



Green Bond Framework

for

**Prologis, Inc.,
Prologis, L.P.,
related co-investment ventures and other
affiliates
(together, “Prologis”)**

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Overview of the Companies

Prologis, including its family of co-investment ventures and related affiliates, is a leading global logistics real estate company. The company leases distribution facilities to customers in the business-to-business and retail/online fulfillment categories. Prologis was founded in 1983 and is headquartered in San Francisco, California.

Prologis manages its business on an owned-and-managed basis, including properties wholly owned by Prologis, L.P. or owned by their co-investment ventures. The company operates properties on an ownership-blind basis, such that the management policies, including those relating to sustainability, apply to all of the properties the company manages whether held by a co-investment venture or directly by Prologis.

Environmental, Social and Governance (ESG) Strategy of the Companies

Prologis' sustainability strategy has a strong focus on minimizing the negative environmental impacts of its logistics real estate facilities and corporate offices, with a core objective of improving energy efficiency and reducing corporate greenhouse gas (GHG) emissions. Prologis establishes goals, tracks progress and reports outcomes across the company's portfolio through an ESG framework:

- Environmental - impact of the portfolio and operations;
- Social - relationships with employees, customers, investors and communities; and
- Governance - organizational policies, procedures and practices.

Prologis seeks to do the following, in line with the company's operating and development strategies:

- Develop energy-efficient buildings that reduce operating costs;
- Meet recognized sustainable development standards; and
- Reduce the company's environmental footprint.

Green Bond Framework

Prologis Inc., Prologis, L.P., any of its co-investment ventures or other affiliates may from time to time issue Green Bonds in line with the Prologis "Green Bond Framework." Prologis issuers of currently outstanding green bonds are set forth in the Appendix. This Framework may also be used to govern other financings for which proceeds are intended to be allocated to Eligible Green Projects defined, selected, tracked and reported on in accordance with this Framework.

This Green Bond Framework follows the **ICMA Green Bond Principles ("GBP") 2017** which provides guidelines in four key areas:

1. Use of proceeds;
2. Process for project evaluation and selection;
3. Management of proceeds; and
4. Reporting

1. Use of proceeds

The issuer of the applicable Green Bonds (the “Issuer”) intends to allocate an amount equal to the net proceeds of any Green Bonds to a portfolio of eligible green projects (the “Eligible Green Projects”) in the following categories:

a) Green buildings

Use of proceeds: New or existing investments in or expenditures on properties which meet at least one of the following requirements:

- i) New, existing or refurbished buildings which have received at least one of the following classifications:
 - a. **LEED:** Platinum, Gold or Silver
 - b. **DNGB:** Platinum, Gold, or Silver
 - c. **BREEAM:** Outstanding or Excellent, Very Good or Good
 - d. **HQE:** Exceptional, Excellent, Very Good (Very Performant) and Good (Performant)¹
 - e. **CASBEE:** S, A or B+
 - f. **DBJ Green Building Certification: 5 or 4**
 - g. **BELS:** 5 or 4

- ii) Refurbishments to properties in order to significantly improve energy efficiency and/or water efficiency of, or make other environmentally beneficial improvements to a building, building subsystem or land, including but not limited to investments in LED and other energy efficient lighting, cool roof and other sustainability-oriented construction materials, smart meters, electric and renewable energy charging stations and batteries, xeriscaping/drought-tolerant landscaping, waste diversion, water and energy-saving technologies and materials and improvements recognized by sustainability rating systems.

b) Renewable energy projects

Use of Proceeds: New or existing investments in or expenditures on the acquisition, development, construction and/or installation of renewable energy production units. Renewable energy and storage projects can include (but are not limited to):

- i) Solar panel installations, including those on rooftops of properties owned and/or managed by the Issuer or one of its affiliates

- ii) Wind-related energy projects

¹ Prologis properties that received HQE status prior to 2015 were rated as Performant or Very Performant. HQE has since released a new framework with a rating system of Pass/Good/Very Good/Excellent/Exceptional, and any future Prologis HQE certifications will be under this system. The new framework provides an equivalence between the two ratings systems, where Performant matches up with Good and Very Performant with Very Good.

c) Energy Efficiency

- i) Energy storage systems

2. Process for project evaluation and selection

Projects to which the Green Bond proceeds are intended to be allocated are evaluated and selected based on compliance with the eligibility criteria set forth under the section “Use of Proceeds” by the Issuer’s Green Bond Committee, which is comprised of members of Prologis’s Environmental, Social and Governance (ESG) department (or persons related to the Issuer or a Prologis affiliate supporting the Prologis ESG department) together with members of Prologis management as applicable.

3. Management of proceeds

The Issuer’s Green Bond Committee intends to allocate the proceeds from the issue of Green Bonds to a portfolio of assets (the “Eligible Green Project Portfolio”) within the applicable asset portfolio of the Issuer or any of its affiliates. The Issuer will strive, as long as the applicable Green Bonds are outstanding, to achieve a level of allocation for the Eligible Green Project Portfolio which, after adjustments for “Intervening Circumstances” (including, but not limited to, sales, repayments and possible loss of certifications), matches the balance of net proceeds from its outstanding Green Bonds. In the case of Intervening Circumstances, for so long as the applicable Green Bonds are outstanding, the Issuer will strive to add Eligible Green Projects to the Issuer’s Eligible Green Project Portfolio to the extent required to ensure that the net proceeds from outstanding Green Bonds will be allocated to Eligible Green Projects. The Issuer will internally track the allocated proceeds on a portfolio basis.

Pending the allocation of the net proceeds of a Green Bond to Eligible Green Projects, all or a portion of the net proceeds may be used for the payment of outstanding indebtedness or other capital management activities.

4. Reporting

The Issuer will report on a website for Prologis, a Prologis affiliate or an Issuer, as applicable, the allocation of net proceeds to the Eligible Green Project Portfolio (the “Allocation Reporting”) within a year of issuance of the applicable Green Bonds. This reporting will be updated annually until full allocation of the Green Bond net proceeds or until the applicable Green Bonds are no longer outstanding. The Issuer intends to report the allocation of the Use of Proceeds to the Eligible Green Project Portfolio at least at the category level and on an aggregated basis for all of the Issuer’s Green Bonds for so long as such Green Bonds remain outstanding.

To the extent practicable, the Issuer will provide information such as:

- The total amount of proceeds allocated;
- The number of eligible projects;
- The balance of unallocated proceeds; and
- For properties in the Eligible Green Project Portfolio: the levels of certification of properties in the portfolio.

For so long as the applicable Green Bonds are outstanding, to the extent the Eligible Green Portfolio has changed in the Allocation Reporting from the prior year's Allocation Reporting, if and as disclosed by the Issuer in applicable Green Bond documentation, the Issuer intends to receive a report from an independent accountant or a Green Bond Committee report attesting to its examination of the Issuer's management's assertion of the allocation of the Green Bond net proceeds to the Eligible Green Project Portfolio.

Appendix

List of Current or Potential Prologis Issuers

Prologis, L.P.

Prologis Euro Finance LLC

Prologis Yen Finance LLC

Prologis Sterling Finance LLC

Prologis European Logistics Fund, FCP-FIS (Guarantor) and

Prologis International Funding II SA (Issuer)

Nippon Prologis REIT, Inc.

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