



Prologis Cajamar mural, Cajamar, Brazil



2023-24

ESG Report

Executive
Summary

PROLOGIS[®]

I've said this many times, and it remains true: At Prologis, we focus on and invest in environmental, social and governance because it makes good business sense.

More efficient buildings with features such as solar, energy storage and electric vehicle charging bring our customers a range of benefits. These services and features also enhance the value of our real estate, a priority for our investors. All of this will help us achieve net-zero greenhouse gas emissions by 2040.

We're also creating social and community value through the jobs we support and from the economic value we create — more than 1 million people work under a Prologis roof every day. As a long-term owner, we value long-term relationships with the people in the communities where we do business. That means we listen and respond to their feedback and create programs and partnerships, such as the Morehouse College Real Estate Institute, PARKlife and Space for Good.

Our focus on good governance goes back to our founding some 40 years ago. Our culture is a key driver, as is our drive to stay ahead of what's next. Our policies, systems and processes encourage integrity, accountability and sound decision-making across our company. We spend significant time and effort fostering a culture of inclusion and belonging, which we believe helps us attract and retain the talent we need to implement our business plan. Finally, we set bold targets and base our decisions on data. When we know how our buildings are being used, we can better serve our customers. This remains a continuing area of focus.

This ESG report describes our 2023 performance, outlines our continuing priorities and shows where we are headed. In the past year:

- We achieved more than 500 megawatts (MW) of installed solar and energy storage capacity.
- Our net-zero goal was validated by the Science Based Targets initiative.
- Prologis employees gave more than 16,400 hours of their time to community organizations.
- We announced a \$3 million donation to Morehouse College to create an endowed fund for the new Morehouse Real Estate Institute (MREI).

These and many other highlights are a source of pride for our people and demonstrate our continuing commitment to leadership — in our industry and beyond.

Driven by our innovative employees, guided by our customers' priorities and aligned around a clear vision, we look forward to the future with tremendous optimism.

Thank you for your interest in – and engagement with – Prologis. We welcome your input and ideas.

Sincerely,



Hamid R. Moghadam
Co-Founder, Chairman and CEO



“
**We set bold targets
and base our decisions
on data.**
”

Hamid R. Moghadam

At Prologis, we are driven by a powerful purpose: to empower a thriving future for our customers, communities and the planet. We recognize our impact and are committed to addressing emissions from our operations and value chain to lead in decarbonization and sustainable logistics.

As Prologis' chief energy and sustainability officer, my mission is to turn our commitment into reality by leading our customers as their partner in decarbonization, supporting the communities we serve and delivering strong results for our shareholders.

Our unique scale allows us to drive meaningful change across the entire supply chain. This ESG report serves as a roadmap for our journey toward resilient and responsible operations.

Driving Decarbonization: Partnering for a Net-Zero Future

We are deeply committed to addressing emissions across our operations and value chain. We see ourselves as a decarbonization partner for our customers and utilities. By providing innovative and sustainable warehousing solutions, we empower customers to achieve their environmental goals. We collaborate with utilities to support their clean energy initiatives, working together towards a more sustainable future.

Technology and Innovation: Catalysts for Sustainability

Technology and innovation are at the forefront of our sustainability strategy. We made significant progress toward our goal of 1 gigawatt (GW) of installed solar and storage capacity by 2025, reaching over 500 MW in 2023. Our Prologis Mobility program charged 22% of California's registered Class 8 electric trucks at our sites and has electrified over 2 million miles of clean transportation. We are constantly identifying and implementing new technologies to further decarbonize our operations and push the boundaries of sustainability within our industry.

Beyond the Building: Building Strong Communities

We remain steadfast in our commitment to transparency, continuous improvement and a culture of sustainability, both within Prologis and in the communities where we do business.



“
Our unique scale allows us to drive meaningful change across the entire supply chain.
 ”

Susan Uthayakumar

Our employees are a driving force behind our success, contributing over 16,400 volunteer hours in 2023 and propelling us towards our goal of 75,000 hours by 2025. Through our Community Workforce Initiative, we trained nearly 8,800 individuals in 2023, addressing the logistics talent gap while creating economic opportunities in the communities we call home.

The road ahead demands continued innovation and collaboration. But with a shared vision and unwavering commitment, we will create a more sustainable future, not just for ourselves, but for generations to come. We look forward to making further progress on our goals, together.

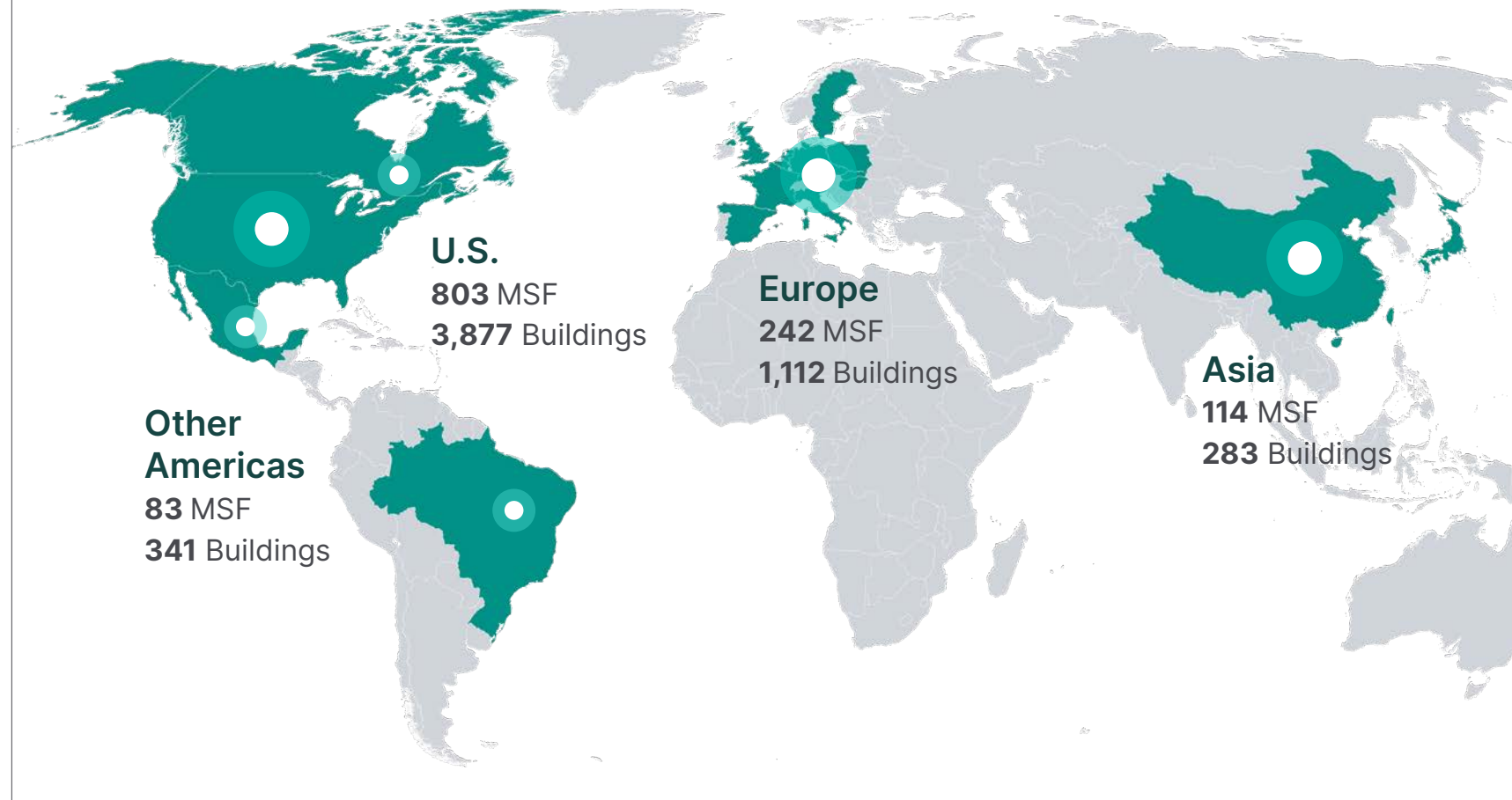
Sincerely,

Susan Uthayakumar
 Chief Energy and Sustainability Officer

Prologis at a glance

Prologis is the global leader in logistics real estate. Our more than 5,600 facilities serve some 6,700 customers in key global and regional markets. Through the Prologis Essentials platform, we help our customers address their operations and energy + sustainability needs.

Our Global Portfolio



By the Numbers

6,700
customers

\$219B
assets under management (AUM)

10
investment vehicles through our Strategic Capital business

#65
on the S&P 500 Index

A3/A
credit ratings¹

1.2 BSF
of space in 19 countries

8,630-acre
land bank

2.8%
of the world's GDP flows through our buildings each year

~2,570
employees around the world

53
net promoter score²

1. From Moody's and S&P, respectively. A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.
 2. Net Promoter Score (NPS) is an indicator of customer loyalty, ranging from -100 to +100. A higher score is desirable.

Year in review

Forty years young

Prologis teams around the world celebrated our 40th anniversary as each of our six regions received \$40,000 from the Prologis Foundation to donate to nonprofits of their choice.



Renewable energy

We surpassed 500 MW of installed solar and storage capacity across our portfolio.¹



World's first

Our Eindhoven DC4 warehouse in the Netherlands received a Zero Carbon Certification from the International Living Future Institute (ILFI), a first for an industrial building.



Community service

Our employees donated more than 16,400 hours to community organizations in 2023, including more than 10,800 hours on our 11th annual IMPACT Day, a record number of hours for our annual global day of service.



Record revenue

We earned a company record of \$8.02B in revenue in 2023, driven by the strength of our portfolio and business model.



Targeted growth

We announced an agreement to acquire nearly 14 MSF of industrial properties from real estate funds affiliated with Blackstone for \$3.1B.



Industry leadership

GROUNDBREAKERS, our signature thought leadership forum, focused on global supply chain opportunities in energy transition, workforce transformation and artificial intelligence. It received approximately 775,000 views worldwide, making it one of the premiere supply chain events in the world.



Diversity in real estate

The Prologis Foundation announced a \$3M donation to Morehouse College to create an endowed fund for the new Morehouse Real Estate Institute (MREI).

1. Across our owned and managed portfolio.

Creating value through ESG

ESG at Prologis is not a separate program or initiative. Instead, it is integrated into our business strategy, processes and KPIs, with robust data management and multiple systems to track our performance.

Our integrated approach to ESG includes four pillars:

- we stay ahead of what's next;
- deliver sustainable logistics solutions to our customers;
- inspire our people; and
- build resilient communities.



Dow Jones Sustainability World Index (Top 10% globally) – Prologis and Nippon Prologis REIT – 2023



100 Most Sustainable Companies in the World – 2024



Industrial “Leader in the Light” – 2023 (12th consecutive year)
Investor CARE Award (Gold) – 2022



Green Star Recognition – Prologis and seven of our co-investment vehicles – 2023
Regional Sector Leader in the Americas – Prologis – 2023



Leadership Award – 2022



ESG Rating of “A”¹



#1 in Real Estate – 2023



ISS Corporate ESG Rating of “Prime”¹



Leading REIT in Corporate Governance (21st consecutive year) – 2023



Organizational Leadership Award – 2023



#2 for Onsite Solar Generation (U.S.) – 2022



“A-” rating on Climate Change Response – 2023



All-American Executive Team Rankings REIT Sector – #1 CEO, #1 CFO, #1 IR Professional, #1 in IR, #1 in ESG – 2023



World's Most Admired Companies – 2024



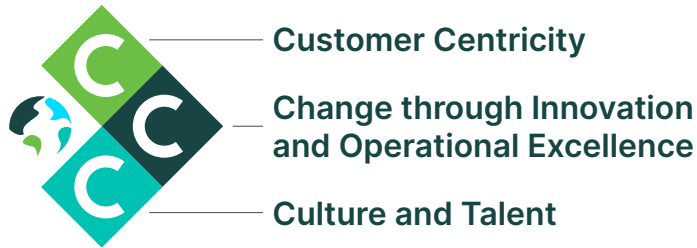
10 Most Sustainable REITs – 2023

1. As of January 2024.

Ahead of what's next

Prologis works to stay ahead of what's next. Using both our scale and our role in the global supply chain, we promote innovation and demonstrate leadership in ESG.

We combine the spirit of a startup with the resources of a seasoned business. We pilot and implement a wide range of solutions for our customers. We encourage our employees to “simplify and sprint” and to “fail fast.” And we participate in—and contribute to—the communities where we do business. Our “3Cs” have been developed based on decades of experience. They describe what we value and how we work:



\$200M

Since 2016, Prologis Ventures has invested approximately \$200M in 45 companies to drive innovation in logistics.

100

We hosted nearly 100 customer appreciation events across our portfolio.

5 years in a row

We were included in the Dow Jones Sustainability World Index for the fifth year in a row for ESG performance among the top 10% of companies globally.

10%

10% of our 2023 employee bonus scorecard was linked to ESG metrics.

Innovation in New Development

The Prologis team that manages new development projects is always on the lookout for ways to make Prologis buildings better. Ideas come from new development employees as well as from regional teams. The team has piloted many innovative ideas, including:

- The **Falkbuilt prefabricated wall system** where walls and cladding are fabricated offsite using recycled aluminum and MDF. The walls can be easily reconfigured as tenant needs change, reducing waste and the need for demolition and rework. This product has been installed on 10 projects, with more in the pipeline.
- **OptiPave**, a synthetic-fiber-reinforced exterior concrete paving system that allows for the concrete thickness to be significantly reduced and can achieve a 20%-40% reduction in embodied carbon compared to baseline pavement. This solution has been piloted on three projects to-date.
- **Pozzotive**, a company which uses recycled glass to produce a powder that replaces cement in concrete. This innovation has been piloted on one project, and can achieve a reduction of as much as 50% in embodied carbon.

The bottom line? Prologis is always looking for ways to improve our buildings. Our culture of innovation and the hard work and creative thinking of our employees make this possible.



Sustainable logistics

Our customers are interested in operating more efficiently—and in reducing their energy use and emissions. We provide them with a range of solutions, including renewable energy, energy storage and mobility infrastructure.

As the global leader in logistics real estate, our climate strategy is to site, develop and operate our buildings with efficiency in mind. Our design standards require that buildings be rooftop-solar ready; have LED lighting; and have heat pumps where feasible.

Our goal to achieve net-zero emissions by 2040 demonstrates our ambition. This goal includes scopes 1, 2 and 3 emissions and has been validated by the Science Based Targets initiative.

“
As the global leader in logistics real estate, our strategy is to site, develop and operate our buildings with efficiency in mind.
 ”

2040

Our goal to achieve net-zero emissions by 2040 has been validated by the Science Based Targets initiative.

>500 MW

We achieved more than 500 MW of solar and storage capacity in 2023, halfway to our goal of 1 GW by 2025.

Solar + Storage Satisfaction

A brand-new speculative building in Northern California provided an opportunity to bring in a key consumer retail customer, but the customer had one request: that the building include onsite solar and energy storage to support their GHG reduction goals.

Because this was a new site, the energy team at Prologis Essentials took an innovative approach. They analyzed the customer’s energy consumption profile at other locations to estimate how much energy would be needed at this site. They verified this estimate with the customer and then began installation of two solar and two energy storage projects, totaling 1.75 MW and 1.11 MWh of generating capacity and storage, respectively.

Follow through and attention to detail were critical as we worked to expedite permitting, install equipment and commence operation.

The resulting project demonstrates Prologis’ ability to integrate clean energy and deliver sustainability solutions for our customers.

\$9.9B

Since 2018, we’ve issued 29 green bonds worth \$9.9B to help fund green building design and innovation.

2M

We have provided 2 million miles worth of EV truck-charging services.



Our inspired people

Our people are the key to our success. They contribute to our communities and create value for our customers and investors. They work to build an inclusive workplace and innovate to create the future.

According to our 2023 employee engagement survey, 88% of our employees are engaged based on their responses to the five statements that comprise our engagement driver index, including “I am proud to work for this company,” which scores at 95%. Our overall engagement score compares favorably with the financial services sector average of 80%.

We recruit talented employees with varied experiences and viewpoints and create opportunities for them to learn and develop. Our goal is to have the right people in the right roles at the right times in their careers. Our culture is key. We are committed to diversity, equity, inclusion and belonging and try to create a workplace where employees feel that they can take risks; simplify and sprint; and fail fast. Members of our executive committee directly participate in new employee orientations and speak about the importance of our company culture.



88%

We achieved an 88% employee engagement survey score.

+6% and +9%

We improved the diversity of our senior leadership team, with increases of 6% and 9% for women (globally) and people of color (US only), respectively, since renewing our focus on diversity in 2021.

\$3M

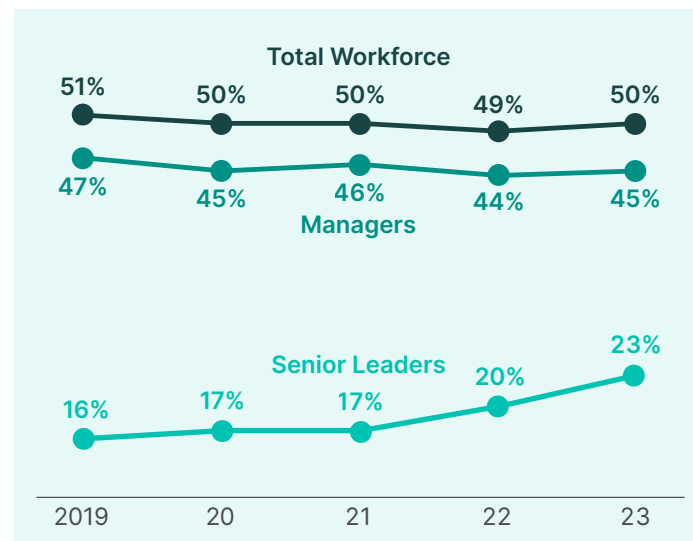
In October, we announced a \$3 million Prologis Foundation donation to Morehouse College to create an endowed fund for the new Morehouse Real Estate Institute (MREI).

13,600

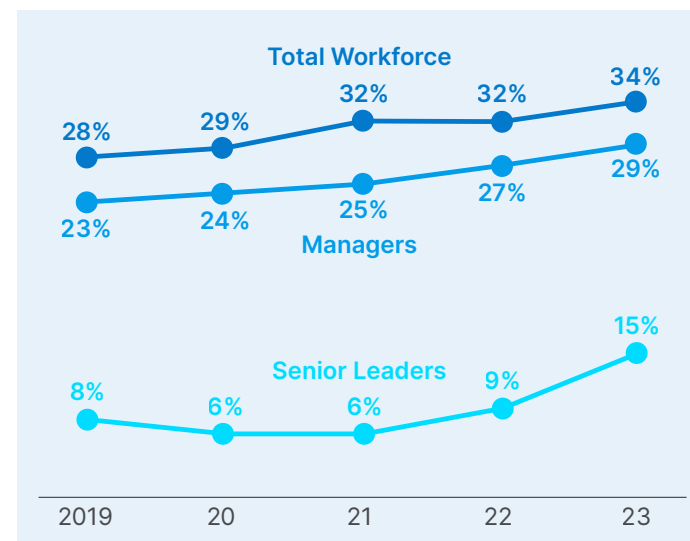
Our employees completed more than 13,600 hours of company-provided or -sponsored training.

Workforce Diversity¹

Women (companywide)



People of Color (U.S.)



1. "Managers" includes managers, directors and vice presidents. "Senior leaders" includes those at or above the senior vice president level.

Resilient communities

Logistics real estate drives economic development and fosters resilient communities. We work in partnership with local leaders and organizations to provide job training programs; promote community health and safety; and enhance park and transit infrastructure.

By locating our logistics facilities close to urban centers, we create economic and social value through shorter delivery routes, reduced greenhouse gas emissions and next-day or even same-day delivery of the crucial goods and services, including food and medicine, that local residents and businesses need. Additional benefits include direct, indirect and induced jobs, shorter commute times for logistics workers and, in some cases, reclamation and remediation of abandoned, environmentally challenged or brownfield sites.

During project planning and development, we work closely with city staff to align our projects with applicable ordinances, regulations and guidelines. As appropriate, we engage with community members to learn about community needs and find ways to help address them. Local feedback helps us create value beyond that of a typical distribution center.

“
We focus our giving in three areas: education, the environment and community support.
 ”

At some logistics centers, we create **PARKlife** spaces to improve the local quality of life and help our customers attract and retain workers. Examples of PARKlife include green spaces, sports facilities, fitness trails, job training centers and other community features. PARKlife murals and other artwork, created in partnership with local artists, brighten the walls of our distribution centers, bringing a touch of whimsy, a different perspective or a refreshing visual break from the day-to-day.

Through our **Space for Good** program, we donate rent-free space in unoccupied parts of our logistics buildings to charitable organizations that provide short-term community services such as disaster relief. In 2023, in response to a range of crises around the world, we donated some 2.1 MSF worth nearly \$5M of in-kind rent to 25 charities. (Since 2019, we’ve donated nearly 6 MSF worth approximately \$24M in in-kind rent.)

The **Prologis Foundation** helps local communities thrive by supporting economic, educational and environmental causes and organizations. In 2023, Prologis and the Prologis Foundation made approximately \$8M in contributions to community organizations around the world.

In 2023, we made significant progress toward our community giving goal, established in 2019, to donate 75,000 hours to community organizations by 2025: Employees donated 16,400 hours in 2023 to reach approximately 54,500 hours.



1.1M

Approximately 1.1 million people work under a Prologis roof every day.

29,700

Through our Community Workforce Initiative, we trained 8,760 people in 2023, reaching 29,700 people by year-end 2023 and achieving our goal for this program two years early.

40 years

Prologis teams around the world celebrated our 40th anniversary, as each of our six regions received \$40,000 from the Prologis Foundation to donate to non-profits of their choice.

16,400 hours

Our employees donated more than 16,400 hours to community organizations.

Goals and progress

GOAL	2023 PROGRESS	STATUS
Net-zero emissions. Achieve net-zero greenhouse gas emissions across our value chain by 2040 from a 2019 baseline. This goal has been validated by the Science Based Targets initiative.	Reduced Scope 1 emissions by 25%, Scope 2 emissions by 99%, ¹ and Scope 3 emissions by 29% from our 2019 baseline.	On track
Renewable energy. Achieve 1 GW of installed solar and storage capacity by 2025.	Achieved 506 MW of installed capacity. ²	On track
Building certifications. Achieve a sustainable certification for every eligible ³ new development and redevelopment.	Achieved, or in progress of achieving, sustainable building certifications for 96% of eligible ³ projects.	On track
LED lighting. Install LED lighting across 100% of new developments and redevelopments each year and across 80% of our portfolio by 2025. ⁴	Achieved LED lighting across 74% of our portfolio. We will begin reporting on LED lighting in new developments in our 2025 ESG report. ⁴	On track
Workforce inclusion. Achieve two DEIB certifications by 2025: <u>Management Leadership for Tomorrow's</u> "Black Equity at Work" and "Hispanic Equity at Work."	Completed a baseline assessment and submitted initial goals for the certification process.	On track
Community engagement. Achieve 75,000 hours of volunteer time supporting our local communities around the globe by 2025 (2019 baseline).	Donated 16,400 hours in 2023, bringing our total to approximately 54,500 hours donated since 2019.	On track
Logistics workforce training. Train 25,000 people in logistics by 2025 (2018 baseline) through our Community Workforce Initiative.	Trained 8,760 people in 2023, reaching 29,700 people by year-end 2023 and achieving our goal two years early.	Achieved
Ethics. Train 100% of our employees in ethics each year.	100% of our employees completed ethics training.	Achieved

Our goals demonstrate ambition, create accountability and drive integration with our business strategy. They are aligned with the following targets within the UN Sustainable Development Goals (SDGs):



Our **Renewable energy, Building certifications** and **LED lighting** goals are aligned with UNSDGs 7 and 9:

- Reliance on clean fuels and technology;
- Renewable energy consumption; and
- CO₂ emissions per unit of value added.



Our **Logistics workforce training** and **Workforce inclusion** goals are aligned with UNSDG 10:

- Growth rate of household income;
- Population living below median income; and
- Population experiencing discrimination.



Our **Net-zero emissions** goal is aligned with UNSDG 13:

- Total annual greenhouse gas emissions.

1. Market based, achieved through the purchase of RECs.

2. Across our owned and managed portfolio.

3. Includes projects approved from June 2021. Due to customer requirements and/or the limitations of certain co-development agreements, a small number of projects are ineligible to receive a sustainable building certification.

4. We have updated our LED lighting goal to allow time to convert newly acquired properties to LED. Across our owned and managed operating properties. Data from a portfolio of properties acquired in June 2023 will be included in our 2024-25 ESG report.

Performance data

	2019	2020	2021	2022	2023
Our Business					
Revenue (dollars in billions)	\$3.33	\$4.44	\$4.76	\$5.97	\$8.02
Assets under management (dollars in billions)	\$118	\$148	\$215	\$196	\$219
Square footage of real estate portfolio (MSF)	814	984	1,001	1,213	1,242
Number of buildings (owned and managed portfolio)	3,840	4,703	4,735	5,495	5,613
Number of customers	5,000	5,500	5,800	6,600	6,700
Global occupancy rate at year-end	97%	96%	98%	98%	98%
Global customer retention rate	79%	77%	74%	78%	74%
Number of employees	1,713	1,945	2,053	2,466	2,574
Environment¹					
Scope 1 and 2 GHG emissions (mtCO ₂ e—market based)	10,753	10,241	8,476	4,465	6,081
Scope 1 and 2 GHG emissions (mtCO ₂ e—location based)	13,493	12,869	11,135	6,498	8,302
Scope 3 GHG emissions (mtCO ₂ e—location based)	5,429,592	5,094,320	4,514,735	4,215,247	3,841,252
Energy consumption (MWh)	18,708	22,786	20,671	9,831	9,967
Total renewable energy purchased or generated for our operations (MWh)	72	72	214	346	765
Solar and storage capacity (in MW) ²	212	252	285	405	506
Area of sustainably certified space (million square feet)	145	170	195	235	287
LED lighting (% of owned and managed operating properties) ³	33%	42%	57%	71%	74%
Social & Governance					
Women in global workforce	51%	50%	50%	49%	50%
People of color in U.S. workforce	28%	29%	32%	32%	34%
People trained through Community Workforce Initiative ⁴	597	4,036	6,809	10,119	8,760
Employee volunteer hours	11,872	4,428	7,324	14,557	16,406
Charitable giving (dollars in millions)	\$2.30	\$8.20	\$4.70	\$6.48	\$7.92
Employee ethics training completed	100%	100%	100%	100%	100%
Employee lost time injury frequency rate (U.S. only, per 1 million hours worked)	1.10	0.94	1.34	0.68	0.67

1. Based on improved data quality and alignment with SBTi, we have updated our emissions methodology and historical data. We now include updated emissions factors; more precise fleet- and office-related emissions data; and Scope 1 and Scope 2 emissions from fugitive refrigerants and chilled water. We now exclude energy related spend from purchased goods and services. Additionally, across all years, we now exclude as immaterial: FERA (indirect emissions associated with the production, transmission and delivery of fuels and energy we purchased), employee commuting, business travel and emissions from properties outside of our owned and managed operating properties and development portfolio.

2. Across our owned and managed portfolio.

3. Across our owned and managed operating properties. Data from a portfolio of properties acquired in June 2023 will be included in our 2024-25 ESG report.

4. Historical data has been updated. 2020-2023 data includes participants in online program only.

About this report

This summary contains highlights of Prologis' 2023-24 ESG report, which was prepared in accordance with the Global Reporting Initiative (GRI) Universal Standards 2021 and aligns with the Sustainability Accounting Standards Board (SASB) 2023 Real Estate Standards; the Task Force on Climate-related Financial Disclosures (TCFD); and the Greenhouse Gas Protocol. LRQA, Inc. has provided limited assurance using the AA1000 AccountAbility Principles (AA1000AP 2018).

We welcome comments and encourage feedback. Please email esg@prologis.com.

Forward-looking statements

The statements in this report that are not historical facts are forward-looking statements. 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 and/or operating results. Words such as "goal," "commits," "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, progress toward goals, events or developments that we expect or anticipate will occur in the future 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.

Please refer to the "Risk Factors" set forth in our most recent Annual Report on Form 10-K for a non-exhaustive list of factors that could cause such forward-looking statements to differ from actual results. The statements in this report are not intended to expand upon or modify the regulatory disclosures of Prologis Management II S.à r.l. or of our funds as found, for instance, in the SFDR Annex II templates that are part of the pre-contractual documentation of said funds and which include, among others, what we define as environmental and/ or social characteristics promoted for SFDR (EU 2019/2088) purposes. Moreover, the statements in this report apply to Prologis as a whole and are not specific to our Strategic Capital business or to any one fund or regulated entity.

Prologis

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