

LRQA Independent Assurance Statement

Relating to Prologis' Greenhouse Gas Emissions for the Calendar Year 2019

This Assurance Statement has been prepared for Prologis, Inc. in accordance with our contract.

Terms of Engagement

Lloyd's Register Quality Assurance, Inc. (LR) was commissioned by Prologis, Inc. (Prologis) to provide independent assurance on its greenhouse gas (GHG) Emissions Inventory ("the Report") for calendar year 2019 against the assurance criteria below to a limited level of assurance and materiality of the professional judgment of the verifier using ISO 14064 - Part 3 for greenhouse gas data.

Our assurance engagement covered Prologis' corporate offices GHG emissions and specifically the following requirements:

- Verifying conformance with:
 - World Resources Institute / World Business Council for Sustainable Development Greenhouse Gas Protocol: A corporate accounting and reporting standard, revised edition (otherwise referred to as the WRI/WBCSD GHG Protocol) for the GHG data¹
- Evaluating the accuracy and reliability of data and information for:
 - Direct (Scope 1), Energy Indirect (Scope 2) and Other Indirect (Scope 3) GHG emissions. Scope 3 GHG emissions only included purchased goods and services, capital goods, business travel, employee commuting, and downstream leased assets.
 - 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.

LRQA's responsibility is only to Prologis. LRQA disclaims any liability or responsibility to others as explained in the end footnote. Prologis' 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.

LRQA's Opinion

Based on LR's approach nothing has come to our attention that would cause us to believe that Prologis has not, in all material respects:

- Met the requirements of the criteria listed above; and
- Disclosed accurate and reliable performance data and information as summarized in Tables 1 and 2 below.

The opinion expressed is formed on the basis of a limited level of assurance² and at the materiality of the professional judgement of the verifier.

¹ <http://www.ghgprotocol.org/>

² The extent of evidence-gathering for a limited assurance engagement is less than for a reasonable assurance engagement. Limited assurance engagements focus on aggregated data rather than physically checking source data at sites. Consequently, the level of assurance obtained in a limited assurance engagement is lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Table 1. Summary of Prologis, GHG Emissions Inventory / Report 2019

Scope of GHG emissions		Tonnes CO ₂ e
Scope 1	Direct GHG Emissions	4,743
	Direct GHG Emissions (Scope 1 less offsets) ¹	0
Scope 2	Energy Indirect GHG Emissions (Location-based) ²	3,354
	Energy indirect electricity GHG emissions (Market-based) ²	0
	Energy indirect total GHG emissions (Market-based) ²	99
Scope 3	Category 1 Purchased goods and services	517,699
	Category 2 Capital goods	1,470,166
	Category 6 Business travel	6,038
	Category 7 Employee commuting	6,810
	Category 13 Downstream leased assets	3,037,009

1. The Report includes a deduction from Prologis' emissions of 4,743 tonnes CO₂e relating to offsets. We have verified that these offsets were acquired and that their inclusion in the Report is reasonable. We have not performed any assurance procedures regarding the providers of these offsets and express no opinion on whether they have, or will, result in a reduction of CO₂e.

2. 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 2019

Scope of GHG emissions		Tonnes CO ₂ e
Scope 1	Nippon Prologis REIT Direct GHG Emissions	8
Scope 2	Nippon Prologis REIT Energy indirect GHG emissions (Location-based and Market-based) ¹	17
Scope 1	FIBRA Prologis Direct Emissions	486
Scope 2	FIBRA Prologis Energy Indirect GHG Emissions (Location-based and Market-based) ¹	384

1. Scope 2, Location-based and Scope 2, Market-based are defined in the WRI/WBCSD GHG Protocol Scope 2 Guidance, 2015

LRQA's Approach

LRQA's assurance engagements are carried out in accordance with our verification procedure. The following tasks were undertaken as part of the evidence gathering process for this assurance engagement:

- interviewing relevant staff of the organization responsible for managing GHG emissions data and records;
- Auditing Prologis' data management systems to confirm that there were no significant errors, omissions or mis-statements in the Report. We did this by reviewing the effectiveness of data handling procedures, instructions and systems, including those for internal verification; and
- verifying historical Scope 1, Scope 2 and Scope 3 GHG emissions data and records at an aggregate level for the calendar year 2019.

LRQA's Standards and Competence

LRQA implements and maintains a comprehensive management system that meets accreditation requirements for ISO 14065 Greenhouse gases – Requirements for greenhouse gas validation and verification bodies for use in accreditation or other forms of recognition and ISO/IEC 17021 Conformity assessment – Requirements for bodies providing audit and certification of management systems that are at least as demanding as the requirements of the International Standard on Quality Control 1 and comply with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants.

LRQA ensures the selection of appropriately qualified individuals based on their qualifications, training and experience. The outcome of all verification and certification assessments is then internally reviewed by senior management to ensure that the approach applied is rigorous and transparent.

Signed

Dated: 23 June 2020



Andrea Bockrath
LRQA Lead Verifier
On behalf of LRQA, Inc.
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LRQA reference: UQA00000496/3588624

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