for our expertise in sustainable real estate solutions, we are always looking for ways to help them tap into the environmental and economic benefits of renewable energy. For example, we helped our customer L’Oréal achieve carbon-neutral operations in Muggensturm, Germany, with a facility that featured a 2 megawatt (MW) solar installation and the procurement of certified renewable energy from the local electric grid.

Culture & Talent has always been the driving force behind our success. Our commitment to a philosophy of inclusion and diversity is critical to our future as a company. This ranges from our focus on diversity in hiring practices to ensuring that we establish the right tone from the top. Along those lines, we announced that Ms. Avid Modjtabei, a 27-year Wells Fargo veteran and one of American Banker’s “Most Powerful Women in Banking,” joined the Prologis board of directors in February 2020. We are thrilled to be able to gain from her perspective. Her extensive finance and technology expertise, coupled with her focus on customer experience, is an enormous asset to our company.



Never has it been more important than during these trying times that we maintain our dedication to ESG, which has been recognized globally: on the Corporate Knights Global 100 Most Sustainable Corporations in the World list, we were named the #1 real estate company, #6 in the U.S. and #26 overall; and we were included in the Dow Jones Sustainability World Index, placing us among the top 10% of global companies. We are continuing to shape a model for real estate that delivers tangible solutions and value to all of our stakeholders and extends past our net asset value. In the pages that follow, we hope you will see that this value was further propelled in 2019 by our ESG leadership, not just within the real estate industry, but in the global business community.

Sincerely,

Hamid R. Moghadam
Chairman and Chief Executive Officer

ESG trends requiring stakeholder solutions

Customers

Customers face ongoing challenges in attracting and retaining qualified labor.

120%
turnover reported by e-commerce customers in 2019.¹

Communities

When selecting development partners, urban communities seek long-term contributors to sustainability, transit and labor solutions.

56%
of 2019 investment in development was based in urban core.²

Investors

Investors increasingly call for more disclosure of ESG data and alignment with climate risk frameworks.

77%
of institutional investors use ESG in their investment approach.³

Employees

Potential and existing employees want to work for companies that give back.

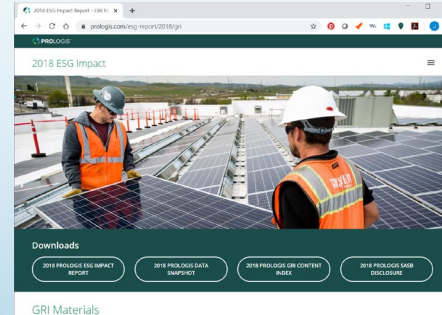
67%
of millennials factor in social responsibility when evaluating employers.⁴



Our experiential learning lab in Miami, Florida, prepares high school students for jobs in the logistics industry.



We collaborated with a UK county council to conduct an electric bus pilot around our Prologis Dartford project as a potential solution countywide.



This report and the associated microsite provide information on Prologis' alignment with [TCFD](#), [SASB](#) and [PRI](#) frameworks.⁵



Since 2013, Prologis employees have volunteered nearly 54,000 hours through IMPACT Day, the company's annual day of global service. Additionally, we make significant financial contributions to our communities on an annual basis and especially during times of need.

1. Prologis Research.
2. Based on Total Expected Investment (TEI) of 2019 Development Starts as reported in 2019 10-K.
3. <https://www.thinkadvisor.com/2018/10/25/institutional-investors-warm-to-esg-investing-rbc-study/>.
4. Gallup, May 2019.

5. Prologis aligns with the frameworks developed by the Task Force on Climate-related Financial Disclosures (TCFD), the Sustainability Accounting Standards Board (SASB), and the Principles for Responsible Investment (PRI).



Customer-centric building design solutions

Prologis worked with the International WELL Building Institute (IWBI) to set the standard for WELL building certifications with an eye toward measuring how our buildings can accommodate the health and well-being of the people working within our walls. Our WELL-Gold certified facility in Tilburg, the Netherlands, is the first logistics project in the world to receive this certification. Health and wellness features include walking trails, fitness amenities, common dining areas and indoor greenery to enhance air quality while at the same time promoting connections with nature. These features make our buildings more operationally efficient, as well as more enjoyable for our customers' workforces, which is important to attract and retain talent.

Building design for well-being in mind

We are focused on creating logistics parks where businesses, employees and local communities can flourish.



Walking trails and fitness areas promote employee and community well-being in the UK.



Canteen for customer employees at Prologis Chiba 1, Chiba, Japan.

WELL-Gold Certified Prologis Tilburg, The Netherlands



Mind & Community

Building design that facilitates health and wellness.

Comfort & Sound

Visual and physical ergonomics.

Light

Visual lighting design to boost productivity.



Smart Wall

The Smart Wall in the Tilburg facility gives a profile of the building's sustainability features, as well as real-time information on the building's energy performance and indoor air quality and climate.



Air

Enhanced air quality through ventilation and indoor landscaping.



Water

Focus on water quality and hydration.

1. Compared to local Dutch energy benchmark for industrial buildings.

Customer-centric building design solutions

Our build-to-suit facility in Muggensturm, Germany, which was developed to meet the needs of L'Oréal, sets an example for achieving operational carbon neutrality through the production and use of renewable energy sources.

120%

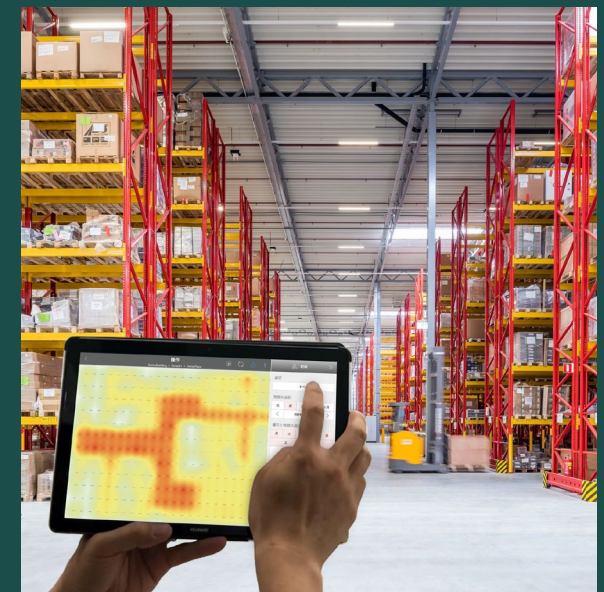
of emissions neutralized through renewable energy procurement and a solar installation to buffer against future changes in energy use

Carbon neutral operations at Prologis Park Muggensturm, Germany



- A** 30,000 square meter green roof
- B** LED lighting and low-emission building materials
- C** 7,400 solar panels generating 2.0 MW (enough capacity to power more than 510 average homes for a year)
- D** Partially powered by wind turbines offsite

Energy use reduction and monitoring



In Japan, our team partnered with an LED manufacturer to develop a motion-sensing LED light fixture that reduces customer energy use by 82% when compared to fluorescent lighting. In recognition of this innovation our team received the 2018 Good Design Award from the Japan Institute of Design Promotion and the 2019 Energy Conservation Award from the Energy Conservation Center, Japan.

Labor solutions

Prologis' customer-centric labor solutions include industry-specific virtual and remote trainings to secure a steady and qualified labor force. These solutions range from investments by Prologis Ventures in workforce technology applications, to building designs that promote health and well-being. Addressing our customers' pain points associated with their need for a qualified workforce furthers the customer experience and deepens our community relationships. Together, these efforts generated solutions to drive complex development projects to completion, while also strengthening our presence in critical locations.

Community Workforce Initiative (CWI)

Goal

25,000
individuals
trained by 2025

In 2019

7
markets with
CWI partnerships



- In 2020**
- We are scaling CWI programs in the U.S. and expanding to the UK and other global markets.
 - We have partnered with JFF, a leading workforce development nonprofit, to create a 21st century approach to logistics education and training that builds basic workforce skills and provides targeted logistics training, such as OSHA safety and forklift training. In partnership with JFF, we launched an online training platform that deploys the latest technologies, including virtual reality enhanced sessions. This online curriculum, with Prologis-branded industry certification, will further expand CWI's global reach.

Workforce Technology Investments

- WORKSTAFF**
- Talent sourcing and retention platform for warehousing, trucking and/or production operations in the U.S.
 - Delivers faster and more cost-effective ways to hire and retain high-quality labor.
- Timee**
- On-demand staffing platform that connects Japanese businesses with workers.
 - Reduces the time and cost to source temporary labor.
- STRIVR**
- Immersive learning platform for training and upskilling American frontline workers.
 - Delivering faster, more scalable, and more engaging training programs that leverage VR and unique data analytics to elevate workforce performance.

Strivr Virtual Reality System



Our carbon strategy: reduced carbon impact is good for business

Prologis' carbon strategy hits the sweet spot between creating business value and reducing our carbon impact. It also furthers our efforts toward achieving our science-based target (SBT) for reducing greenhouse gas (GHG) emissions. Prologis' carbon emissions footprint covers emissions from our direct operations (Scope 1 and 2) and all other indirect emissions stemming from our global portfolio/construction activities/ other aspects of our business (Scope 3). We focus on emissions reduction across our whole business, both direct and indirect, which includes decreasing emissions from energy use in our offices and customer

spaces. Subsequently, we purchase carbon offsets and renewable energy credits (RECs) to neutralize the remaining operational emissions (Scope 1 and 2). We also are exploring other carbon mitigation opportunities, such as the use of low-carbon building materials and partnerships, like our carbon mitigation partnership with Cool Earth that preserves critical rainforests.

Our carbon reduction efforts are driven by our customer-centric initiatives. For example, through Prologis Essentials LED, we unlock energy cost savings for our customers, while reducing our indirect emissions

(Scope 3). Through other collaborations, such as our Customer Sustainability Advisory Council (CSAC), we are identifying solutions that help Prologis and our customers reduce our collective carbon impacts. The CSAC forum goes beyond the norm to strengthen customer relationships, while also providing insight into their evolving needs on topics like renewable energy and electric vehicles, among others.

Prologis is the first real estate company on the S&P 100 to achieve operational carbon neutrality.¹

PROLOGIS' CARBON STRATEGY

Energy Emissions Reduction

Increase operational efficiency and lower energy costs

70%
energy and cost savings from LED lighting benefit package

45%
average energy savings in Prologis LEED buildings²



LED installation at LEED Gold-certified Prologis Park Cheyenne, Las Vegas, Nevada.

Carbon Offsets and Renewable Energy Credits

Neutralize remaining emissions after reduction efforts

90%
of our top 25 customers have carbon reduction goals

We seek to create and invest in REC/offset opportunities to advance joint efforts with our customers to meet mutual carbon reduction goals.



Solar installation at LEED Silver-certified Prologis Park Redlands, California.

Other Mitigation

Further reduction of carbon impact positions us as the partner of choice

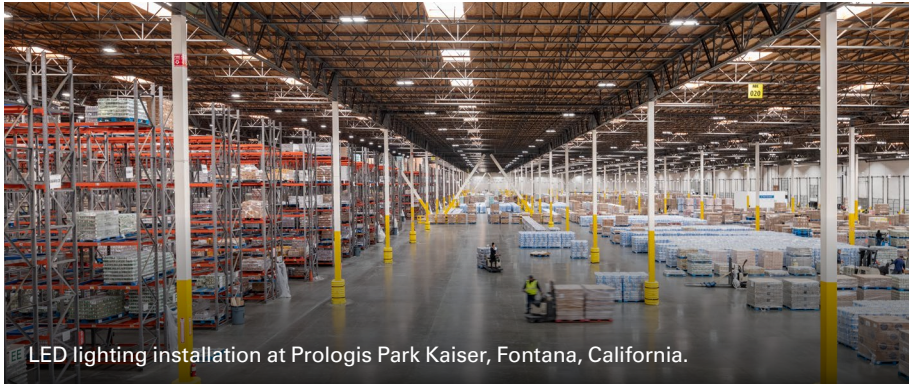
Carbon mitigation partnerships save us compliance costs while supporting our global communities. Our Cool Earth partnership, for example, helped satisfy emissions regulations required for our DIRFT UK project.



BREEAM "Excellent" accredited Prologis RFI DIRFT, Daventry, UK.

1. Operational carbon neutrality relates to our carbon emissions from our corporate offices and long-term leased vehicles (Scope 1 and 2).
 2. Average over the five-year period (2015-2019) for developed buildings certified through our LEED volume program compared to a market base case per LEED certification methodology.

Energy solutions powered by Prologis scale and experience



LED lighting installation at Prologis Park Kaiser, Fontana, California.



Solar panel installation at Prologis Park Capelin, Van Nuys, California.

Prologis Essentials LED

Prologis led the charge to establish LED lighting as a standard in logistics real estate. In 2019 alone, an additional 50 MSF of our portfolio realized the productivity benefits of LEDs. Through Prologis' procurement and dedicated manufacturing of LED lighting fixtures, an additional 50 MSF of LED lighting coverage resulted in a \$15 million savings compared to what the fixtures would have cost without our scale-enabled procurement.

50 million
additional square feet illuminated with LED lighting in 2019

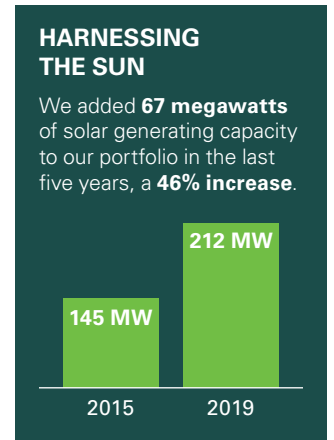
Since 2017, we have more than doubled our LED coverage. We expect to accelerate our transition to 100% LED lighting across our global portfolio through our Prologis Essentials LED program. This program offers customers the opportunity to upgrade their lighting without upfront capital costs, but with reimbursement throughout the duration of their leases.

Prologis Essentials LED allows all customers, of all sizes and in all markets, to enjoy the benefits of LED lighting. LEDs foster a better work environment by enhancing safety and boosting employee productivity. Another upside is that well-lit and appealing workspaces promote greater employee satisfaction and decrease turnover—a definite plus for our customers.

Prologis SolarSmart

Prologis has been an industry pioneer and a global leader in solar development for decades. Recently, we were ranked #3 among U.S. corporate solar installers by the Solar Energy Industries Association (SEIA). After surpassing our initial goal of 200 MW of installed solar capacity by 2020, some 1.5 years ahead of schedule, we set an ambitious new goal of 400 MWs of installed capacity by 2025. As our customers pursue their own environmental goals and carbon-reduction targets, deploying Prologis-installed solar energy at our warehouses is an example of shared value creation made possible by our experience, scale and core business strength.

Responding to emerging customer interest in renewable energy solutions, our customer-focused solar program is being elevated by our Prologis SolarSmart program. The solar system installations are sized to meet the specific energy demands of customers, enabling them to power a significant portion of their operations from the clean energy generated by the Prologis solar system.



Culture of innovation

Throughout 2019, Prologis embraced the challenge of thinking in new and innovative ways. Our focus on Culture & Talent, as well as Change Through Innovation and Operational Excellence (two parts of our 3Cs), gave rise to several initiatives, including Prologis Talks, which are hosted by our Chairman and CEO Hamid Moghadam and feature key leaders from other industries who share their experiences around embracing change. We are focused on building and nurturing an innovative mindset that unlocks solutions for our customers, while creating a culture of inclusion and diversity of ideas.



Prologis Talks interview with Scott Cook, co-founder of Intuit

Technology

The future will be built by those who harness the power of technology and data. To remain on the cutting edge, we enhanced our technological infrastructure, including:

- **Data Lake** – Across our portfolio of nearly 4,000 buildings we have access to vast amounts of data. Our data lake is a repository from which we derive value-adding analytics.
- **Prologis Labs** – Leveraging our technical expertise and appetite for innovation, our lab in San Leandro, California conducts experiments in logistics technologies, such as autonomous forklifts, working directly with customers to create solutions.



Forklift simulator technology at Prologis Labs in San Leandro, California

Operations

In 2019, we looked into further streamlining our processes and identifying innovative methods to make our operations even more efficient. Here are some examples:

- **Lighting Sensors** – Motion and daylight sensors that dim and adjust based on available daylight to create energy savings for our customers are added to each Prologis-branded, directly manufactured LED light fixture.
- **Design Optimization Workshops** – In the building development planning period, these workshops serve as a cross-functional, collaboration to explore ideas and discuss insights to reduce risk and create additional value from our buildings. Prologis holds these workshops for new developments globally — above and beyond the industry standard.
- **Prologis Essentials** – Launched the Prologis Essentials application, an online marketplace of customer solutions.



Installation of energy-efficient fixtures from our Prologis Essentials LED lighting program

Customer

Further strengthening our commitment to Customer Centricity, our team established new ways to support our customers, including:

- **Customer Sustainability Advisory Council (CSAC)** – Our CSAC ties our business initiatives with the ESG targets of key customers.
- **Net Promoter Score (NPS)** – Prologis initiated a NPS program in 2019 to measure customer satisfaction and loyalty. Ranking among the best brands in the world, our NPS score is about 67% higher than the B2B average, which is a good start, but through our customer-centric efforts we aim to drive this number higher.
- **New customer-focused departments** include: Customer Led Developments, Customer Led Innovation and Customer Led Solutions.



Prologis Customer Advisory Board meeting, Brooklyn, New York, 2019

Creating an inclusive culture that gives back to our communities



Employees renovating a community garden on IMPACT Day 2019.



Quarterly town hall at our San Francisco headquarters.

Community Engagement and Volunteering

Time and again, new employees report that Prologis' focus on community engagement is one of the most compelling reasons behind their choice to join Prologis. An employee favorite is our annual day of global service, IMPACT Day.

24%

increase in hours benefiting the community between 2018 and 2019

15,270

hours benefiting the community in 2019*

7TH ANNUAL IMPACT DAY – May 18, 2019

9,323

volunteer hours

70 projects

around the globe

50 organizations

focused on:

- human welfare
- environment
- education

Inclusion and Diversity (I&D)

Culture & Talent (one of our 3Cs) at Prologis is built on a commitment to leverage I&D to inspire innovation—and it is a tremendous competitive advantage. We continue to make progress on I&D, but we know that our work is not done. Our 2019 I&D survey revealed an opportunity for us to focus even more on hiring diverse candidates, supporting employee development and clarifying criteria for recognition and promotion.

93%
participation
in I&D survey

In 2019, we deployed the following action-oriented I&D strategies:

- **Talent Acquisition** – Added more objectivity and structure to hiring process, as well as ensured I&D alignment with staffing agencies, to attract diverse candidates.
- **Leadership Development** – Created strategies to improve leadership development and enhance organizational communication.
- **Learning & Development** – Started pilots of training courses (e.g. Unconscious Bias Training, Crucial Conversations, DiSC, etc.) to provide strategies to engage in more inclusive discourse.
- **Talent Management** – Created a framework to create greater transparency for our employees on job growth.
- **Reward & Recognition** – Developed the 'Traits of the Prologis team' to emphasize employee abilities and how they are rewarded and recognized.

*Includes volunteer hours, such as IMPACT Day, and time invested by our teams in community programs, such as CWI.

Supporting our stakeholders during the pandemic

Prologis has closely monitored COVID-19 since late 2019*, making the safety and well-being of our employees and their families our top priority. We have been fortunate to be in a position to provide resources and support to our communities and customers, while also being transparent and available to our investors.

Employees

Support benefits

to ensure employees have ample access to IT support and other benefits such as Teledoc, digital fitness classes and mental health resources.

Weekly video messages

from executive committee leaders to individual departments and the company-wide audience, as well as the establishment of a portal on the intranet with resources for employees around the world regarding the pandemic.

COVID-19 task force

meets regularly to oversee the risk management business continuity plan.

0% interest loans

for non-management employees whose household incomes were impacted by the pandemic.

Care packages

that included non-medical masks, hand sanitizer and other home necessities.

Communities

\$5 million

global relief fund launched by the Prologis Foundation, providing financial support to nonprofits and community-based organizations on the frontlines of the response.

~1.2 million sq. ft.

\$4.9 million in 13 markets

of in-kind rent donated to municipal governments, hospitals and relief organizations through our Space for Good program.

8.5 million meals

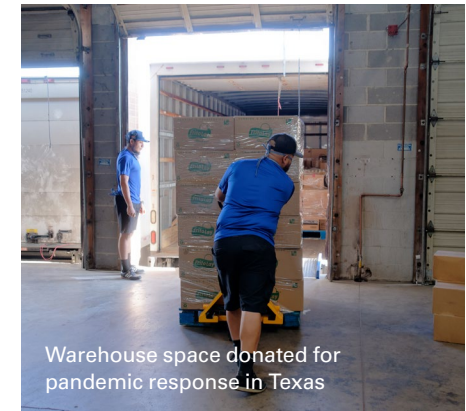
funded by Prologis' donations to Feeding America and the European Food Bank Federation for people in need across the U.S. and Europe.

50,000 medical masks + 5,000 sets

of protective clothing donated to Chinese hospitals during early stages of the response.



Food bank operating in Space for Good program warehouse in Texas



Warehouse space donated for pandemic response in Texas

Customers

24/7 support

provided by Prologis maintenance technicians, supporting business continuity for our customers throughout the pandemic.

PPP Toolkit

made available within days of legislation to help customers understand the resources available to them by the Paycheck Protection Program (PPP).

Rent deferral

offered to customers who demonstrated legitimate need and showed they were significantly impacted by the pandemic.

Pandemic necessities

and services available to customers through the online Essentials Marketplace.

Investors

Frequent outreach with public/private investors

to share information on our financial resilience, as well as near- and long-term plans for responding to the pandemic.

6 reports

published by the Prologis Research team to provide insights on the pandemic's impact on the logistics real estate industry for investors, customers and public.

Business update call

hosted for public investors on April 6, 2020, as well as interim updates to private investors to demonstrate our commitment to transparency and upfront communication.

*COVID-19 contributions have been made since the end of 2019 through present day in 2020.

Strategically identifying and responding to risk

At Prologis, we take a comprehensive view of risk management. All of our assets must be able to weather the challenges and changes we face in the marketplace. Our focus on ESG resilience has always gone hand in hand with risk management.

Through preventive measures and detailed response planning, we promote business continuity in our customers' operations in case of storms, natural disasters, emergencies and other factors facing our portfolio now and in the future.



Prologis meets with developers from around the world to discuss safety standards and develop risk management best practices during the second annual GC Safety Summit in Denver, Colorado.

ALIGNMENT WITH THE TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES



In our stakeholder outreach programs, we listen to our stakeholders' needs. Investors and other stakeholders identified the Task Force on Climate-related Financial Disclosures (TCFD) as a guiding framework for companies to show how they are responding to climate change. In response, we created a mapping tool to demonstrate our program's alignment with the TCFD core elements, as outlined below and explained in further detail on our [ESG microsite](#).

Governance

- Prologis board oversees climate-related risk
- Prologis chief legal officer oversees Risk Management and ESG teams

Strategy

- Evaluate material, physical and transition risks and opportunities under short-, medium- and long-term timeframes
- Risks: severe weather, flooding, coastal risk, etc.
- Opportunities: energy efficiency, renewable energy, etc.

Risks & Opportunities

- Use internal (i.e. Geographic Information System team) and external tools for scenario analysis
- Local property management teams ensure asset resilience
- Prologis' dynamic risk oversight framework includes climate-related risks and opportunities

Targets & Metrics

- Science-based target for greenhouse gas emissions reductions
- 100% LED lighting across global portfolio by 2025
- 400 MW installed solar capacity by 2025

Setting the tone from the top

Responsible Investment with ESG Focus

Prologis takes a long-term view to all investment decisions, including developments, acquisitions and dispositions. Our Investment Committee, comprised of senior leaders (including ESG leadership), conducts this review process. They conduct a multilayered evaluation of all investments, considering the ROI from all angles, including ESG. The many checks and balances for each investment decision ensure that capital is allocated responsibly, thereby preserving Prologis’ financial strength and resilience. By incorporating ESG into the Investment Committee’s evaluation and maintaining a strong focus on ESG within our business, Prologis aligns with the six Principles for Responsible Investment (PRI). See a [map of our alignment to PRI](#).

INVESTMENT COMMITTEE EVALUATION WITH ESG FOCUS



Board Oversight and Outreach

Prologis’ Board of Directors has final oversight over our ESG program through the Governance and Nomination committee.

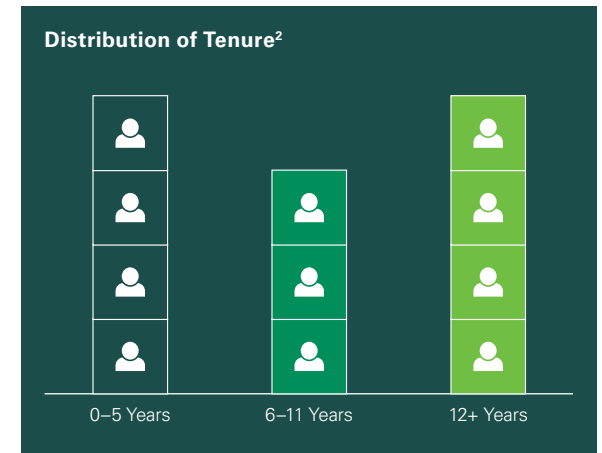
In 2019, our directors joined our senior management team to participate in outreach efforts through our Governance and ESG Roadshow, engaging more than 70% of our public investors.

BOARD COMPOSITION AND DIVERSITY¹

5 new directors in the last five years

27% female (3 directors)

41–72 year age range



1. Directors nominated for election at our 2020 annual meeting of shareholders.
 2. Although the entire Board was rebuilt at the time of the AMB-ProLogis Merger in 2011 and the tenure of the rebuilt Board started at that time, we include four members in the 12+ year category as they were directors of the legal acquirer prior to the Merger.

Aiming high – and delivering

Our ESG goals reflect our commitment to create value across our core business and serve as a competitive differentiator.

Labor. In 2019, we set a new goal to train 25,000 individuals (external to Prologis) through our Community Workforce Initiative (CWI), partnering with local nonprofits and the development of our online curriculum.

LED. We set a new goal of 100% LED coverage across our global portfolio by 2025. Having pioneered our industry in efficient lighting, we are now exclusively focusing our efforts on the evolution of LED lighting technology. Installing LEDs can reduce electricity consumption and associated costs by up to 70% compared to traditional warehouse lighting.

Solar. We set a new target of 400 MW by 2025 after surpassing our goal of 200 MW by 2020.

PROLOGIS ESG GOALS AND METRICS

SDG ¹	INITIATIVE	GOAL	PROGRESS
	Solar Power Generation	200 MW by 2020 (achieved in 2019)	106%; 212 MW
		400 MW by 2025	Set goal in 2019
	Community Workforce Initiative	25,000 individuals trained by 2025	Set goal in 2019
	Hours Spent Benefiting Local Communities Globally ²	75,000 hours by 2025	Set goal in 2019
	Sustainable Building Certifications	100% designed to sustainable building certification standards ³	169 MSF
	Efficient Lighting ^{4,5}	100%	88%
	LED Lighting	100% by 2025	Set goal in 2019
	Cool Roofs ⁴	100% new development and property improvement ⁶	46%
	GHG Emissions Reduction, Scope 1 and 2 (Science-Based Targets)	2,160 MTCO ₂ E by 2025, a 21% reduction in Scope 1 and 2 GHG emissions	4,842 MTCO₂E (+77%)⁷ 2,682 MTCO ₂ E to be reduced before goal is reached
	GHG Emissions Reduction, Scope 3 (Science-Based Targets)	4,904,815 MTCO ₂ E by 2025, a 15% reduction in Scope 3 GHG emissions	5,038,778 MTCO₂E (-13%)⁸ 133,963 MTCO ₂ E to be reduced before goal is reached
	Employee Ethics Training	100% annually	100%

- The UN Sustainable Development Goals (SDGs) guide the UN's global agenda for sustainable development by 2030.
- Includes volunteer hours, such as IMPACT Day, as well as the time invested by our teams in community programs, such as CWI.
- The goal is to design to sustainable building certification standards and with sustainable design features as appropriate and in line with customer specifications.
- Percentage based on percent of global portfolio by area.
- Includes LED and T5/T8 fluorescent. Going forward, Prologis will report progress toward converting the portfolio to 100% LED.
- As appropriate given local climate factors.
- Increase above the 2016 baseline emissions.
- Decrease from the 2016 baseline emissions.

GLOBAL REACH

Scale and scope

\$118B in assets under management (AUM)	814 MSF owned, managed or under development	3,840 buildings	19 countries
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Partnership ensures enduring value

5,000 customers	1,200 multisite customers	96.5% global occupancy rate
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Business model delivers results

142.7% five-year TSR ¹	12.37% outperformance over MSCI US REIT Index past five years ¹	16.5% greater dividend CAGR than REIT average ²
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14.7% net earnings per share five-year compound annual growth rate	12% core FFO ³ per share compound annual growth rate
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SUSTAINABILITY AT A GLANCE

Employees

93% of employees completed Inclusion & Diversity engagement survey versus external benchmark of 70-80%	100% of employees have access to career training and education
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4
business days annually per employee to volunteer with charitable organizations

Customers

80% of our top 25 customers rent our sustainability certified space	68% of our top 25 customers align with us in supporting the UN Sustainable Development Goals
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8.9%
higher retention rates with our global customers (covering 35% of our total square footage) that engage with us through our outreach programs

Environment⁴

212 MW of total solar energy generating capacity	456 sustainable building certifications in 18 countries
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46% of total operating portfolio has cool or reflective roofing	88% of total operating portfolio has efficient lighting
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Communities

12,000 volunteer hours in 2019	\$2.3M in charitable contributions from the Prologis Foundation
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\$1.1M+
of in-kind rent donated to 15 nonprofit organizations through the Space for Good Program

All data is as of December 31, 2019.

1. Total stockholder return ("TSR") is calculated based on the stock price appreciation and dividends paid to show the total return to a stockholder over a period of time. TSR assumes dividends are reinvested in common stock on the day the dividend is paid.

2. Includes REITs in the RMZ as of 12/31/2019 with data for every year in each respective period. Compound Annual Growth Rate (CAGR) weighed on market cap as of December 31, 2018, and measured over the past five years.

3. Core FFO per share is a non-GAAP measure. Please see our annual report filed on Form 10-K with the Securities and Exchange Commission for a discussion and reconciliation to the most directly comparable GAAP-measure.

4. Cumulative figures through December 31, 2019.

AWARDS/RECOGNITION

Corporate Knights

Prologis was the **#1 real estate company**, #6 in the U.S. and 26th overall among the 2020 Corporate Knights Global 100 Most Sustainable Corporations in the World.

GRESB

8 out of 8 Green Stars for all Prologis entities

2019 Industrial Sector Leader in four operating regions

- Prologis – top industrial real estate company in the Americas
- Nippon Prologis REIT (NPR) – top industrial real estate company in Asia
- UK Logistics Venture (UKLV) – top private capital/industrial real estate fund in Northern Europe
- US Logistics Venture (USLV) – top private capital/industrial real estate fund in the US

Dow Jones Sustainability Indices

- Prologis has been selected as an index component of the **DJSI World Index** (recognizing the top 10% of global companies) and on the North America DJSI Index for the 12th consecutive year.
- FIBRA Prologis is listed on the MILA Pacific Index for the 3rd consecutive year, and NPR is on the Asia Pacific Index for the 5th consecutive year.

CDP

Prologis once again received an **“A-” score** within the CDP assessment (among top 5% globally), which is also a critical measurement of our alignment with the Task Force on Climate-related Financial Disclosures (TCFD).

Americas

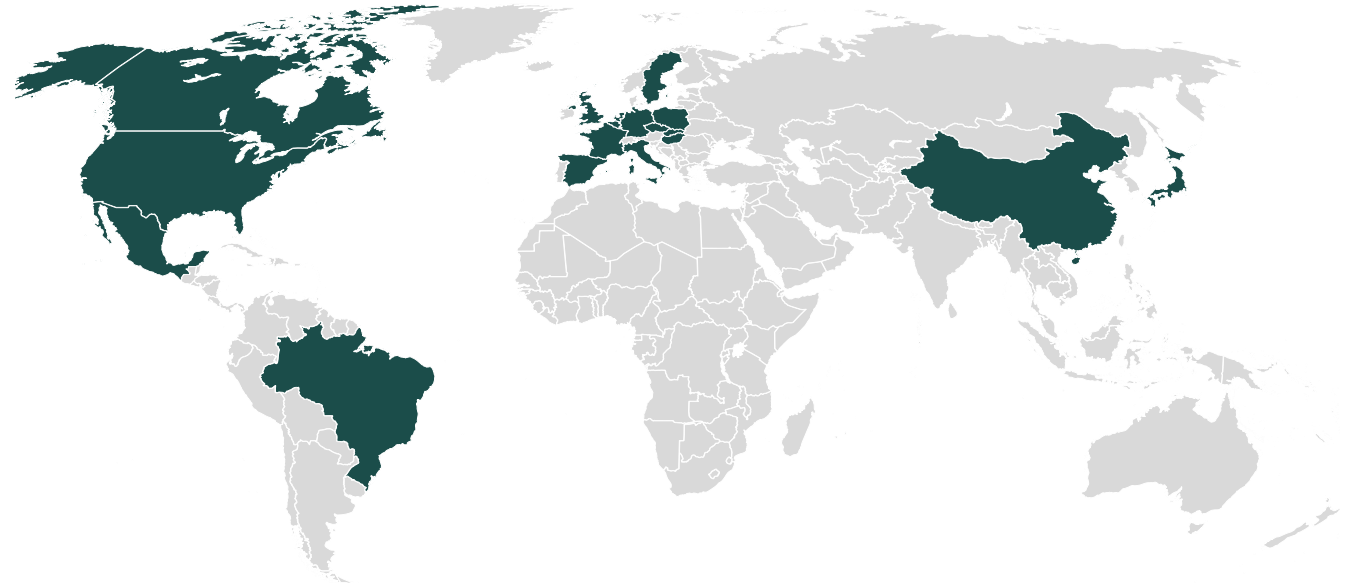
- NAREIT – Leader in the Light Award, Industrial
- Carbon Clean200 – 2019
- PERE – Latin American Firm of the Year

Europe

- The Logistics Real Estate Initiative – 2019 Logix Award, Prologis Park Muggensturm, Germany
- First WELL-Gold logistics facility – Prologis Park Tilburg, the Netherlands
- Prologis Park Blonie – Warehouse of the Year 2019 at the Eurobuild CEE Awards Gala

Asia

- Great Place to Work – Best Workplaces in Japan 2019
- Energy Conservation Center – Energy Conservation Prize, Prologis Japan
- Habitat for Humanity – Global Housing Hero, Prologis China



Additional Awards

- Harvard Business Review 100 Best-Performing CEOs in the World – Hamid R. Moghadam, ranked #17, 4th consecutive year, 30 percent of the CEO rating was based on ESG performance
- FTSE4Good – Included in exclusive ESG index since 2011
- Commercial Property Executive – Industrial Property Executive of the Year, Hamid Moghadam
- Institutional Investor – #2 ESG/SRI Metrics, #2 for CFO, Investor Relations and Corporate Governance
- Institute for Market Transformation and the U.S. Department of Energy’s Better Buildings Alliance – Gold-level Green Lease Leader
- CXPA Innovation Award – Finalist
- DMCAR – Landlord of the Year
- NAIOP – Diversity Champion of the Year, Bay Area
- NAIOP – Developer of the Year, Las Vegas Team
- Civic 50, Colorado - Among the top 50 corporate citizens in Colorado recognizing volunteer time and community engagement

About this report

Prologis' 2019 ESG Impact Report, and our [2019 ESG Impact Report microsite](#), describe the significant achievements and relevant initiatives that have furthered our progress toward our ESG goals and targets. This report and microsite cover our efforts across our global portfolio of \$118 billion in assets under management in 19 countries serving more than 5,000 customers.

Prologis conducts its global business on four continents—the Americas, Europe and Asia—through one common operating platform that governs all entities in the Prologis group. This includes our eight private funds. It also includes our two public co-investment vehicles—FIBRA Prologis (FIBRA) and Nippon Prologis REIT (NPR)—through which we conduct our operations in Mexico and Japan, respectively. For ESG initiatives, Prologis uses its scale to provide one common ESG platform that covers its private funds, FIBRA and NPR, and includes ESG principles, policies, goals and monitoring systems.¹

This report marks our 14th consecutive year of ESG reporting. We report to the Global Reporting Initiative (GRI) Standards. You can find more information about GRI, including the GRI content index, as well as other detailed ESG information on our [2019 ESG Impact Report microsite](#).

We also report progress on our ESG initiatives, annual GHG emissions and Task Force on Climate-related Financial Disclosures (TCFD) climate risk management through CDP, DJSI and GRESB. In addition, we discuss our ESG program in our 2020 Proxy Statement and 2019 Annual Report and Form 10-K, which are available in the Annual Reports section of Prologis' IR [website](#).

Forward-looking statements

All data in this report is as of December 31, 2019, unless otherwise specified. The statements in this release that are not historical facts are 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) risk 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.

External assurance

This report has been externally assured by Lloyd's Register Quality Assurance (LRQA) using the AA1000 Assurance Standard (2008). Our complete ESG Report Assurance Statement can be found [here](#), as well as our Greenhouse Gas Assurance Statement [here](#).



Engage with us

We value your feedback and welcome any questions, comments or suggestions on this report and our performance.

Please send your feedback to:
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 +1 415 394 9000
sustainability@prologis.com

For more information, contact us at:
www.prologis.com
www.linkedin.com/company/prologis
www.facebook.com/Prologis

1. We do not report on the business activities of entities over which we do not exercise direct operational control—including service providers, customers, contractors, suppliers and vendors. We do include aggregated and anonymous customer energy data in our Scope 3 carbon emissions calculations that are part of our Science Based Target (SBT) for reducing greenhouse gas (GHG) emissions and also inform our sustainable supply chain initiatives.