



2013
CORPORATE
RESPONSIBILITY
REPORT



PROLOGIS®

Corporate Overview

Environmental Stewardship
Social Responsibility
Ethics and Governance
GRI Content Index

Environmental Stewardship.
Social Responsibility.
Ethics and Governance.

As the global leader in industrial real estate, Prologis is focused on building the most sustainable logistics and distribution platform in the industry.

With a long-standing commitment to corporate responsibility, we continue to achieve success through formal programs within three areas of focus.

Cover:

Prologis Park Chanteloup 8
HQE Certified

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TO OUR FELLOW STAKEHOLDERS

We have long believed that doing the right thing is good for business – it helps us attract talent, deepens our connection with our customers and builds goodwill with the communities in which we operate.

In 2013, we further advanced our sustainability efforts. We reduced our environmental impact, launched a global day of service and strengthened our governance standards.

Last year, 20 of our new development projects totaling 5.7 million square feet (530,000 square meters) across seven countries received sustainable building certifications, bringing our total certified projects to 43 million square feet (4 million square meters) globally since 2006. Approximately 64 percent of our operating portfolio has been upgraded with energy-efficient lighting, up from 51 percent in 2012. We also made progress with our rooftop solar initiative and have now developed more than 100 megawatts of renewable energy in six countries since 2007.



Hamid R. Moghadam

Chairman and Chief Executive Officer

For us, being a leading corporate citizen includes inspiring others to get involved as a force for positive change. As part of this, Prologis made important strides forward in 2013, holding our first global day of service on May 17. Our colleagues contributed more than 7,000 hours of service in their local communities during this single 24-hour period. We partnered with 55 nonprofit organizations and schools around the world to support the causes of education, human welfare and the environment. The event gave our employees the opportunity to demonstrate our core values of Integrity, Mentorship, Passion, Accountability, Courage and Teamwork. IMPACT Day was such a success, it will now be held annually.

We also launched our Supplier Code of Conduct, which defines the ethical standards to which we hold our suppliers. We strive to improve upon ethical, environmental and social standards throughout our supply chain. We continue to work with our suppliers to promote healthy and safe working environments.

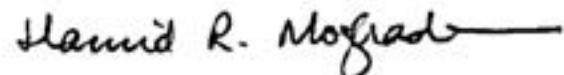
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Over the years, we have worked hard to become the global leader in industrial real estate. We are proud to be recognized for our commitment to corporate responsibility. We were included in the Global 100 Most Sustainable Corporations in the World list for the sixth consecutive year. Prologis is also named the leader in corporate governance in the REIT industry by Green Street Advisors, topping its list for the 11th straight year. We are also recognized in 2014 as one of Fortune Magazine's World's Most Admired Companies, and were cited as the top real estate company for social responsibility on this prestigious list.

The reputation we enjoy today for our high-quality facilities, strong performance and corporate integrity reflects the commitment of the Prologis team to do the right things for our business – in the right way. We're proud of our achievements this year, and we value your support as we strive for enduring excellence in global real estate.

Sincerely,



Hamid R. Moghadam

Chairman and Chief Executive Officer

May 30, 2014



6x

Named to the Global
100 Most Sustainable
Corporations in the World

43 MSF

of certified sustainable
development projects



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COMPANY OVERVIEW

Prologis is the global leader in industrial real estate across the Americas, Europe and Asia. As of December 31, 2013, the company had 2,921 properties and development projects totaling 569 million square feet (52.9 million square meters) in 21 countries, up from 554 million square feet (51.5 million square meters) in 2012. Occupancy at the end of 2013 was 95.1 percent. Our properties were leased to more than 4,500 customers, including third-party logistics providers, transportation companies, retailers and manufacturers. Assets under management totaled \$48.2 billion at the end of 2013, with revenue for the year of \$1.75 billion.

Prologis is a self-administered and self-managed real estate investment trust (REIT). As a REIT, we are required to distribute a minimum of 90 percent of our taxable income to investors annually in the form of dividends. Information on the company's financial performance, dividends and market capitalization can be found by visiting <http://ir.prologis.com>.

Prologis' global corporate headquarters is located in San Francisco. We have 72 offices in 21 countries around the world.

Our corporate headquarters is located in San Francisco, California, and our operational headquarters is located in Denver, Colorado. Other principal office locations include Amsterdam, Luxembourg, Mexico City, Shanghai, Singapore and Tokyo. As of December 31, 2013, we employed 1,456 individuals worldwide.

Our investment strategy focuses on providing distribution and logistics space to customers whose businesses are tied to global trade and depend on the efficient movement of goods. Our markets are segmented into two main categories: global and regional. Global markets comprise roughly 30 of the largest, most liquid markets tied to global trade. These are defined by large population centers with high per capita consumption rates and feature major sea ports, airports and other transportation infrastructure. Regional markets serve local consumption and are less supply constrained.

Our business strategy is composed of two operating segments: Real Estate Operations and Investment Management.

4,500

Customers across a diverse range of industries

\$48.2B

Total assets under management

569

Million square feet

2,921

Industrial properties across the Americas, Europe, and Asia

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Real Estate Operations

Rental Operations – We collect rent from our customers under operating leases, including reimbursements for the vast majority of our operating costs. We expect to generate long-term internal growth in rental income by maintaining a high occupancy rate, controlling expenses and increasing rental rates.

Capital Deployment – This includes development, redevelopment and acquisition of industrial properties that lead to rental operations and are therefore included with that line of business for segment reporting. Within this line of business, we capitalize on:

1. our land bank;
2. the development expertise of our local teams;
3. our global customer relationships; and
4. the demand for high-quality distribution facilities in key markets.

Investment Management

We invest with partners and investors through our ventures, both private and public. We tailor industrial portfolios to investors' specific needs and deploy capital with a focus on larger, long-duration ventures and open-ended funds with leading global institutions. We also access alternative sources of public equity through publicly traded vehicles such as the Nippon Prologis REIT, Inc. These private and public vehicles provide capital for distinct portfolios across our global platform. We hold a significant ownership interest in these ventures that ranges from 15 to 55 percent. We believe this provides a strong alignment of interests with our partners.

For more information on our business, please refer to our 2013 Annual Report, available online at www.prologis.com.

REPORT PROFILE

This is our seventh corporate responsibility report incorporating the Global Reporting Initiative (GRI) framework. This report is in accordance with the GRI G4 Sustainability Reporting Guidelines and Construction and Real Estate Sector Supplement (CRESS) at the Core level. The report has been externally assured by DNV GL (formerly Two Tomorrows) using the AA1000 Assurance Standard (2008). Two Tomorrows has provided external assurance for our corporate responsibility and sustainability reports since 2006. As part of the assurance process, members of the Prologis executive committee and senior management were interviewed to ensure the report was prepared using the principles of inclusivity, materiality and responsiveness. The assurance statement can be found on page 43.

G4 Material
Disclosure: G4-23

The report, published annually, is global in scope and covers our activities in the Americas, Europe and Asia during calendar and fiscal year 2013. Our last report was published in April 2013 and covered calendar year 2012. The scope of this report is consistent with the 2012 report. If you have questions or feedback, please contact Prologis' Investor Relations Department at +1 415 394 9000.

G4 Material
Disclosure: G4-22

Since our last report, we have recalculated our 2011 operational carbon footprint, which is detailed in the Environmental Stewardship section of this report. This recalculation was the result of an analysis conducted by The Climate Registry (TCR). When TCR reviewed the third-party verification of our 2012 footprint, they compared our 2011 and 2012 footprints. The TCR analysis determined that our 2011 Scope 1 emissions were overstated by approximately 75 metric tons due to an incorrect unit of measure applied to the final calculations.

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MATERIAL ASPECTS AND BOUNDARIES

G4 Material Disclosure:
G4-17 & G4-18

Prologis has applied GRI's Reporting Principles for Defining Report Content and Defining Material Aspects and Boundaries to identify topics that reflect economic, environmental and social impacts that we believe are relevant to our business and our stakeholders. The basis for reporting on other matters specific to the operations of our business – including joint ventures, subsidiaries, leased facilities, outsourced operations and other entities that can affect comparability from period to period – can be found in Prologis' 2013 Annual Report and Form 10-K, which is filed with the United States Securities and Exchange Commission and is also available in the SEC Filings section of Prologis' website at <http://ir.prologis.com/sec.cfm>.

In late 2013, we conducted a materiality assessment to ensure the sustainability and corporate responsibility issues that we believe are most material to our business and our stakeholders would be adequately covered in this report. Our corporate responsibility team developed a survey listing more than 40 items for consideration and reviewed it with members of our executive committee, regional presidents and heads of departments to determine which issues in the survey had a significant, moderate or minimal impact to our business. Many of the individuals who interact directly with our key stakeholders, including members of the investor relations, investment management, global customer solutions and human resources departments, were surveyed to determine the degree to which these issues influenced our stakeholders' assessments and decisions about Prologis. More than 30 Prologis executives and senior managers completed the survey. The survey results were then plotted on a graph to prioritize the issues that are most important to our business and our stakeholders.

The materiality assessment concluded that the issues most material to Prologis include:

- Customer satisfaction
- Employee satisfaction
- Anti-corruption
- Portfolio energy use
- Sustainable building certifications, ratings and labeling

G4 Material Disclosure:
G4-20 & G4-21

Each of these issues is material within the boundaries of our operational control and included in the report. We also provide data, where reasonably available, for facilities that we own and lease to our customers. Limitations include the occupants' operations of our properties, which are outside of Prologis' control. We strive to work with our customers on sustainability matters, but their activities fall outside our boundary for performance-data reporting. We do not report on the business activities of entities where we do not have direct operational control, which include our co-investment partners, joint venture partners, service providers, customers, contractors, suppliers and vendors.

G4 Material Disclosure: G4-19

HARBOR PARK GREEN PATH

Stakeholder Engagement Budapest, Hungary

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"The development provided a unique opportunity to make the green space both educational and usable."

*Robert Koncz,
Director of Property Management,
Prologis Hungary and Romania*



expanded outside the company when we hosted a tree-planting ceremony to open the first "Green Path" educational, recreational and sports area in Prologis Park Budapest-Harbor.

"We had the idea to make 'Green Path' a physical concept from the development site plan," said Robert Koncz, director of property management for Prologis in Hungary and Romania. Mr. Koncz also oversees the Sustainability Practice Group for the company's Central and Eastern Europe Region. The park includes a path where signs detail information about our "Green Path" program and encourage customers to take a more sustainable approach to resource consumption, waste reduction and transportation.

2009

Launched the first global
"Green Path" program

240

Average number of monthly
visitors to the Green Path



Prologis Park Budapest-Harbor

Prologis first launched the global "Green Path" program in 2009 to help our employees focus on using the best green practices in the areas of energy, water, procurement and waste. In September 2013, the program

The park also includes a recreation area equipped with a soccer field, water feature and barbecue pit for customer events and leisure activities. In the community garden, customers are able to plant trees and grow vegetables. Irrigation for the grounds and garden comes from a nearby sustainable wastewater treatment plant.

"We're organizing soccer tournaments for customers this year," said Laszlo Kemenes, Prologis' market officer for Hungary and Romania. "In Europe, most companies have their own soccer teams. Fiege, one of our customers in this development, fields two and they've already booked the park to play on Sundays."

The "Green Path" is just one example where we are working to achieve exceptional customer satisfaction while maintaining our focus on environmental sustainability.

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STAKEHOLDER ENGAGEMENT

We strive to provide transparent and industry-leading reporting. We also endeavor to engage in candid dialogue with our stakeholders and incorporate actionable feedback into our business. We recognize that our operations may impact and are impacted by others, so working proactively with our stakeholders is of vital importance to Prologis.

Framework & Approach

G4 Material Disclosure: G4-24 & G4-25 We identify our stakeholders as any individual or group who may directly affect or be affected by Prologis' business operations. These include: customers, employees, investors, contractors, local communities, associations, brokers, governments, vendors and suppliers.

We use a variety of means to communicate with our stakeholders, including: customer satisfaction surveys, group and one-on-one meetings, industry forums and events, media interviews, quarterly earnings calls, employee town hall meetings, public planning meetings and meetings with vendors and suppliers. A list of stakeholder engagement mechanisms by stakeholder group can be found at the right.

G4 Material Disclosure: G4-27

Our stakeholders regularly contact us to seek more information about our corporate responsibility practices. Our institutional investors often inquire about our approach to corporate responsibility and the environmental performance of properties in our co-investment ventures through the Global Real Estate Sustainability Benchmark (GRESB) survey and through individual meetings. Current and potential customers are interested in understanding the energy efficiency and green building features of our properties. Our employees primarily inquire about our volunteering and charitable giving efforts.

Stakeholder Engagement Mechanisms

Customers

- Annual customer advisory board meetings in the United States and Europe
- Biannual customer satisfaction surveys at the property level
- Dedicated Prologis colleagues who respond to needs and requests of our focus customers
- Customer-focused marketing materials about sustainability and other topics
- Speaking engagements at customer-attended conferences and events
- Informal discussions to share best practices
- Regional customer events and direct customer visits
- Publication of timely research reports on business activity and various market topics

G4 Material Disclosure: G4-26

Shareholders – Public

- Quarterly earnings calls including Q&A with senior management
- Regular investor forums
- Dedicated Prologis colleagues who respond to investor requests
- Frequent opportunities to interact with senior management at investor events
- One-on-one investor meetings to gather real-time feedback
- Property tours to better understand our properties and market conditions
- Proprietary research reports
- Surveys from socially responsible investment funds and indexes, such as the Dow Jones Sustainability Index

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Investors—Investment Management

- Quarterly reports on fund performance
- Quarterly investor calls covering fund performance and future outlook, including Q&A with fund teams and investment management senior management
- Dedicated Prologis investment management relations team to respond to investor requests
- One-on-one investor meetings and conferences
- Regular investor forums
- Property tours to better familiarize investors with market conditions and the properties in which the funds are invested
- Questionnaires and surveys from investors and their consultants regarding environmental, social and governance practices
- Regular written correspondence on issues such as contribution agreements and distribution notices of return on capital
- Research-focused local and regional events to educate investors on global industrial real estate, the current climate and future trends
- Proprietary research reports

Employees

- Periodic global employee engagement survey
- Quarterly all-hands meeting and global webcast with CEO and senior management
- Training programs and support
- Annual performance reviews
- Intranet site for internal communications
- In-person sustainability and corporate responsibility presentations

Brokers

- Annual broker summit appreciation event
- Quarterly broker update newsletter to keep brokers informed of relevant Prologis news
- Attendance at and sponsorship of national broker conferences
- Attendance at and hosting of various broker meetings at the market level
- Broker satisfaction surveys related to specific broker events

Nongovernmental Organizations (NGO)

- NGO information requests and surveys such as CDP
- Attendance at conferences and meetings

Governmental Agencies

- Close collaboration on projects ranging from brownfield redevelopment to new developments
- Engagement during the permitting process for renewable energy projects and new developments

Suppliers

- Contract development and interaction throughout term of contract
- One-on-one meetings and calls
- Preferred vendor list

Industry Associations

- Participation on committees and leadership teams
- Active participation at conferences and meetings

Communities

- Interaction with communities before, during and after development
- Employee volunteerism
- Donations to nonprofit and charitable organizations

Media

- Press releases distributed regularly announcing significant business activity
- Proactive engagement on topics important to specific media outlets, including Prologis' approach to sustainability
- Press events hosted to engage with media on significant announcements
- Interviews conducted regularly with Prologis spokespersons and subject matter experts
- Dedicated Prologis colleagues to respond to media inquiries on a daily basis

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PROLOGIS CHINA ROAD SAFETY PROGRAM



Road safety is one of the top social issues in China and is an important issue for our customers. For this reason, the Prologis team in Shanghai created the Prologis Road Safety Program. "We feel we're in a unique position to join efforts with our customers, whose daily operations involve a team of truck drivers, to promote awareness about safe driving and ultimately create a safer community for all of us," said Ben Cornish, president, Prologis China.

In a joint effort with customers, employees, communities, local governments and other stakeholders, Prologis organized a series of seminars targeting truck drivers to improve driving skills and road safety awareness. The May 2013 launch of the program included a ceremony attended by customers and government officials, followed

by safe driving training at the Prologis Jiuting Logistics Center, an infill facility in Shanghai. By request of our customers, the second road safety program was held at the Prologis Chengdu Airport Logistics Center in September. That event was supported by the center's three tenants: Deppon Logistics, Geodis and Walmart, as well as Chengdu Shuangliu Traffic Police Administration. Each of the 100 drivers who completed the training was given a safe driving kit packaged by Prologis China employees.

In 2014, Prologis China plans to host safe driving seminars in four locations across the country. While the program started as a corporate responsibility initiative to promote awareness about safe driving, it has evolved into an effective engagement tool for stakeholders. "It's great to see more joining of hands," said David Yu, COO, Prologis China. "As the program expands into more cities, we will continue to reach out, both internally and externally, to our employees, customers, governments and communities, in support of safer roads in China."

2013

Launched the
China Road Safety Program

100

Drivers trained in 2013



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Customers

Our customers are integral to our business. We serve more than 4,500 customers globally, including third-party logistics providers, transportation companies, retailers, assemblers and manufacturers.

Prologis has a customer solutions team dedicated to serving our focus customers. We develop long-term relationships with our customers and strive to understand their businesses and current and future needs, serving as their strategic partner for real estate on a global basis.

Understanding the satisfaction of our customers is of paramount importance. We have been conducting biannual surveys with our customers at the property level since 1999. In 2013, we completed an Americas Customer Satisfaction Survey through Kingsley & Associates, an independent third-party provider. Nearly 4,900 individuals representing our customers were surveyed, and approximately 47 percent replied. Areas of focus included: Overall Satisfaction, Property Management, Service Assessment, Property Assessment, Leasing & Tenant Improvements, Leasing, Renewal Intentions, Value for Amount Paid and Referrals. We were pleased with the results; our customers indicated that we provide solid customer service and that the overall satisfaction of customers is in line with or better than our industry peers. More than 75 percent of the Prologis Americas markets received a score of four or higher in Customer Overall Satisfaction (on a scale of 1 to 5, with 1 being poor and 5 being excellent).

We also engage with our customers on a more strategic level through our Customer Advisory Board (CAB). The CAB meets annually in North America and Europe. These two-day, in-person meetings include representatives from a dozen customers, representing a diverse mix of industries. The meetings cover industry trends, challenges our customers face and ways Prologis can improve our service level. Sustainability is also a regular topic of discussion, especially as it relates to new technologies, building certifications and renewable energy. These discussions present a unique opportunity for us to share best practices on topics related to sustainability and corporate responsibility and to ensure that our programs in these areas are in alignment with our customers.

These meetings have provided important feedback from our customers. Following each CAB meeting, action items are assigned to members of the global customer solutions team to ensure we follow up on our commitments.

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Employees

Our employees are essential to our business. They sustain day-to-day operations, generate new business, build relationships and are the face of the company to our external stakeholders.

Prologis provides employee education on corporate responsibility and sustainability topics throughout the year. On-site, in-person presentations in our local offices provide a forum for educating colleagues and promoting the company's goals.

To measure employee engagement, a companywide survey was conducted in August 2013. The survey focused on strategic leadership, engagement, continuous improvement, supervisor actions, collaboration, customer focus, execution, talent, achievement and corporate responsibility. We had an unprecedented 97 percent participation rate for the employee engagement survey.

Upon extensive review of the survey results, senior management identified three global themes to focus on: process efficiency, collaboration and communication, and career advancement and development. We will report on our progress in our 2014 corporate responsibility report.

83%

Employees globally agreed with the statement: *I am proud of my company's involvement in the community and social causes*

82%

Employees globally agreed with the statement: *It is important to me to work for an environmentally responsible company*

Investors

We remain committed to providing timely, relevant information to both our public and private investors. Our investor relations and investment management teams responded to requests as needed and met with investors in one-on-one meetings and at investor conferences throughout the year. Additionally, Prologis hosted a global Investor Forum in San Francisco in September 2013. This forum provided an opportunity for investors to learn about trends in industrial real estate, receive an update on our views of market conditions and gain a better understanding of our business and our strategic priorities. Attendees also had the opportunity to meet with senior management and attend a property tour.

80%

Employees globally agreed with the statement: *I am proud to work for Prologis*

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Prologis is a member of numerous industry associations and trade groups, including:

- Asia Pacific Real Estate Association (APREA; Japan, Singapore)
- Association of Industrial Real Estate Brokers (AIRE)
- Boston College Center for Corporate Citizenship (BCCCC)
- Building Owners and Managers Association (BOMA)
- German Association for Sustainable Construction (DGNB)
- Institute for Sustainability (U.K.)
- Institute of Real Estate Management (IREM)
- International Facility Management Association (IFMA)
- Japan Institution of Logistics Systems
- National Association of Industrial and Office Properties (NAIOP)
- National Association of Real Estate Investment Trusts (NAREIT)
- National Brownfield Association
- Pension Real Estate Association (PREA)
- Real Estate Roundtable (RER)
- Retail Industry Leaders Association (RILA)
- The Climate Registry (TCR)
- The European Association for Investors in Non-Listed Real Estate Vehicles (INREV)
- U.K. Green Building Council (UKGBC)
- U.S. Department of Energy's Better Buildings Challenge
- U.S. Green Building Council (USGBC)
- Urban Land Institute (ULI) and the ULI Greenprint Center for Building Performance

Awards Prologis received in 2013 include:

- Global 100 Most Sustainable Corporations in the World
- NAREIT Industrial Leader in the Light Award
- Top Ten Best Corporate Citizens for the industry sector Financials/Insurance/Real Estate as ranked by CR Magazine
- Global Real Estate Sustainability Benchmark (GRESB) Sector Leader Award for Prologis North America Industrial Fund
- EY Entrepreneur of the Year National Award to Chairman and CEO Hamid R. Moghadam

Prologis is a member of several socially responsible investment indexes, including:

- Dow Jones North America Sustainability Index (DJSI)
- FTSE4Good
- Maplecroft Climate Innovation Indexes (CII)



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Prologis strives to lead the industry in sustainable development, renewable energy and energy efficiency.

ENVIRONMENTAL STEWARDSHIP



PROLOGIS®

SUSTAINABILITY
POLICY

Prologis is committed to minimizing environmental impacts of our operations and development activity in ways that benefit our customers, our business and the communities

where we operate. This policy is translated into a series of objectives and goals that Prologis has adopted for sustainable development, operations and renewable energy.

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ENVIRONMENTAL STEWARDSHIP

Prologis is dedicated to leading the industry in sustainable development, renewable energy and energy efficiency. By linking these efforts to our business activities, we create and capture greater value.

**SUSTAINABILITY
OBJECTIVES**

- *Provide industry-leading energy-efficient buildings that reduce customer operating costs*
- *Meet and exceed recognized sustainable development standards to deliver best-in-class projects that enable more efficient customer operations and enhance the local community*
- *Engage associates in every office to reduce energy, water and waste in ways that enhance our profitability and reduce our environmental footprint*

**SUSTAINABILITY
GOALS**

- *Register 100 percent of new development projects with a goal of certification where recognized rating systems are available*
- *Achieve a 10 percent annual rate for energy-efficient lighting upgrades in the global portfolio*
- *Reduce energy consumption in the global portfolio 20 percent by 2020 compared to a 2011 baseline*
- *Increase the number of solar megawatts developed 300 percent by 2016 compared to a 2010 baseline*
- *Reduce our operational carbon footprint 20 percent by 2020 compared to a 2011 baseline*

In 2013, our ongoing investments in energy efficiency upgrades, sustainably-certified construction and renewable energy reduced electricity demand in our global portfolio by 687 million kilowatt-hours. This amount of energy would be sufficient to convert 22 percent of our global portfolio into zero-net-energy buildings.

This report lays the foundation for how these investments will deliver even greater value to our customers and investors in the coming years. To monitor progress toward these goals, we continue to enhance our data-gathering capabilities and improve internal communication regarding our efforts. We provide updates on our performance relative to these goals through our corporate responsibility report, our website and through surveys and questionnaires.

PROLOGIS PORTS JERSEY CITY DISTRIBUTION CENTER

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Redevelopment Focus

Jersey City, New Jersey



partnered with the New Jersey Department of Environmental Protection and the U.S. Environmental Protection Agency to redevelop the property and return it to productive use.

The newly-developed, 878,254 square foot (81,000 square meter) facility is fully leased, providing critical distribution space in a supply-constrained market that is located in the heart of the nation's largest population center, three miles from Manhattan and four miles from the Port of New York / New Jersey.

Prologis acquired the property for our planned Ports Jersey City Distribution Center in 2008. The site, part of a former industrial waste landfill located in the heart of Jersey City, New Jersey, stood empty for over 30 years. Prologis



A well-located site and a sustainable master plan deliver lasting benefits

The distribution center contains innovative technologies, such as LED lighting, clerestory windows to enhance natural lighting, state-of-the-art systems for energy management and environmental systems to mitigate issues related to the former site use as a landfill. Extensive areas of the site have also been restored to a natural riparian waterfront habitat, creating a public amenity of waterfront access that did not previously exist in this area. The building is expected to receive LEED certification in 2014.

The work to close, clean up and restore the landfill is an important example of a transformative public-private partnership that involved Prologis, the local community and state and federal agencies. The landmark brownfield restoration project was also the recipient of N.J. Urban Transit Hub and Grow New Jersey Assistance Tax Credits.

878,254

Square feet of space

800

Jobs being created

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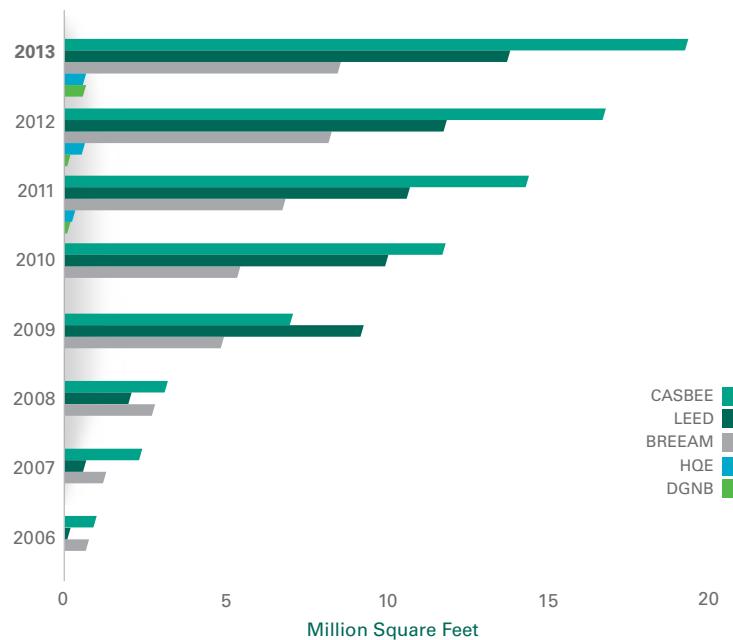
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PORTS JERSEY CITY IN CONTEXT

In 2013, we added 20 sustainably-certified projects totaling 5.7 million square feet (530,000 square meters) across seven countries to our portfolio. There were several notable firsts, including the first LEED-certified project in Brazil for Prologis, Prologis Park Cajamar Building 100, and our first BREEAM-certified project in the Czech Republic, Prologis Park Jirny 7. To date, we have developed 43 million square feet (4 million square meters) of certified buildings across 12 countries and expect to see continued success in this area as development activity continues in 2014.

Cumulative Sustainable Building Certifications

by rating system



SUSTAINABLE DEVELOPMENT IN GERMANY



The 200,000 square foot (18,000 square meter) Prologis Park Eifeltor 5 in Cologne, Germany, received Gold certification from the German Association for Sustainable Construction (DGNB). The project combines a

number of innovative, sustainable features. Constructed using low-pollutant materials and FSC-certified wood from sustainable forests, the facility was built with additional insulation and a highly-efficient heating system. As a result, the facility's energy use is expected to be 35 percent below German construction regulations. To contribute to sustainable operations beyond the shell of the building, Prologis provided an electric car and charging station at the property for the customer to use for the 16 mile (25 kilometer) trip between our facility and its corporate office.

"Sustainability is very important for us. By leasing a modern, efficient facility from Prologis, we are already on the right track. Placing an electric car at our disposal gives us the chance to go even further."

Stephan Wolff, CEO, Objectflor

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PROLOGIS U.K. GREEN TRAVEL PROGRAM

To help our customers' employees in the United Kingdom minimize their environmental footprint and save money, Prologis implemented a Green Travel Program (GTP). The GTP, first launched in 2010 at Prologis Park Kettering, matches employees of participating companies with others traveling to and from the park. By sharing transportation, employees are able to lower their transportation expenses, reduce roadway congestion and reduce the impact of their commute on the environment.

The GTP at Kettering has been replicated at other Prologis parks, including Bradford, Pineham, Ryton and Wellingborough, and now has more than 500 participants. Prologis U.K. is now implementing the GTP as a standard feature of future logistics park developments and is evaluating potential expansion of the program to existing parks.

The GTP demonstrates how Prologis goes beyond simply developing and operating sustainable buildings to supporting customers' efforts to address their environmental impact. Prologis has long recognized that well-located buildings proximate to population centers help minimize the distances trucks and workers travel each day. The GTP takes this knowledge a step further and enables a more efficient commute to and from Prologis parks for our customers.

GREENHOUSE GAS EMISSIONS

Portfolio Carbon Emissions

Prologis monitors energy and carbon emission performance of our buildings where we have access to whole-building energy data through the Urban Land Institute (ULI) Greenprint Center for Building Performance's environmental management platform. The ULI Greenprint Center is a worldwide alliance of leading real estate owners and investors who are committed to improving the environmental performance of the global real estate industry, focusing on emissions and energy reductions.

Prologis reported 2012 energy data for 432 properties to Greenprint, including 124 properties with consistent year-over-year information. This is a limited sample of our portfolio due to constraints on our ability to gather energy data from customers in our triple-net leased portfolio. It does, however, give us a baseline for measuring energy and carbon emissions. For those 124 properties, the 2012 building energy intensity was 73 kWh/m²/year, and the 2012 greenhouse gas emissions intensity was 33 kg CO₂e/m²/year. We will report 2013 energy data to Greenprint in 2014. We expect to report on a greater number of buildings in our portfolio in the coming years and ultimately use this data to target properties for energy efficiency upgrades.

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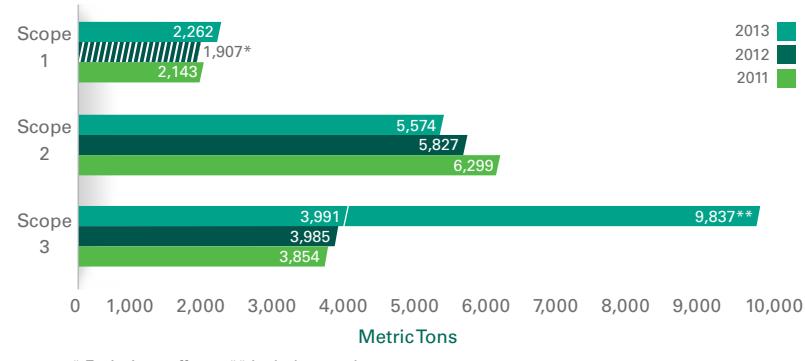
Corporate Carbon Emissions

Prologis reports our operational carbon footprint, as well as risks and opportunities related to climate change, to the nonprofit organization CDP. In 2012, we also began reporting our operational carbon footprint through The Climate Registry. Our 2011 North American footprint and 2012 global operational footprint (Scopes 1 and 2) were independently verified by SCS Global Services. Our 2013 global operational footprint (Scopes 1 and 2) was independently verified by DNV (U.S.A.), Inc.

Prologis' Scope 1 emissions include those related to burning fuels, such as natural gas used by our offices and gasoline used in vehicles driven by our field personnel. Our Scope 2 emissions include those related to electricity used by our offices. We include business travel in our Scope 3 emissions. For the first time, in 2013, we are including emissions related to employee commute in Scope 3.

Through energy efficiency and energy reduction measures, we are making progress toward our goal of reducing our absolute emissions 20 percent by the year 2020, using 2011 as the baseline. We also see value in purchasing carbon offsets to show our support for a voluntary carbon offset market. In 2013, Prologis chose to purchase carbon offsets through the Colorado Carbon Fund, a voluntary carbon fund managed by The Climate Trust that supports emissions reduction projects in the state of Colorado. Prologis purchased offsets equivalent to 1,907 metric tons CO₂e, which is equal to our 2012 Scope 1 emissions. The offsets supported an innovative transportation project that moved freight from trucks to rail transportation. Prologis is currently researching options for purchasing further offsets in the coming years.

Prologis Operational Carbon Footprint in CO₂e



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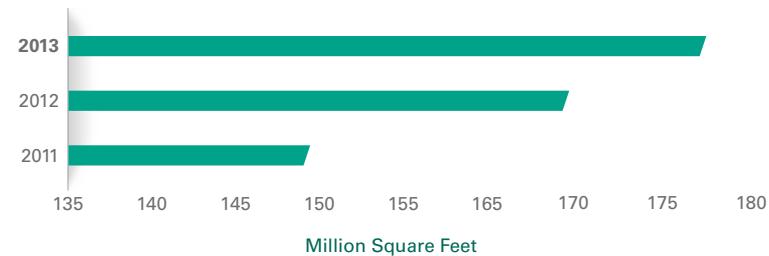
COOL ROOFING



White and reflective roofing, often referred to as cool roofing, helps manage indoor air temperatures that can affect our customers' work environment and productivity. Cool roof surface temperatures remain

as much as 50 degrees Fahrenheit cooler than a traditional black or dark-colored roof. This reduces not only temperatures inside the building, but also the contribution to the heat-island effect outside the building in the surrounding community. Heat-island effect is the phenomenon whereby air temperatures are increased by the sun's heat when it is absorbed by roadways, structures and rooftops in urban areas.

Cumulative Reflective Roofing



The buildings in our global portfolio have more than 12,000 acres (4,800 hectares) of rooftops. We routinely install light-colored and energy-efficient roofing when roofs need to be replaced or when a new building is constructed, particularly in warm climates, in order to help keep our distribution centers cool and comfortable for our customers.

Energy-efficient roofing has the additional benefit of reducing energy use up to 5 percent in air-conditioned spaces. This contributes to lower customer energy bills. At the end of 2013, Prologis had 177 million square feet (16 million square meters) of facilities with energy-efficient light-colored roofing, which represents 33 percent of our global operating portfolio. We expect this total to grow in proportion with our roof replacement activities, especially in warm climates.

RESILIENCY DURING NEW JERSEY'S SUPERSTORM SANDY

While Superstorm Sandy damage affected only a small portion of our properties in the region, we were prepared for this event. We had emergency response procedures in place, emergency communication plans, advance coordination with construction crews and materials on standby dedicated to each specific building. Teams assessed immediate needs and prioritized responses to those most impacted, relocating some customers to temporary spaces at other buildings to minimize interruptions to their business.

A prime example of our rapid response was with one of our significant customers, Maggy London, a women's apparel company. Power loss and an interior water surge threatened to cripple operations. Prologis restoration teams coordinated a massive effort to reinstate the ability to meet the company's tight delivery times. Within two weeks, local operations were up and running while tenants of other owners had yet to see an owner's representative.

Extensive preparations, a focus on ongoing maintenance and a swift response minimized damage and enabled nearly all repairs to be completed within 60 days. Fast and well-coordinated recovery

"I cannot thank you enough for getting our facility back in working condition as quickly as you did. The two weeks after [Superstorm Sandy] were the most stressful and challenging time of my career. Having Prologis as a partner was instrumental in getting through that tough time and getting back to shipping our product to customers."

Nicholas Gadaleta, VP Distribution, Maggy London

procedures helped to limit the scope and severity of water damage, thereby reducing the amount of demolition waste and subsequent construction materials needed to restore the facilities. Prologis applies comparable preparedness and recovery procedures throughout our global portfolio to support customer operations and employs sustainable practices to minimize the impact of the repair work. Our customer assistance following the October 2012 superstorm continued well into 2013. This experience has helped us to expand our emergency response plan and will allow us to be increasingly effective in the future.

PIER 1 UPGRADE

Energy Efficiency and Renewable Energy Focus San Francisco, California

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Decorative industrial-style pendant light fixtures in the Prologis lobby were upgraded with more energy-efficient bulbs and dimming ballasts. Fixtures are now controlled by a photocell that dims the lamps when there is ample daylight.



is estimated to reduce electricity consumption by more than 20 percent.

The project included HVAC system improvements, LED light fixtures, motion sensors and daylight harvesting. A 200 kilowatt rooftop solar array consisting of more than 800 solar panels was installed on the roof to serve the entire building. Energy-efficient lighting installed as

In 2013, Prologis completed a comprehensive energy efficiency upgrade and solar rooftop project at its corporate headquarters on Pier 1, a multi-tenant historic building in San Francisco. The project

Pier 1, San Francisco

part of the project reduced energy use while increasing light levels by 33 percent in the Prologis office. A brighter work environment has improved the workplace satisfaction of the team.

The project was funded through an innovative funding mechanism for sustainable upgrades known as Property Assessed Clean Energy (PACE) financing. This funding solution, the first of its kind in San Francisco and one of the first in the world, enabled Prologis to plan and implement a project that benefited all occupants of the building by reducing energy costs and supplying clean solar energy.

200 kW

Rooftop solar array consists of more than 800 solar panels

33%

Increased lighting levels



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PIER 1 IN CONTEXT

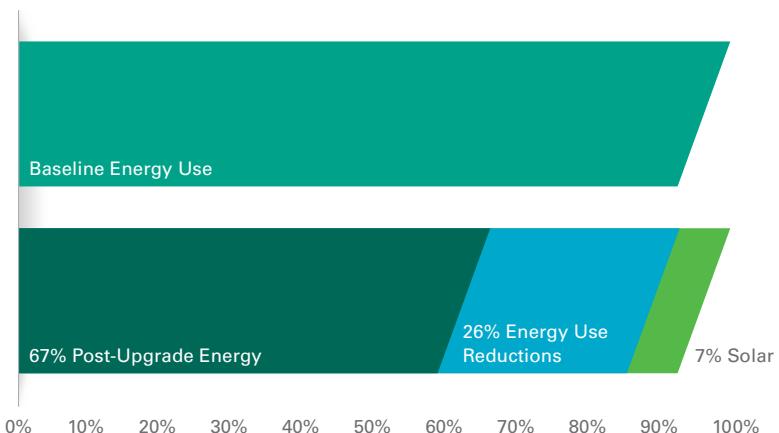
Prologis continues to pursue energy-efficient upgrades to our global portfolio. As the primary driver of energy use in our buildings is lighting, we have focused our energy conservation efforts in this area. At the end of 2013, 64 percent of our property portfolio had energy-efficient lighting. This seemingly simple improvement is having a profound impact on the energy profile of our global platform. In 2013, cumulative efforts in lighting upgrades, as well as building certifications and renewable energy, eliminated the need for 687 million kilowatt-hours of energy to be produced. This is enough energy to meet the electricity needs of 59,000 average American homes, or 22 percent of our global portfolio.

Looking forward, we expect positive changes in the availability of rebates from utilities to support cost-effective efficiency upgrades. As new, more efficient lighting solutions such as LEDs become technologically-mature and cost-effective, we look forward to expanding our adoption of these newer lighting technologies.

64%
of the operating portfolio
has energy-efficient lighting

687M
kWh saved in 2013
across all key
sustainability initiatives

Pier 1 Upgrade: Composition of Energy Savings



PROLOGIS JAPAN'S SOLAR PORTFOLIO

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Renewable Energy Focus Japan



electricity at peak periods during the day and reducing the demand for energy from distant power plants. It further demonstrates our capabilities to customers and investors by delivering high-quality, innovative improvements to our properties that reduce environmental impact.

10.3 MW

Rooftop solar installed
in Japan during 2013

100 MW

of solar developed globally



Prologis Park Kawajima 1

Today, one in five buildings in the Prologis Japan portfolio has solar panels. This solar portfolio is expected to deliver 10.4 million kilowatt-hours per year, or enough energy to power 2,000 Japanese homes. These and other projects expand Prologis' global solar program to more than 100 megawatts, increasing revenue for the host properties and reducing demand on the power grid.

In addition to solar projects in Japan, Prologis commissioned nearly 7 megawatts in the United States in 2013. Our solar program complements our ongoing efforts to address climate change in ways that are profitable for investors and Prologis while enhancing the sustainability of our facilities in their local markets.

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SOLAR PROJECTS IN CONTEXT

Prologis' 100 megawatts of rooftop solar projects in six countries have an expected electricity production capacity of 125 million kilowatt-hours annually, enough energy to power 12,500 average American homes. This program has deployed solar panels on more than 28 million square feet (2.6 million square meters) of our portfolio to deliver revenue-generating projects that produce clean energy.

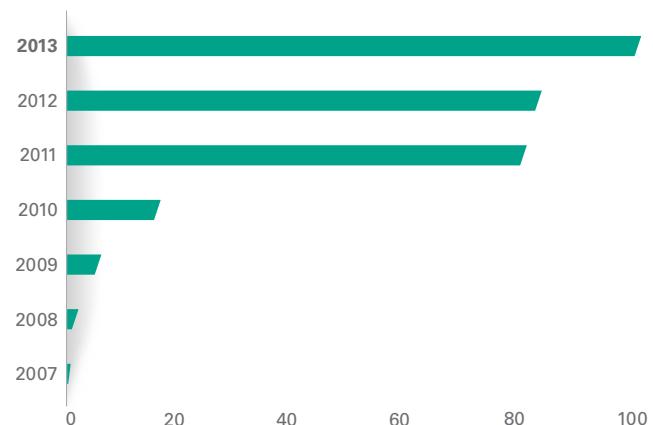
125M

Kilowatt-hours
produced annually

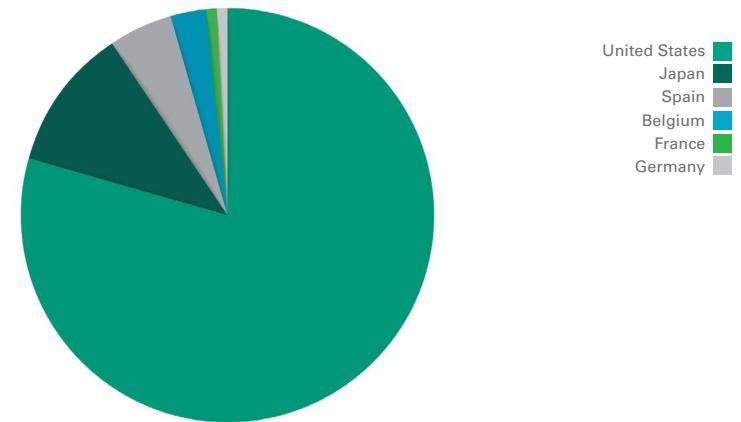
12,500

American homes could
be powered with energy
produced by Prologis

Cumulative Solar Projects (MW)



Megawatts Installed by Country



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At Prologis, social responsibility means excellence in how we interact with our colleagues, suppliers and local communities.

SOCIAL RESPONSIBILITY

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SOCIAL RESPONSIBILITY

At Prologis, social responsibility is a commitment to our colleagues, local communities and suppliers. This includes providing a dynamic work environment to support our colleagues' professional development, working to improve the communities where we live and operate and engaging with our suppliers to address relevant social issues pertaining to health and safety.

COMMUNITIES

Supporting social needs in our communities not only benefits our neighbors but also enhances our business. By leveraging our financial and physical assets to advance causes such as education, human welfare and the environment, we build relationships in the cities where we operate. By supporting our employees' community interests, we stand out as an employer of choice.

Employee Volunteer Program

The Employee Volunteer Program at Prologis is an important part of our culture that allows us to invest in our communities. This program provides all employees with four days per year to volunteer during regular business hours. This includes two days to volunteer with fellow employees at company-sponsored events, one day per year to volunteer for organizations of their own choosing and one day to volunteer on IMPACT Day, Prologis' global day of service (see page 30).

Prologis Foundation

The Prologis Foundation was established in 2001 with the goal of providing financial support to charitable organizations. In 2013, the foundation donated more than \$650,000 to nonprofit organizations, schools and universities.

Foundation grants were given to organizations primarily focused in the areas of education and human welfare. The Matching Gift program matched employee contributions to 501(c)(3) nonprofit organizations, as well as schools and universities. Additionally, our Dollars for Doers program provided grants to organizations where employees volunteered their time outside business hours.

Some of the organizations that received financial support from the Prologis Foundation in 2013 included American Red Cross, Boys and Girls Clubs, Habitat for Humanity, Junior Achievement and Mercy Corps.

Space for Good

Prologis developed the Space for Good program to provide temporary vacant space in our distribution facilities to help charitable organizations address seasonal needs and respond to disaster relief efforts. Space for Good is an example of a program that aligns our business with our charitable activities in a way that directly benefits the needs of the local communities where we operate.

In 2013, Prologis donated distribution center space valued at more than \$640,000. Organizations that benefited included the Marine Toys for Tots Foundation, Boy Scouts of America and Girl Scouts of the United States of America.

Entering New Communities

We place a high importance on developing long-term relationships with the communities in which we operate. When Prologis develops in a community, we often take part in studies and engage directly with local stakeholders to ensure our business decisions align with the needs of local residents. This is an important part of bringing the customers that lease space from us closer to their own customers.

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This also ensures our operations balance the needs of each community with the economic and environmental requirements of our customers and business. As part of our due diligence, we often complete development and environmental impact analyses that enable us to do some or all of the following:

- Estimate the total number of jobs to be created and new tax revenues to be generated
- Conduct traffic studies to estimate the total number of automobile and truck trips for each development
- Develop traffic plans in conjunction with municipalities to efficiently manage traffic flows and minimize impacts to the surrounding community
- Minimize adverse impacts from light or glare
- Attend community planning meetings to address citizen and government questions and concerns
- Develop stormwater management plans to properly control runoff
- Determine whether the development will impact wetlands, and if so, apply appropriate mitigation efforts so there is no net decrease in wetland quality or quantity
- Verify whether any endangered plant and animal species will be impacted by our development and adjust development plans when possible to mitigate impact
- Hire local contractors and service providers
- Source local construction materials where feasible

In addition, when we establish a presence in a market through development, we often improve local infrastructure, such as expanding access to utilities and building roads to improve traffic flow. Our facilities also become an integral part of a community's employment opportunities, as our customers create jobs in various sectors, including warehousing and distribution.

PARTNERING WITH LOGISTICS SCHOOLS



For the past eight years, Prologis has partnered with the Poznań School of Logistics (Wyższa Szkoła Logistyki, or WSL) in western Poland on the "Prologis for the Best" competition. The event provides scholarships to students who present the best master's theses on logistics issues. "This project enables us to uncover new talent and to have a positive impact on the growth of logistics in Poland," said Marta Tesiorowska, vice president, marketing and communications, Prologis Central and Eastern Europe.

"Thanks to Prologis, we can honor our most talented graduates," said Wojciech Zalewski of WSL. "Over the years, 'Prologis for the Best' has built a spirit of positive competition among our students." Zalewski also noted that former winners have gone on to become entrepreneurs and senior managers in logistics companies.

In Tokyo, Prologis has been sponsoring the Waseda University Graduate School of Commerce's course called "Logistics Today" since 2006. In addition to providing financial support for the course, Prologis employees and customers lecture at a number of classes throughout the semester. Prologis is proud to support the next generation of logistics and supply chain management experts.

IMPACT DAY

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Denver



Sweden



Seattle

"I love that our company allows us to volunteer our time and started IMPACT Day. Being able to help others is so satisfying, and it's great to work for a company that embraces this philosophy."

*Dolores Wild,
administrative assistant,
Prologis Seattle*



Employee volunteering has been an important part of our culture for many years, and in 2013, we took our community involvement to the next level. We held our first global day of service on May 17, 2013, partnering with 55 nonprofits and schools around the world. The event, called IMPACT Day, gave our employees the opportunity to demonstrate the Prologis core values of Integrity, Mentorship, Passion, Accountability, Courage and Teamwork (IMPACT). Over 1,400 Prologis employees contributed more than 7,000 hours of service in our communities, supporting the causes of education, human welfare and the environment. As a result of the success of our first IMPACT Day, the event will now be held annually.

"Community involvement and corporate citizenship are central to the Prologis spirit and our way of doing business," said Hamid R. Moghadam, chairman and CEO, Prologis. "IMPACT Day, like our

company, is operated locally on a global scale. This enables us to leverage our global platform to make a long-lasting impact in the communities in which we live and work."

Employees in each Prologis office organized their local volunteer activity to ensure their project was meaningful to our employees and local community. "IMPACT Day has been the most professionally but above all the most personally rewarding experience, as I was in charge of planning and organizing the activity for the Italian team," said Lisa Prendin, office manager in the Milan office. "I met a great nonprofit foundation that helps the poor and homeless and victims of substance abuse here in Milan. Working together to help people in need was such an important experience for each one of us, and the smiles of the guests in the homeless shelter were the best reward ever!"

Representative Projects

- Building homes with Habitat for Humanity in Pennsylvania and Hungary
- Sorting and packing food at a number of regional food banks across the United States
- Restoring beachfront and transforming parks and woodlands in California, Georgia and Japan
- Painting and renovating classrooms, community centers, orphanages and shelters in Texas, Mexico and Germany
- Planting gardens at schools in California, Czech Republic and the U.K.
- Teaching students financial literacy concepts with Junior Achievement in California and Colorado

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EMPLOYEES

We believe our success is dependent upon the integrity of our workforce. Prologis is an equal opportunity employer, dedicated to attracting and retaining exceptional talent by providing challenging and rewarding professional opportunities matched with competitive compensation packages. We recruit, hire, train, promote and compensate without regard to race, color, age, religion, gender, disability or sexual orientation.

The following tables outline how Prologis' 1,456 employees are distributed by region and gender, as well as their employment type and employment contract by gender. Employee statistics are as of December 31, 2013.

Region	Male	Female	Employment Type and Contract			Male	Female
			Permanent	Full-Time	Temporary		
Americas	409	462		703		727	
Europe	190	186					
Asia	111	98	Permanent	2	17		
			Part-Time			5	2
			Temporary				

Our employees are not represented by collective bargaining agreements with the exception of France, where the country's workforce falls under a collective labor agreement. These individuals comprise approximately three percent of our global workforce.

Learning and Development

Prologis is dedicated to the continual growth of our employees. The learning and development department at Prologis has four focus areas:

1. On-boarding, including programs to help new employees gain relevant knowledge and skills, understand their new role and maximize their impact.
2. Leadership development, including programs developed to enhance leadership ability, prepare leaders for the future and cultivate leadership skills in high-potential employees.
3. Real estate training, including learning experiences designed to help all employees better understand our industry and provide ongoing learning for those in real estate operations.
4. Career enrichment, including learning opportunities that help all employees build basic business skills to succeed, such as presentation skills, effective communication and time management.

In 2013, 168 managers and 454 employees completed Great People Management, a training course to help our managers enhance their supervisory skills.

All Prologis employees receive an annual performance review. In 2013, we conducted training for all managers so they could deliver effective performance reviews for their teams. Approximately 400 managers participated in this training for a total of 400 hours.

Additionally, 107 employees attended a negotiation seminar for a total of 749 training hours. Including the Ethics Challenge training detailed in the Ethics and Governance section of this report, Prologis provided approximately four hours of training for each employee in 2013.

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EMPLOYEE WELLNESS



competition while encouraging every participant to log at least 10,000 steps per day. Participants tracked their daily steps with a pedometer over eight weeks.

Although participating in the challenge was voluntary, nearly 700 employees from 17 countries signed up. Throughout the competition, employees motivated each other with videos and emails. Participants also shared photos taken during their walks on Twitter. "Helping run this event has been extremely heartwarming, and I'm impressed with the people who work for Prologis around the world," shared Brenda Standke, executive assistant in the Denver office. "It doesn't matter where people are on the spectrum of fitness - they may run a marathon or just try to walk their dog to try to make 10,000 steps - but everyone is reaping the reward."

In addition to Healthy Steps, Prologis supported employees throughout the year as they cycled, ran and walked to benefit charitable organizations. Employees across the United States and Mexico cycled over 150 miles in three days through the Rocky

1,200

Participants in third annual Prologis Race in Mexico

700

Employees participated in Healthy Steps Fitness Challenge

Mountains of Colorado to benefit Children's Hospital Colorado. Prologis teams in three cities also ran in the J.P. Morgan Corporate Challenge, the world's largest corporate running series, benefiting nonprofits in Boston, San Francisco and Shanghai.



Prologis colleagues in Mexico City organized the third annual Prologis Race, a 3K walk and 5K & 10K race. Close to 1,200 people participated in the event, including employees, their families and an assortment of vendors and clients. The race was held in Mexico City's Cuautitlan Izcalli neighborhood, near many Prologis properties. All of the funds raised were donated to two nonprofit organizations created to help the handicapped habitants of the neighborhood.

Employees in Europe organized the fourth annual Prologis Cycle Challenge, in which employees, brokers and customers cycled over 350 miles in four days throughout southern France. Employees from the U.K., the Netherlands and Germany participated in the event, which raised funds for Macmillan Cancer Support, Acorns Children's Hospice Trust and The MOVE Partnership.

By supporting employee involvement in these and other fitness events around the world, Prologis encourages employees to live healthy lifestyles while building relationships with their colleagues and communities.

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SUPPLIERS

Prologis' supply chain for our development business comprises general contractors and subcontractors who build properties on our behalf. We routinely use local construction materials and suppliers. The two largest components of our buildings, concrete and steel, are typically procured from local suppliers. Additional materials used in the construction process include roofing materials and lighting equipment. We use local or regional contracting for the construction of our buildings, except where necessary resources are not readily available. This effort supports local businesses and keeps our investments within the local community. Using local suppliers often reduces shipping and transportation needs, further reducing the environmental impact of our development projects.

Our general contractors in the United States are required to provide accident and incident data along with their business information when proposing to work with Prologis. These data are evaluated along with factors such as cost and prior project experience to assess contractor performance in our procurement and contracting decisions.

Suppliers for our property management business include firms that provide landscaping, maintenance and custodial services for our properties. In our offices, the primary items procured are office supplies and IT and communications support systems.

SUPPLIER CODE OF CONDUCT

In accordance with our core values, Prologis recognizes that ethical business practices are critical to our long-term health as a public company. In 2013, Prologis launched our Supplier Code of Conduct. As a company that works closely with our suppliers, we have the opportunity to promote healthy and safe working environments. We strive to improve upon ethical, environmental and social standards throughout our supply chain.

The Prologis Supplier Code of Conduct defines the standards to which we hold our suppliers, defined as any firm or individual that directly or indirectly provides a service to Prologis. Prologis also encourages application of the code to all subcontractors engaging in business relationships related to the company. The code covers supplier expectations with regard to business, employment and environmental practices. It has been translated into the primary language of each country where we operate, ensuring all suppliers can easily understand and adhere to our expectations.

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Trust and business integrity are critical to the long-term health of any company. At Prologis, we recognize this fundamental principle and have formally incorporated it into our corporate governance and our day-to-day business operations.



PROLOGIS.

Code of Ethics and Business Conduct

A Commitment to Excellence

ETHICS AND GOVERNANCE

ETHICS

Prologis has zero tolerance for bribery and corruption. We are committed to acting professionally, fairly and with integrity in all our business dealings and relationships. We believe that to be successful and build upon a culture of the highest ethical standards, our employees, officers and board members must receive regular training to stay abreast of ethical issues and our corporate values.

Code of Ethics and Business Conduct

The Prologis Board of Directors has adopted a Code of Ethics and Business Conduct, which is applicable to all employees and the board. It is intended to help avoid conflicts and other issues. The Code of Ethics and Business Conduct can be viewed on our website at <http://ir.prologis.com/governance.cfm>. The code is also available on the Prologis intranet and has been translated into 16 languages used in the countries where Prologis operates.

Employees are responsible for abiding by the code in the performance of their jobs and in their interactions with each other and those outside of Prologis, including: customers, investors, suppliers, government officials and local communities. At the start of their employment, employees must formally certify their acknowledgment and acceptance of the Code of Ethics and Business Conduct.

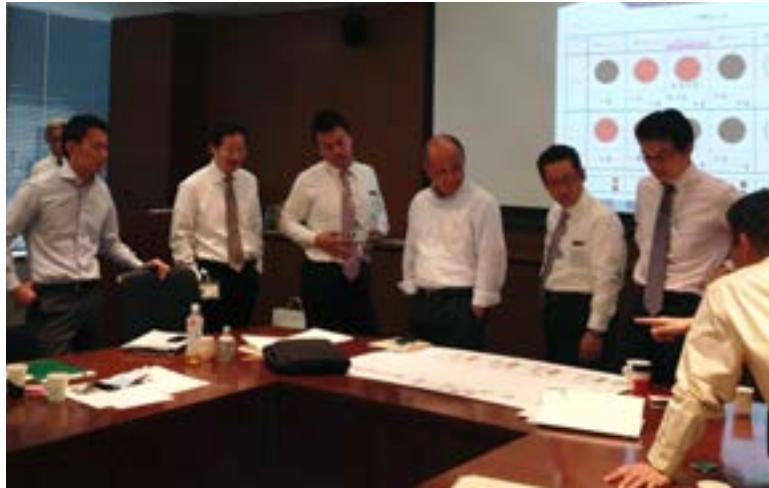
Our Ethics Committee includes our chief legal officer and general counsel, chief human resources officer and chief financial officer. The responsibilities of the committee include setting and updating the ethics policy, overseeing employee ethics training, providing guidance and advice to employees and investigating reported incidents of ethics noncompliance.

We also have institutional processes for reporting incidents or situations that may be in violation of the Code of Ethics and Business Conduct. Our internal audit department ensures all reports are investigated, with appropriate management action taken when necessary. Periodic reports are made to the board's Audit Committee.

Global Compliance Policy

In 2012, Prologis released an updated version of our Global Compliance Policy, which reinforces our corporate position against bribery and corruption in all countries. The policy combines best practices from the Foreign Corrupt Practices Act (FCPA), U.K. Bribery Act and other similar laws from the regions where we operate around the world. All employees were notified of the improvements to the policy at the time of its release and can access it at any time via the company intranet. The policy has been translated into 16 languages used in the countries where Prologis operates.

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We continue to provide awareness training to all employees on the Global Compliance Policy. This training is managed by our global compliance officer. The Ethics Challenge training detailed in this section also included content on anti-corruption and bribery. In fall 2013, every Prologis employee completed the Ethics Challenge, along with a number of contractors. In total, 1,535 persons completed the training, representing a total of 1,151 training hours.

ETHICS CHALLENGE

Prologis recognizes that employees may be faced with ethical dilemmas or other complex issues in the workplace. We believe that to be successful and establish a culture of the highest ethical standards, our employees, officers and directors must receive semiannual training to stay abreast of new regulations and Prologis beliefs and values.

The fall 2013 Ethics Challenge focused on the Prologis Code of Ethics and Business Conduct, helping employees understand the policies that govern Prologis, the laws that regulate our business and the ethical principles that guide us when laws and policies do not provide the answers. As a result of the training, employees learned to evaluate ethical dilemmas more clearly and to better understand how to get advice or report suspected problems through the appropriate channels. Employees are encouraged to discuss ethics-related questions or concerns with their supervisor. Additionally, the Prologis Ethics Committee maintains an independent hotline with a 24-hour answering service and allows employees to send anonymous written inquiries or report online.

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CORPORATE GOVERNANCE

We are committed to corporate governance practices that support a business environment of uncompromising integrity. Our highest governance body is the Board of Directors, followed by our senior officers.

Our board committees include the following:

- Audit Committee
- Board Governance and Nomination Committee
- Compensation Committee
- Executive Committee

The board comprises 10 members who are elected annually, nine of whom are independent. Prologis CEO Hamid R. Moghadam is chairman and Irving F. Lyons III is the lead independent director. Prologis requires that a majority of our board be independent in accordance with the applicable provisions of the Securities Act of 1934 and the standards adopted by the NYSE. Additionally, the Audit Committee, the Board Governance and Nomination Committee and the Compensation Committee consist entirely of independent directors as required by law or under the rules of the New York Stock Exchange. Of the 10 members of the board, two are women.

Our governance structure helps to enforce the culture of corporate responsibility that has been fostered at Prologis. The board's Governance and Nomination Committee has specific oversight of corporate responsibility at Prologis. Three independent

board members sit on this committee and take an active role in considering how the corporate responsibility program is integrated into the company's strategic plans and business activity. The committee receives updates on Prologis' corporate responsibility programs on an annual basis.

For a complete description of Prologis' corporate governance practices, please visit <http://ir.prologis.com/governance.cfm>.

Risk Management

Prologis takes a holistic approach to managing risk throughout the company. While our risk management program includes the traditional departments — legal, investment services and insurance/risk management — the concept of risk mitigation is woven into every function at Prologis, from treasury and finance to leasing and human resources. Each functional area has developed internal metrics to track performance and guide decision making related to risk mitigation.

**The scope of risk within our business includes,
but is not limited to, the following:**

- External risks (hazards caused by fires, natural disasters or geopolitical factors)
- Financial risks (fluctuations in stock price, liquidity/debt ratings, customer credit, taxes or currency-related risks)
- Operational risks (human capital, processes, technology or disaster recovery)
- Organizational risks (reputation, competition, culture or governance)
- Macroeconomic factors (gross domestic product, supply and demand)

In order to evaluate, measure and manage risk on an integrated basis across geographies and different aspects of our business, we have developed the Prologis Integrated Risk Index (PIRI). PIRI is a proprietary risk management model that provides real-time monitoring of total company risk as well as the individual components of risk. PIRI evaluates external, financial and business risks, including real estate-related asset risks such as vacancy, development, land, environmental, seismic and litigation.

Before any capital is committed to a new investment, we perform thorough due diligence and present the findings in investment memos to Prologis' internal Investment Committee. The committee conducts an economic analysis and considers social and environmental impacts before approving the proposed investment.

We take precautionary measures to address risk in operational planning and with new investments. We have operational controls in place for emergency management, carry comprehensive insurance coverage, maintain dedicated personnel to manage our assets, conduct both standardized and consistent leasing practices and conduct a thorough underwriting process. In addition, through our internal audit department, we perform regular, independent assessments of our systems to ensure we are performing according to Prologis' objectives.

We are also committed to analyzing risks at the board level. The board is responsible for evaluating the company's business performance and is updated on Prologis' major strategies, plans and investment activity at every meeting. The board's Audit Committee is charged with monitoring the quality and integrity of Prologis' accounting and reporting practices. The Compensation Committee periodically assesses whether the company's compensation policies and practices for employees are appropriately aligned with the company's management of enterprise risk. The Board Governance and Nomination Committee regularly reviews and develops recommendations for the board regarding corporate governance matters and principles, as well as environmental stewardship and social responsibility matters.

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ORGANIZATIONAL PROFILE			G4-16 Memberships in associations.	14	
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G4-24 List of stakeholder groups engaged by the organization.	9	43-45	G4-34	Governance structure of the organization.	37 43-45
G4-25 Basis for identification and selection of stakeholders with whom to engage.	9	43-45	G4-56	Organization's values, principles, standards, and norms of behavior.	35 43-45
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ENVIRONMENTAL		
Energy	G4-DMA	Disclosure of Management Approach – Energy
	G4-EN6	Reduction of energy consumption.
	G4-EN7	Reductions in energy requirements of products and services.
	CRE1	Building energy intensity.
Emissions	G4-DMA	Disclosure of Management Approach – Emissions
	G4-EN15	Direct greenhouse gas (GHG) emissions (Scope 1).
	G4-EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2).
	G4-EN17	Other indirect greenhouse gas emissions (Scope 3).
	CRE3	Greenhouse gas emissions intensity from buildings.
Land Degradation, Contamination, and Remediation	G4-DMA	Disclosure of Management Approach – Land Degradation, Contamination, and Remediation
	CRE5	Land remediated and in need of remediation for the existing or intended land use.
SOCIAL		
Training and Education	G4-DMA	Disclosure of Management Approach – Training and Education
	G4-LA9	Average hours of training per year per employee.
	G4-LA10	Percentage of employees receiving regular performance and career development reviews.

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INDEPENDENT ASSURANCE STATEMENT

Scope and Objectives

DNV Certification Inc. (DNV GL) was commissioned by Prologis Inc. to conduct independent assurance of its 2013 Corporate Responsibility Report ('the Report'), as published on the company's website at www.prologis.com/cr

The assurance process was conducted in accordance with the AccountAbility 1000 Assurance Standard [AA1000AS (2008)]. We were engaged to provide Type 2 assurance to a moderate level, which covers:

- Evaluation of adherence to the AA1000APS (2008) principles of inclusivity, materiality, and responsiveness (the Principles)
- The reliability of specified sustainability performance information. This included data relating to Green Building Certifications, Warehouse Portfolio Energy Efficiency, results of employee training initiatives relating to material issues, employee engagement survey, and customer satisfaction survey as well as any claims in the report

Information presented in the Report, with the exception of financial information presented in the Corporate Overview, was included in the scope of our assurance engagement. We used the Global Reporting Initiative (GRI) Quality of Information Principles (Balance, Clarity, Accuracy, Reliability, Timeliness and Comparability) as criteria for evaluating performance information.

Responsibilities of Prologis Inc. and of the Assurance Providers

Prologis has sole responsibility for preparation of the Report. DNV GL, in performing our assurance work, is responsible to Prologis management. Our statement, however, represents our independent opinion and is intended to inform all stakeholders including Prologis.

DNV GL was not involved in the preparation of any part of the Report. This is our seventh year of providing assurance for Prologis formerly as part of the Two Tomorrows group and now as part of DNV GL. In addition, our sister company, DNV (U.S.A), Inc. has

The purpose of the DNV GL group of companies is to promote safe and sustainable futures. The USA & Canada Sustainability team is part of DNV GL Business Assurance, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance. www.dnvglsustainability.com

been retained by Prologis to provide verification of 2013 Corporate Greenhouse Gas Inventory using The Climate Registry's General Verification Protocol version 2.0. We adopt a balanced approach towards all stakeholders when performing our evaluation.

Our team comprised: Dave Knight, Shyla Girvetz, and Natasha D'Silva. Further information, including individual competencies relating to the team, can be found at: www.dnvglsustainability.com

Basis of our opinion

Our work was designed to gather evidence with the objective of providing assurance as defined in AA1000AS (2008). We undertook the following activities:

- We conducted interviews with the Chairman of the Board of Directors and CEO, and a selection of the senior officers and managers based in San Francisco, California and Denver, Colorado who are responsible for areas of management and stakeholder relationships covered by the Report. The objective of these discussions was to understand top level commitment and strategy related to corporate responsibility and Prologis governance arrangements, stakeholder engagement activity, management priorities, and systems;
- We visited one warehouse site in Tracy, California, part of a Prologis Park, where initial construction was completed in 2013 and a new phase of construction was initiated in February 2014. During the site visit, we met with Senior Vice President of Global Customer Solutions and the account leader for the customer based at the site, local management, and contractor employees responsible for project management at the site-level;
- We conducted a general review of issues that could be relevant to Prologis' operations and policies to provide a check on the appropriateness of statements made in the Report;
- We assessed documentation and evidence that supported and substantiated claims made in the Report;
- We reviewed the specified sustainability data collated at the corporate level, including data gathered by other parties, and statements made in the Report. We interviewed managers responsible for internal data validation, reviewed their work processes, and undertook sample checks on consolidated sustainability data;
- We provided feedback on the report based on our assurance scope

Findings

On the basis of the work conducted, nothing came to our attention to suggest that the Report does not properly describe Prologis' adherence to the Principles of Inclusivity, Materiality, and Responsiveness. Moreover, nothing came to our attention to suggest that the data and claims made in the Report are not accurate and complete.

Observations

Without affecting our assurance opinion, we have noted the following areas of strong practice as well as opportunities for Prologis to further improve its adherence to the Principles and reporting of performance information:

Inclusivity: the participation of stakeholders in developing and achieving an accountable and strategic response to sustainability.

Prologis has an extensive ongoing engagement programs across the company's value chain that covers, amongst other things, how the company's values are embedded in management process. There are clear avenues for stakeholders to provide direct and indirect feedback related to material and emerging issues for its operations. There are strong examples of how Prologis has communicated sustainability as part of its value equation and engaged customers, employees, and investors in its material issues. We recommend that Prologis more clearly detail the issues that are of interest to each stakeholder group.

We commend Prologis for developing a Supplier Code of Conduct in 2013. We recommend that the company begin to develop and report on systems for monitoring and reviewing supplier adherence to the code of conduct to support increased accountability and demonstrate a clear link to business decisions and sustainability priorities.

Materiality: identification of those issues which are necessary for stakeholders to make informed judgments concerning Prologis and its impacts.

The report addresses the most material environmental and social issues facing the company and its stakeholders.

The organization has conducted a formal materiality assessment for the first time which helped to confirm the topics covered in the report. This was a recommendation made in our assurance statement for the 2012 Report which Prologis has addressed. We recognize that the process used to conduct the assessment was systematic and included input from internal stakeholders from across business operations and global regions, as well as those who have direct interaction with Prologis' external stakeholders. The process included methodical selection of stakeholders so as to avoid double-counting of a single perspective and responses were weighted to support accurate representation of business impact.

Prologis highlights its top five material issues in the report. We recommend that it provide further detail of the outcome and the relative prioritization of the other issues. Additionally, we recommend that Prologis continue to build on its materiality process and expand it to include external stakeholders. This allows the company to validate the outcomes and to determine the effectiveness of its response and performance in the issue areas deemed most significant. This will further support the company in effectively identifying, prioritizing, and managing the issues that impact the company and its stakeholders.

Responsiveness: the extent to which an organization responds to stakeholder issues

Stakeholder ideas and concerns influence decision making throughout the organization. Further description in the sustainability report of the link between stakeholder engagement mechanisms,

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the issues raised, and key decision-making points related to sustainability goals and objectives can indicate to users how stakeholder considerations are integrated into the company's governance model.

We recommend that the company continue to formalize the way that it uses engagement to further sustainability objectives. In particular, it would be beneficial to understand more about the risks and impacts in the construction phase and construction supply chain, particularly in the emerging markets where Prologis is based, and how the expectations of contractors play out during construction of new developments.

Meeting the next level of sustainability challenges requires a collaborative response as there are limitations to what Prologis can achieve on its own. Stakeholders are increasingly interested in how companies are creating systemic change. One example is that Prologis' development of roof-based solar energy is limited by legislation, client and community acceptance as well as market incentives and conditions. This could offer new commercial opportunities as well as lower carbon renewable energy sources for the communities where facilities are operated, which may produce a range of benefits not only for Prologis but also for others. As such, we recommend that Prologis increase its disclosure related to its current and planned collaborations about systemic, transformational change of the built environment.

Performance Information

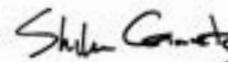
The goals and performance are presented in a clear manner. We recommend that where there are not clear target dates or baselines for objectives, these are clarified in future reporting. The inclusion of peer or sector performance data, where available, alongside the infographics illustrating Prologis' performance trajectory will support comparability and enable users to more easily understand performance and the implications of performance trends.

The specified data presented in the report are considered to be reliable and accurate as minimal technical errors have been identified based on our sampling. Prologis continues to improve its human resources data system and we recommend that as part of this ongoing improvement, it improve the effective tracking of all training initiatives as we were unable to fully verify 2013 numbers for performance review and Ethics Challenge trainings. Such improvements will provide accuracy and reliability for this data in future reports.

DNV Certification Inc.
Oakland
May 2014



Dave Knight
Project Director



Shyla Girvetz
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