

**MAKING A
POSITIVE
IMPACT ACROSS
A GLOBAL
PLATFORM**



AS THE LEADING GLOBAL OWNER, OPERATOR AND DEVELOPER OF INDUSTRIAL REAL ESTATE, PROLOGIS STRIVES TO PROVIDE THE MOST SUSTAINABLE LOGISTICS AND DISTRIBUTION PLATFORM IN THE INDUSTRY.

WITH A LONG-STANDING COMMITMENT TO CORPORATE RESPONSIBILITY, WE CONTINUE TO ACHIEVE ONGOING SUCCESS THROUGH FORMAL PROGRAMS WITHIN THREE AREAS OF FOCUS.

ENVIRONMENTAL
STEWARDSHIP

SOCIAL
RESPONSIBILITY

ETHICS AND
GOVERNANCE

CORPORATE OVERVIEW



Hamid R. Moghadam

Chairman and
Chief Executive Officer

TO OUR FELLOW STAKEHOLDERS

I am pleased to present our 2012 Corporate Responsibility Report highlighting the work of our dedicated colleagues around the globe. Our report details Prologis' programs and achievements related to environmental stewardship, social responsibility, and ethics and governance. It also describes the culture we've built to develop future generations of Prologis leadership.

Prologis continues to be the industry leader in delivering sustainable distribution facilities around the world. We register all new developments with the intent of obtaining certification with internationally recognized sustainable building standards, including LEED, BREEAM and CASBEE. In 2012, 15 Prologis properties across eight countries received green building certifications. In total, Prologis has developed 38 million square feet (3.6 million square meters) of certified projects in 11 countries since 2006.

Our renewable energy initiatives enhance the long-term sustainability of our properties while creating revenue for investors and Prologis. To date, the company has developed 83 megawatts of rooftop solar projects in six countries. We will continue to grow this program in 2013, adding important solar-generating capacity to our facilities in markets like Japan, where demand for renewable energy remains strong.

We are also continuing to make important investments in energy efficiency improvements throughout our global portfolio. Our high-efficiency lighting upgrades significantly reduce energy consumption while lowering customer operating costs. To date, more than half of the Prologis operating portfolio, totaling 270 million square feet (25 million square meters), has been upgraded with energy-efficient lighting. We believe that these energy efficiency investments deliver significant environmental benefits, providing our customers with lower operating costs that support retention and drive occupancy.

Our social responsibility programs further enhance the communities where we live and work. In 2012, the Prologis Foundation provided over \$600,000 in grants to nonprofit and charitable organizations that work in the areas of education, human welfare and disaster relief. We helped our employees support the organizations they personally care about through our Employee Volunteer Program, Matching Gift Program and Dollars for Doers Program. Our Space for Good program provided nonprofit organizations with free or discounted use of our vacant distribution center facilities around the world.

“A MAJORITY OF PROLOGIS EMPLOYEES SAY IT IS IMPORTANT TO WORK FOR AN ENVIRONMENTALLY RESPONSIBLE COMPANY AND TO VOLUNTEER AND PARTICIPATE IN COMMUNITY SERVICE...”

In May 2012, we conducted our first global employee engagement survey as a new company. The survey confirmed our commitment to environmental and social initiatives. A majority of Prologis employees say it is important to them to work for an environmentally responsible company and to volunteer and participate in community service. We are pleased that our employees share our commitment to corporate responsibility and sustainability, and believe that our continued focus on these initiatives is one aspect that allows us to attract and retain the best talent in the business.

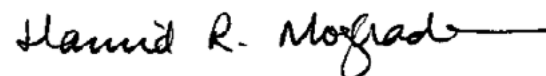
Our team in New Jersey was presented with our IMPACT Award, the highest honor bestowed by Prologis, for their unyielding customer dedication before, during and after Superstorm Sandy. The team went to extraordinary lengths to help our customers restore their operations quickly, even as most of our colleagues faced their own personal challenges in the aftermath of the storm.

We are proud of our progress and continue to work diligently toward our corporate responsibility and sustainability goals. We were again included in the Dow Jones Sustainability North America Index in 2012, and named one of the Global 100 Most Sustainable Corporations in the World at the World Economic Forum at Davos for the fifth consecutive year.

As an integral part of the global supply chain, we recognize the impact we can make on our planet and our communities. We recognize it is an ongoing effort that will never be fully completed. As we achieve our initial targets, we set new challenges for our Company to ensure we are constantly striving to improve.

On behalf of everyone at Prologis, we appreciate your interest in our efforts.

Sincerely,



Hamid R. Moghadam
Chairman and Chief Executive Officer

5X

NAMED A GLOBAL 100 MOST SUSTAINABLE CORPORATION IN THE WORLD FOR A FIFTH YEAR IN A ROW

270M

SQUARE FEET OF SPACE UPGRADED WITH ENERGY-EFFICIENT LIGHTING

COMPANY OVERVIEW

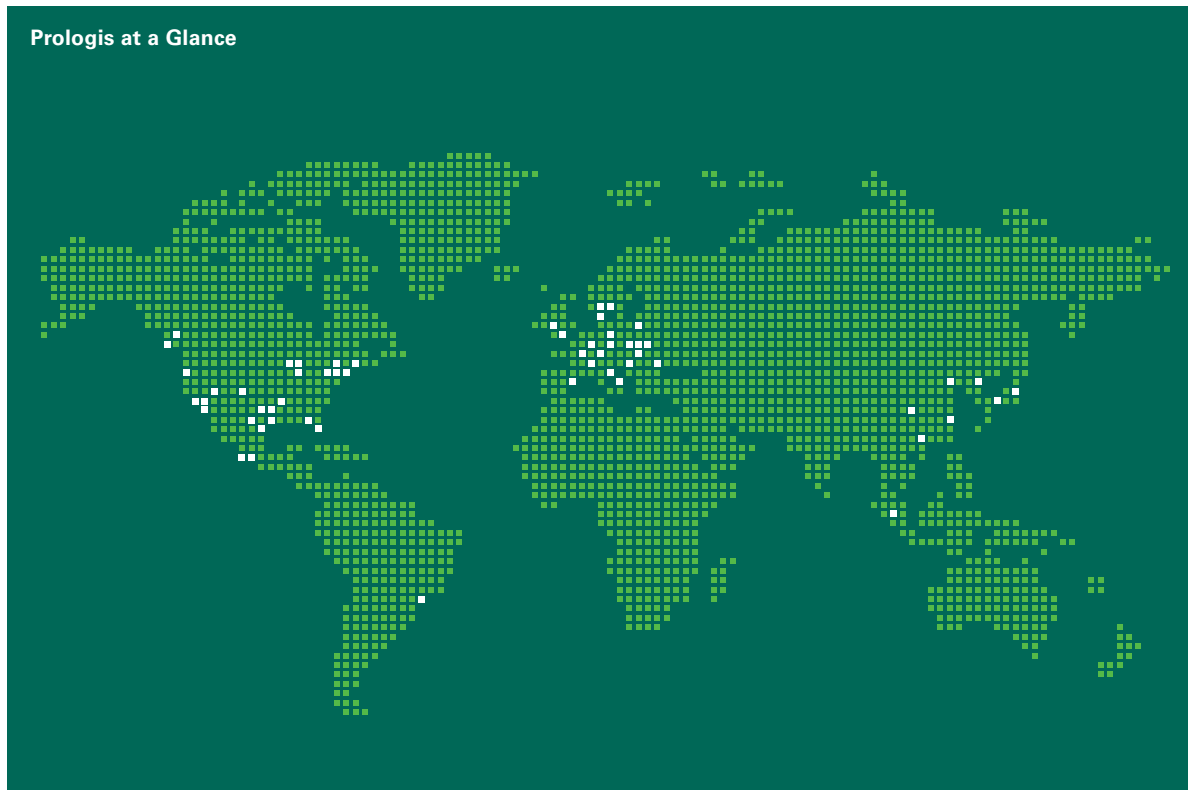
Prologis, Inc. is the leading global owner, operator and developer of industrial real estate, focused on global and regional markets across the Americas, Europe and Asia. As of December 31, 2012, the company’s portfolio covered more than 554 million square feet (51.5 million square meters) of logistics and distribution facilities in 21 countries. These properties are leased to approximately 4,500 customers, including third-party logistics providers, manufacturers, retailers, transportation companies, and other enterprises. As of December 31, 2012, Prologis had assets under management of \$43.1 billion and 1,446 employees worldwide. Total revenue for the year ending December 31, 2012, was \$2.006 billion.

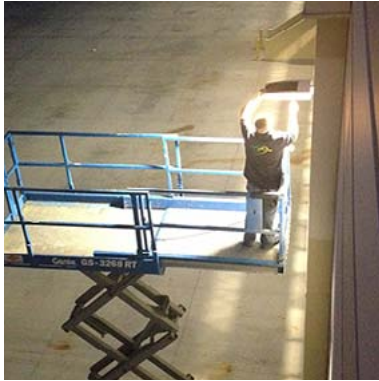
Prologis, Inc. is a self-administered and self-managed real estate investment trust (REIT). As a REIT, Prologis is not required to pay corporate income tax. We are required to distribute a minimum of 90 percent of our taxable income to investors annually in the form of dividends. Information on the company’s financial performance, dividend and market capitalization can be found by visiting <http://ir.prologis.com>.

Since last year’s report, Prologis has reduced the square footage of its portfolio by approximately 8 percent, from 600 million square feet to 554 million square feet as the company refocused our investments in our key global and regional markets. As part of this effort, Prologis exited the Seoul, South Korea, Tampa, Florida and Minneapolis, Minnesota markets.

Prologis’ global corporate headquarters is located in San Francisco, California and our global operational headquarters is located in Denver, Colorado. Other principal office locations are in Amsterdam, Luxembourg, Mexico City, Shanghai, Singapore and Tokyo.

<p>\$43B TOTAL ASSETS UNDER MANAGEMENT</p>	<p>554 MILLION SQUARE FEET</p>
<p>21 COUNTRIES</p>	<p>1,446 EMPLOYEES</p>





LED site lighting reduces maintenance costs and saves energy.

Prologis has investments in entities through a variety of ventures. We co-invest in entities that own multiple properties with private capital investors and provide asset and property management services to these entities. We also have investments in joint ventures, generally with one partner, and some of which we do not manage.

Our business strategy focuses on three principal lines of business within two business segments:

Real Estate Operations Segment

Rental Operations — This represents the primary source of our core revenue, earnings and funds from operations. We collect rent from our customers under operating leases, including reimbursements for the vast majority of our operating costs.

Capital Deployment — Our development and redevelopment activities support our rental operations. We develop and redevelop industrial properties primarily in global and regional markets to meet our customers' needs. Generally, in the United States, Europe and Japan we develop on balance sheet while in emerging markets such as Brazil, China and Mexico we develop with our private capital partners in a variety of co-investment ventures.

Private Capital Segment

We co-invest in properties with private capital investors through a variety of co-investment ventures. We tailor industrial portfolios to investors' specific needs and deploy capital in both close-ended and open-ended venture structures and other joint ventures, while providing complete portfolio management and financial reporting services. We generally hold a 15 to 50 percent ownership interest in these ventures.

REPORT GUIDE

This report incorporates the G3.1 Sustainability Reporting Guidelines and Construction and Real Estate Sector Supplement (CRESS) released by the Global Reporting Initiative (GRI) as a framework for this report. GRI is an international multi-stakeholder network through which a recognized sustainability reporting framework has been developed. This report has been externally assured by Two Tomorrows (North America), a subsidiary of DNV Business Assurance North America.

This is Prologis' sixth corporate responsibility report developed following GRI guidelines. The report is global in scope and covers our activities in the Americas, Europe and Asia during calendar and fiscal year 2012. Prologis publishes a corporate responsibility report on an annual basis. The last Prologis report structured around the GRI guidelines was published in April 2012 and covered calendar year 2011. If you have questions or feedback on our report, please contact Prologis' Investor Relations department at +1 415-394-9000.

Prologis has applied GRI's Guidance on Defining Report Content to identify topics that reflect economic, environmental and social impacts that we believe are relevant to 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' Annual Report and Form 10-K, which is filed with the Securities and Exchange Commission and is also available in the SEC Filings section of Prologis' website at <http://ir.prologis.com/sec.cfm>.

WE REPORT ON THE TOPICS THAT COULD IMPACT OUR STAKEHOLDERS IN ORDER TO ENSURE THAT OUR REPORT HAS VALUE AND RELEVANCE.

Limitations on the boundaries of this report include the operations of occupants 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. Prologis does not report on the business activities of entities where we do not have direct operational control: our co-investment partners, joint venture partners, service providers, customers, contractors, suppliers and vendors.

We report on our subsidiaries and affiliates where we have direct operational control, unless otherwise noted. Information is provided for leased facilities occupied for our business activities. Data, where reasonably available, are reported for facilities that we own that are leased to customers. Significant year-over-year changes are denoted. Where possible, we also report with units that provide for comparable reporting, such as per square foot rather than per building or per site.

Our report is prioritized by relevance to Prologis' business activities. We report on the topics that relate directly to our business activities that could impact our stakeholders in order to ensure that our report has value and relevance. The key topics that fall within our reporting framework include economic performance, corporate governance and employee programs, sustainable development activity, energy conservation activity, corporate carbon emissions and charitable activities.

METHODOLOGY FOR CALCULATIONS AND MEASUREMENTS
Energy and Carbon

Energy —Whenever possible, we obtain utility bills directly from the local utility company. Where our offices are part of a larger building that is not sub-metered, we obtain energy bills for the entire building from our landlord and calculate energy consumption on a pro rata basis. For example, if we occupy 10 percent of a building, we assume we are responsible for 10 percent of the building's energy consumption. If we cannot obtain any utility data for an office, we estimate energy consumption based on The Climate Registry's General Reporting Protocol.

Travel —We utilize reports from contracted third-party travel agencies and service providers to quantify our business travel. Our finance department provides reports of reimbursed mileage, based on data submitted via employee expense reports. Where third-party or finance department reports are not available, we estimate travel based on our understanding of employee activity.

Carbon —We utilize the GHG Protocol tools provided by the World Resources Institute as well as The Climate Registry's General Reporting Protocol to translate energy consumption and travel activity into carbon emissions. Sources of these factors include the IPCC Guidelines for National Greenhouse Gas Inventories and others.

WE RECOGNIZE THAT OUR OPERATIONS BOTH IMPACT AND ARE IMPACTED BY OTHERS, SO WORKING EFFECTIVELY WITH OUR STAKEHOLDERS IS OF VITAL IMPORTANCE TO PROLOGIS.

Since our last report, we have recalculated our 2011 operational carbon footprint as described in the Environmental Stewardship section of this report. This recalculation was the result of our first carbon footprint verification through The Climate Registry, encompassing the required North American footprint (Scopes 1 and 2). During the verification process, we recalculated our Scope 1 emissions to include fugitive emissions from refrigerators and AC equipment. We also used updated emissions factors for mobile combustion. These changes resulted in a Scope 1 verified footprint that was 335 metric tons greater than the footprint reported in our 2011 Corporate Responsibility Report. We also recalculated our Scope 2 emissions using an updated figure for estimated electricity use in offices for which utility bills were unavailable. This resulted in a Scope 2 verified footprint that was 298 metric tons less than the footprint reported in our 2011 Corporate Responsibility Report. Finally, Scope 1 emissions were recalculated due to a correction in the prorated share of office space for our San Francisco office. This resulted in a reduction of Scope 1 emissions by 187 metric tons.

HR Data

Our HR data are reported from internal PeopleSoft and Workday data management systems. These systems include data on full-time, part-time and contract employees.

Renewable Energy

The project designer determines the energy capacity of the project based on the as-built drawings. Data on the estimated power generation of renewable energy projects are provided to Prologis by the project designer, and a sample of this data is confirmed by a third-party consultant.

Community Donations

The Prologis Foundation disbursements are tracked by our Legal and Corporate Responsibility departments. The value of donated and discounted space through our Space for Good program is tracked via our property management system.

STAKEHOLDER ENGAGEMENT

Our approach to stakeholder engagement is to communicate openly and to incorporate actionable, meaningful feedback from our stakeholders into our business decisions. We recognize that our operations both impact and are impacted by others, so working effectively with our stakeholders is of vital importance to Prologis.

Framework & Approach

Prologis identifies its stakeholders as any person or group of persons who may directly affect or be affected by Prologis' business operations. This includes customers, employees, investors, contractors, local communities, associations, brokers, governments, vendors and suppliers. Our intended audience for this report is our key stakeholders: investors, customers and employees.

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. We seek to be proactive in responding to inquiries about our corporate responsibility practices from our stakeholders. Examples include third-party organizations looking for information about Prologis' plans to address climate change, such as the Carbon Disclosure Project, and individual and institutional investors seeking to better understand our business operations.

Stakeholder Engagement Mechanisms

Customers

- Annual customer advisory board meetings in the United States and Europe and annual customer surveys for key customers
- Biannual customer satisfaction surveys at the property level
- Dedicated Prologis associates to 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
- Regular collaboration to share best practices
- Regional customer events and direct customer visits

Investors—Public

- Quarterly earnings calls including Q&A with senior management
- Periodic Investor Forums
- Dedicated Prologis associates to respond to investor needs and requests
- Frequent opportunities to interact with an extended group of senior management at investor events
- One-on-one investor meetings and brokerage conferences to gather real-time feedback
- Property tours to better familiarize investors with the industrial asset class and market environment
- Surveys from socially responsible investment funds and indexes, such as the Dow Jones Sustainability Index

Investors—Private Capital

- Quarterly reports on fund performance
- Quarterly investor calls covering fund performance and future outlook, including Q&A with fund teams and private capital senior management
- Dedicated Prologis Private Capital client relations team to anticipate and respond to investor needs and requests
- One-on-one investor meetings and conferences
- Annual Investor Forum
- Regular property tours to better familiarize investors with the industrial asset class, market environment and the properties in which the funds are invested
- Questionnaires and surveys from investors and their consultants regarding socially responsible and sustainability efforts
- 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 distributions

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

Employees in our Tokyo, Japan office discuss sustainability and corporate responsibility.



Brokers

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

Nongovernmental Organizations

- NGO information requests and surveys such as the Carbon Disclosure Project
- Attendance at conferences and meetings

Governmental Agencies

- Close collaboration on projects ranging from brownfield redevelopment to new developments
- Engage 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 organizations

THESE DISCUSSIONS
PRESENT A UNIQUE
OPPORTUNITY FOR
US TO SHARE BEST
PRACTICES ON
TOPICS RELATED
TO SUSTAINABILITY
AND CORPORATE
RESPONSIBILITY...

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 associates to respond to media inquiries on a daily basis

Customers

Our customers are integral to our business. We serve more than 4,500 customers globally, including third-party logistics providers, manufacturers, retailers, transportation companies and other enterprises. We strive to continually find new ways to better meet their needs.

Prologis has a Global Customer Solutions team, led by our managing director and head of global customer solutions, that is dedicated to serving our focus customers, typically those with multi-market and often multi-continent leases with the company. Within our Global Customer Solutions team, we develop long-term relationships with our customers and understand their businesses and needs, serving as their strategic partner for real estate on a global basis.

We have been conducting biannual surveys with our customers at the property level since 1999. 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 in Europe, most recently in the fall of 2012. These two-day, in-person meetings include representatives from approximately one dozen customers representing a diverse mix of industries. The meetings cover industry trends, challenges customers face as corporate real estate managers, and ways Prologis can improve its service level and product delivery system. Sustainability is also a regular topic of discussion at the CAB meetings, 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, ensuring our programs in these areas are in alignment with our customers.

These meetings have provided important feedback from our customers, and we are committed to addressing this feedback by modifying the way in which we interact and engage with 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.

Employees

Our employees are a critical part of our business—they sustain day-to-day operations, generate new business, maintain existing relationships and are the face of the company to many of our external stakeholders.

To gauge employee engagement, a companywide survey was conducted in April 2012. The survey focused on strategic leadership, engagement, continuous improvement, customer focus and corporate responsibility. High-level results of the survey were released to employees in June 2012, and in August 2012, a number of specific initiatives were announced to address items revealed in the survey.

CR CHAMPIONS SEEK TO REDUCE THE ENVIRONMENTAL IMPACT OF OUR OPERATIONS IN OUR CORPORATE OFFICES AND SUPPORT THEIR LOCAL COMMUNITIES.

Four times a year, following the quarterly earnings call, the CEO and executive team host a town hall meeting to provide a company update and answer employees' questions submitted in advance or asked live. The town hall meetings are videotaped and posted shortly after the meeting on the company intranet to give all employees an opportunity to review the content.

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

Prologis believes that strong corporate responsibility programs include corporate-level, top-down initiatives, as well as bottom-up efforts engaging employees at all levels of the organization. Engagement with our employees is also enhanced through our Corporate Responsibility Champions program. Employees in all of our offices around the world have volunteered to be CR Champions. The program includes colleagues in a variety of levels and job functions, including property managers, administrative assistants and maintenance technicians.

CR Champions seek to reduce the environmental impact of our operations in our corporate offices and support their local communities. They interact via regular conference calls to share ideas and best practices. By addressing corporate responsibility at all levels of the organization, we seek to integrate a corporate responsibility ethic into all that we do.

Investors

2012 marked a significant milestone for Prologis as we concluded our first full year of operations as a new company. We remain committed to providing timely, relevant information to both our public and private capital investors. Our Investor Relations team responded to investor requests as needed and met with investors in one-on-one meetings and at investor conferences throughout the year.

Private capital investors had the opportunity to receive information regarding fund performance through both quarterly reports and investor calls. Additionally, Prologis hosted a Global Investor Forum in New York City in fall 2012. This forum provided an opportunity for private capital investors to learn about Prologis, including our strategic priorities, global footprint, customer network and proprietary research. Attendees also had the opportunity to meet with senior management and the Investment Committee.

Third-Party Validation Charters, Principles, Initiatives

Prologis is a leader in communicating its sustainability and corporate responsibility practices in accordance with globally recognized reporting systems. Third-party validation of the company's annual GRI report ensures the quality and transparency of its efforts. Since 2006, Prologis has produced an annual GRI report, and also reports its carbon emissions in accordance with the Carbon Disclosure Project. For a copy of Prologis' most recent GRI report and more information regarding Prologis' sustainability initiatives, please see:

<http://www.prologis.com/en/responsibility.html>.

Prologis annually reports its corporate carbon footprint and climate change strategies, risks and opportunities in accordance with the Carbon Disclosure Project. Prologis responds to the Global Real Estate Sustainability Benchmark (GRESB) survey on behalf of several of its largest co-investment funds. Prologis is also a member of numerous sustainable investment indices such as the Dow Jones Sustainability North America Index and the FTSE4Good Index.

AWARDS PROLOGIS RECEIVED IN 2012

Global 100 Most Sustainable Corporations in the World

e-Commerce Logistics Park of the Year Award (China)

Guardian Sustainable Business Award – Built Environment Runner-up (U.K.)

NAREIT Industrial Leader in the Light Award (U.S.)

Warehouse of the Year Award (Poland)

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

- Asia Pacific Real Estate Association (APREA; Japan, Singapore)
- Association of Foreign Investors in Real Estate (AFIRE)
- Association of Industrial Real Estate Brokers (AIRE)
- Boston College Center for Corporate Citizenship (BCCCC)
- Building Owners and Managers Association (BOMA)
- Conference on Foundations (COF)
- German Sustainable Building Council (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)
- Risk and Insurance Management Society (RIMS)
- The Climate Registry (TCR)
- The European Association for Investors in Non-Listed Real Estate Vehicle (INREV)
- U.K. Green Building Council (UKGBC)
- U.S. Department of Energy's Commercial Real Estate Energy Alliance (CREEA)
- U.S. Green Building Council (USGBC)
- Urban Land Institute (ULI) and the ULI Greenprint Center for Building Performance





**ENVIRONMENTAL
STEWARDSHIP**

OUR ENVIRONMENTAL STEWARDSHIP PROGRAMS SEEK TO LINK ACTIONS IN OUR COMPANY AND ACROSS BUSINESS LINES, ENABLING US TO MAKE DECISIONS THAT HAVE THE GREATEST LONG-TERM FINANCIAL, OPERATIONAL AND ENVIRONMENTAL VALUE.

ENVIRONMENTAL STEWARDSHIP

Becoming the world’s most energy-efficient and sustainable real estate platform

We remain committed to leading the industry in specific areas such as sustainable development, renewable energy and energy efficiency, while we look to share best practices across our organization to capture greater value created by linking efforts. The case studies from across our portfolio highlighted in this report demonstrate the value that is created by connecting our activities across our global enterprise.

Our companywide efforts in energy-efficient upgrades and efficient sustainable buildings, plus the energy produced from solar projects, totaled more than 550 million kilowatt-hours, worth approximately \$66 million in 2012. If this could be aggregated, it would be sufficient to convert as much as 18 percent of our global portfolio into zero-net-energy buildings.

This report lays the foundation for how our investments to further integrate sustainability will deliver even greater savings and value in the coming years for our customers and investors. We believe this effort delivers better transparency and a clear path to value for our environmental stewardship efforts.

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.

SUSTAINABILITY OBJECTIVES

Minimize energy use and carbon emissions by providing energy-efficient buildings and a geographically diverse platform that allows our customers to operate more efficiently

Minimize the ecological impact of our developments by meeting or exceeding recognized sustainable development standards worldwide

Minimize the impact of our own business activities by encouraging colleagues in our offices to reduce our environmental footprint in areas such as energy, waste, procurement and water

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 portfolio 20 percent by 2020 on a global basis

Increase the number of megawatts developed by 300 percent by the end of 2016

Reduce our operational carbon footprint 20 percent by 2020

A number of people within Prologis have direct responsibility for our environmental goals and management approach. Our managing director and head of global construction oversees our sustainable development program, including building certifications and materials. The director of sustainability programs works directly on energy efficiency projects within our portfolio. Our vice president of renewable energy leads our renewable energy efforts.

To monitor progress toward these goals, we continue to enhance our data-gathering capabilities and take steps to improve internal communications. We provide updates on our performance relative to these goals through our sustainability report and through various investor questionnaires and industry surveys.

INFILL FOCUS

TOKYO, JAPAN

PROLOGIS PARK ZAMA

A WELL-LOCATED SITE AND A SUSTAINABLE MASTER PLAN DELIVERS LASTING BENEFITS



1,000 KILOWATT SOLAR ARRAY	2.25M SQUARE FEET
CASBEE "S" RATING	95% LEASED

LOCATION CREATES SUSTAINABLE VALUE

The Prologis Park Zama project, located in Tokyo, Japan, demonstrates how a well-located site and a sustainable master plan delivers lasting benefits for our investors and customers. This project combines industry-leading best practices in energy efficiency and resilient design, resulting in an award-winning development. Combined, the two facilities on this site comprise 2.25 million square feet (209,000 square meters) of modern distribution space that is 95 percent leased to leading customers.

Prologis delivered the first building at this site in 2009 and completed the second building in 2012. These two state-of-the-art distribution facilities represent the completion of a nearly decade-long vision to restore a former industrial manufacturing site to productive economic use. Prologis secured the Zama land because the infill location offered the potential for efficient customer access to the Tokyo metropolitan market. Bringing our customers closer to their customers is core to our investment strategy, and this infill site was a perfect match.

Environmental Legacy

As a former auto manufacturing facility, the site required extensive cleanup of pre-existing industrial contaminants prior to development. To maximize productivity of the limited land area, two multistory facilities were planned. The energy-efficient design of the buildings includes highly efficient office LED lighting that minimizes energy use while delivering a high-quality operational environment. Prologis is enhancing the sustainability features



INFILL FOCUS

PROLOGIS PARK ZAMA



The advanced seismic isolation system is designed to minimize the potential for damage from an earthquake.

further by developing a 1.0 megawatt rooftop solar array on Zama 2, expected to be completed in 2013. This renewable energy project will complement a similarly sized system already installed on Zama 1. The solar array will power the building, supply the local utility with emission-free energy and generate revenue for Prologis.

Unique Features

Zama 2 achieved a CASBEE “S” rating in 2012, the highest rating available under the Japanese sustainability certification program and recognition of the building’s innovative application of environmentally friendly features. The adjacent Zama 1 building had previously received the same top rating. Both buildings have sustainable features that are specifically designed to conserve energy and water, and provide a desirable working environment for our customers.

The complex was fitted with an emergency backup power system supplemented by output from a rooftop solar array. An on-site water filtration system is capable of providing potable water in the event municipal water service is interrupted. This system is in response to a lesson learned from the March 2011 Sendai earthquake, where otherwise operational facilities could not be occupied because domestic water supplies were interrupted.

Both of the buildings were constructed using an advanced seismic isolation system that is designed to minimize the potential for damage from an earthquake. This system protected the buildings from damage during the 2011 Sendai earthquake, allowing customers to use the Zama property as their emergency distribution

TOKYO, JAPAN

center to augment other facilities that suffered damage. The combination of resilient design features, energy efficiency and renewable energy enabled the Zama properties to keep our customers operating efficiently when they needed it most.

Site Restoration

The Zama site had a long industrial-use history that required restoration prior to redevelopment. Integration of this cleanup program into the redevelopment plan was a key aspect of making the overall development of this highly-desirable property successful. Brownfield redevelopment has and continues to be a core competency of Prologis. We have successfully returned underutilized and environmentally impaired properties to productive use through redevelopment in all of our major markets. We continue to focus on these types of opportunities where they align with our investment strategy.

Our track record of successfully restoring sites that have a legacy of environmental impairment continues through the development process for our new sustainable facilities. Prologis achieved certification with the ISO 14001:2004 environmental management standards for our European development practices in 2009, and completed recertification in 2012. We are currently pursuing ISO 14001 certification for our North American development practices. This standard for environmental management helped to ensure Prologis was not assessed penalties for environmental noncompliance in 2012. Utilizing ISO 14001 provides a framework for ensuring that our environmental management standards meet or exceed industry best practices.

Zama in Context

Prologis strives to be a responsible steward of the environment, restoring environmentally-impaired sites and delivering sustainable buildings around the world. A product of these efforts is to enable the restoration of healthy and biodiverse habitats for local species. We have a long track record of restoring former industrial sites, mitigating environmental hazards and returning idle brownfield sites to productive economic use. This attention to infill redevelopment focuses on recycling industrial land. Where completed, development of these infill sites also minimizes our impact on undeveloped areas by reducing sprawl and decreasing the direct and indirect impacts to natural habitats.

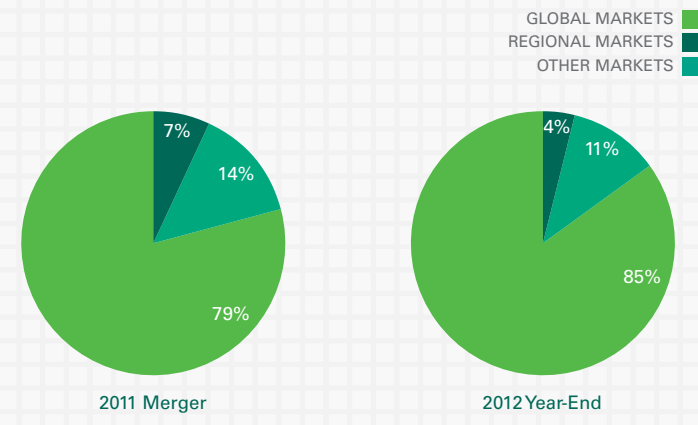
Our focus on infill developments often involves the remediation or management of sites with a legacy of environmental issues. Working with local, state and federal regulatory agencies, we develop and implement remediation plans to address legacy conditions. When the environmental cleanup is completed and the sites are redeveloped, these infill properties are sought after by our customers because of their proximity to major transportation hubs such as seaports, highway transportation networks and airports. These locations create unique efficiencies that bring our customers closer to their customers, and as a result, reduce environmental impacts associated with transportation and encourage a more efficient supply chain.

Prologis ensures that a baseline environmental assessment is conducted on all projects we undertake. This work allows us to evaluate the environmental condition of the property, develop appropriate strategies to mitigate legacy environmental conditions, and determine whether our plans for the site will impact or threaten any species or habitats. These assessments are conducted during the land procurement and entitlement process. We work in partnership with relevant regulatory agencies and stakeholder organizations to manage impacts and to develop appropriate mitigation plans where

feasible. Our efforts have been well received in the communities where our properties are located, and we maintain a strong commitment regarding compliance with applicable environmental laws and regulations.

Our global market focus benefits our customers and supports strong financial performance for our investors. Well-located properties translate into higher occupancy by as much as 300 basis points (bps) while also delivering more than 200 bps of total return premium for our investors. Providing well-located properties to customers can make their supply chain more efficient while simultaneously sustaining the value of our investments.

Prologis Market Allocation



Locations that Better Serve Customers

Prologis is realigning its portfolio globally to better serve customers and major population centers where the vast majority of goods are consumed. At year-end, 85 percent of Prologis properties were located in these global markets. This is a 6 percent increase from 79 percent in June 2011. As this realignment takes place, we expect to be able to deliver even better located facilities that help our customers operate more efficient supply chains.

SUSTAINABLE DEVELOPMENT

PROLOGIS PARK PINEHAM DC#4

INNOVATIVE
SUSTAINABILITY
FEATURES REDUCE
EMBODIED CARBON



"A"

EPC RATING

15%

AREA OF ROOF
WITH SKYLIGHTS

BREEAM®

EXCELLENT
CERTIFICATION

12%

LOWER EMBODIED
CARBON

NORTHAMPTON, U.K.

Prologis Park Pineham DC4, a 460,000 square foot (42,000 square meter) distribution center near Northampton, U.K., demonstrates Prologis' commitment to innovative sustainable development and environmental stewardship that delivers high-quality buildings for our customers. This project was built in 2012 as a build-to-suit for Prologis' customer BMW.

The design of Prologis Park Pineham DC4 includes sustainable features that decrease the need for artificial lighting, the biggest consumer of energy in a distribution center. Skylights make up 15 percent of the building's roof. Photocells ensure that the high-efficiency lighting system is activated only when necessary, minimizing energy costs. The building's energy-efficient design qualified it for a BREEAM "Excellent" certification and an Energy Performance Certificate (EPC) "A" rating. This is some of the highest recognition possible for industrial buildings under U.K. sustainability standards.

Innovative Design Features

While all of Prologis' new developments incorporate sustainable features, a unique attribute of Pineham DC4 is its roof. The curved shape, rather than the flat design typical in a distribution center, reduced the building's overall volume without affecting the interior clear height. This decreased the amount of steel needed for construction and reduced the amount of space that required heating. This design feature lowered the development cost and significantly decreased the building's operating costs. Prologis Park Pineham DC4 is the first building in our portfolio to feature this innovative roof design. Given its success, similar applications are being considered for future Prologis developments.

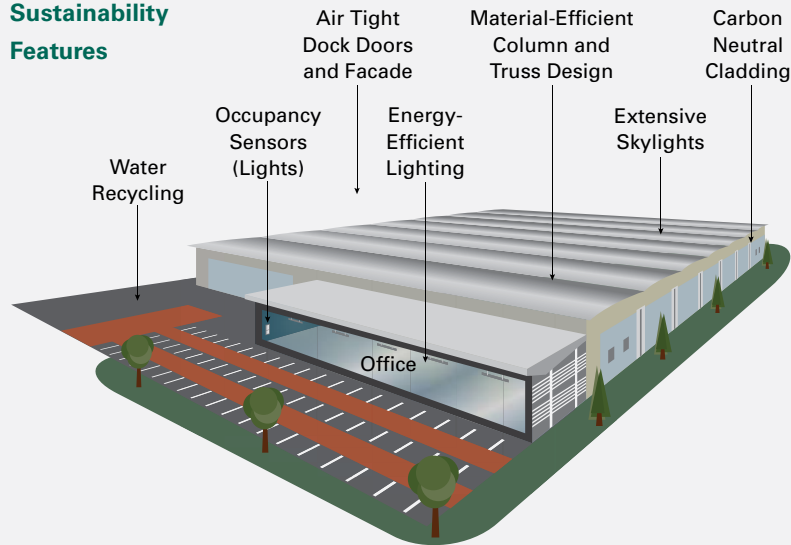
SUSTAINABLE DEVELOPMENT

PROLOGIS PARK PINEHAM DC#4

“WE TRUST PROLOGIS TO DELIVER CARBON-EFFICIENT BUILDINGS THAT ARE ENERGY EFFICIENT AND HIGH QUALITY.”

Martin Douglas, National Parts Manager, BMW

Sustainability Features



Reducing Embodied Carbon

As the roof design demonstrates, Prologis Park Pineham DC4 was designed not only to minimize energy use during building operations, but also to reduce the building’s embodied carbon footprint by utilizing materials such as steel judiciously and by procuring carbon-neutral building products. Following these efforts to reduce the project’s embodied carbon footprint, Prologis worked with the U.K.-based charitable organization Cool Earth to mitigate the building’s remaining embodied carbon by protecting 318 acres of Peruvian rainforest from deforestation through a long-term land stewardship program.

NORTHAMPTON, U.K.

BMW not only supported these efforts, it worked with Prologis to include targets related to the building’s embodied carbon, BREEAM certification and EPC rating in the development contract. BMW employees also joined Prologis employees in partnering with the charitable organization Planet Positive to volunteer at elementary schools near Pineham DC4. These volunteer opportunities included hands-on workshops to help students and staff understand sustainability and learn about actions they can take to personally reduce their environmental impact.

Prologis continues to expand its relationship with BMW. In February 2013, BMW contracted with Prologis to develop two new sustainable distribution centers. These facilities, in Dallas, Texas, and Ontario, California, will be designed to achieve LEED certification and feature many of the same best-practice design features included in the Pineham DC4 project.

Our relationship with BMW is just one example of how Prologis partners with our customers to provide them with Class-A space that meets their operational requirements while accomplishing our sustainable development goals. Prologis has delivered its sustainable expertise on multiple building projects for individual customers in many markets. In addition to BMW, Prologis has developed multiple certified sustainable projects for customers such as Home Depot, Amazon.com, Marks & Spencer and Crate & Barrel.

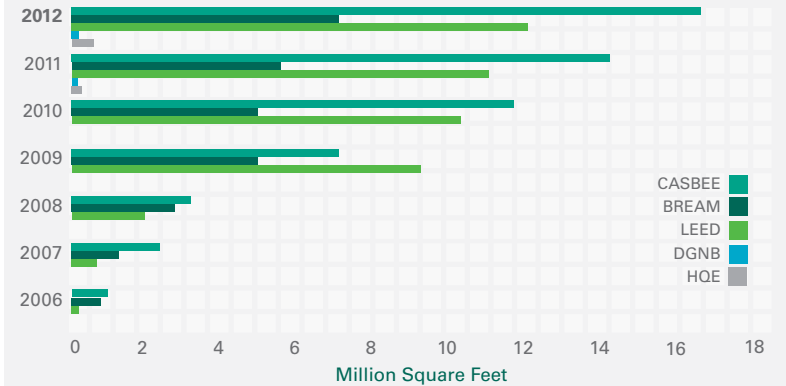
Pineham in Context

Prologis Park Pineham DC4 is one of 15 projects in eight countries where Prologis received sustainable certification in 2012. Prologis has an industry-leading track record of delivering sustainable buildings around the world. This is an important commitment that has been part of our development program since 2008. We utilize certification systems accepted in our local markets, such as LEED, BREEAM and CASBEE, and employ our own best-practice standards where there is no accepted local certification standard. This maintains the quality of our projects while ensuring that our customers have access to modern, energy-efficient space wherever they operate. In total, Prologis has developed 38 million square feet (3.6 million square meters) of certified projects in 11 countries since 2006.

Tres Rios 5 in Cuatitlan, Mexico achieved LEED certification in 2012.

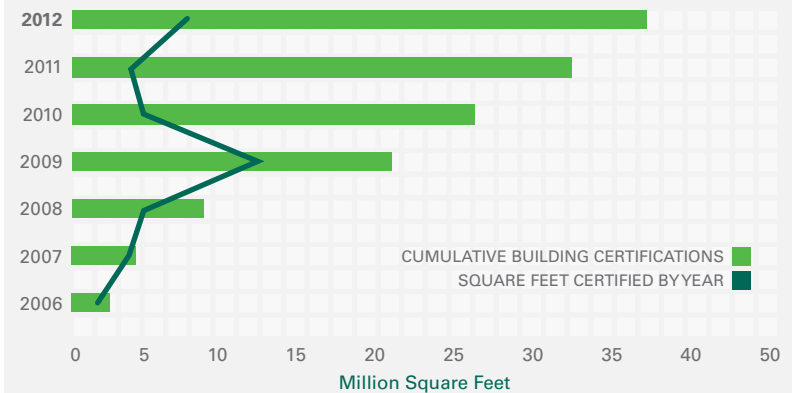


Cumulative Sustainable Building Certifications, by Rating System



Note: CASBEE is a rating system used by Prologis in Japan. LEED is predominantly used in the United States, and in Latin America. BREEAM is a U.K.-based standard in use throughout Europe. HQE is in use in France. DGNB is being utilized in Germany.

Cumulative Square Footage of Building Certifications and Square Feet Certified by Year



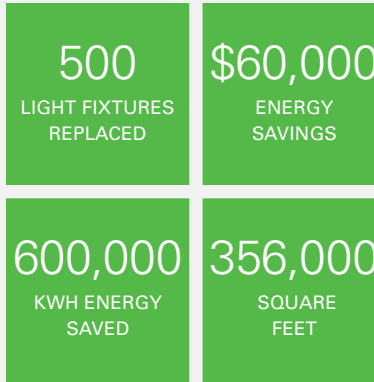
ENERGY EFFICIENCY

ATLANTA, GEORGIA

HORIZON DC1

“PROLOGIS IS A RECOGNIZED LEADER IN PROACTIVELY UPGRADING SPACES WITH ENERGY-SAVING TECHNOLOGIES SUCH AS MOTION-SENSING T-5 FLUORESCENT LIGHTING. THE PROSPECTIVE TENANTS THAT TOUR OUR SPACES CONSISTENTLY REMARK THAT OUR VACANCIES ARE THE CLEANEST AND BRIGHTEST OF ALL THE COMPETITION.”

Kent Mason, Market Officer, Atlanta, Prologis



ENERGY EFFICIENCY REDUCES OPERATING COSTS AND DELIVERS ENERGY SAVINGS

The lighting upgrade at the Horizon Distribution Center in Atlanta, Georgia, provides an example of how Prologis is systematically improving energy efficiency throughout its portfolio. We upgraded the lighting at the 356,000 square foot (33,000 square meter) facility to provide an edge in a highly-competitive leasing environment while reducing the building’s impact on the environment.

The local property management team replaced 500 existing high bay fixtures to improve the quality of light and make the space more visually appealing to potential customers. Lower energy costs from the new lighting reduced the total operating cost of the space by 5 percent compared with comparable nearby buildings that lacked energy-efficient lighting. This discount was one factor that enticed a customer to move into the distribution center shortly thereafter.

While there are many decisions that factor into a customer’s leasing decisions, consistently providing high-quality space that costs less to operate often makes our properties a compelling alternative to other, less efficient buildings. The Horizon Distribution Center exemplifies the cost-effective and beneficial enhancement that energy-efficient upgrades are providing throughout the Prologis portfolio.

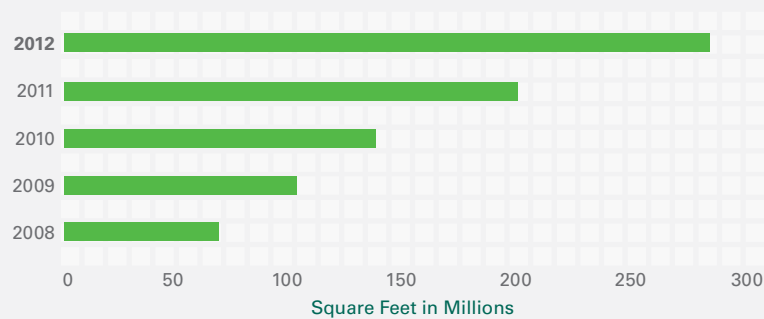


Horizon in Context

Prologis invests in energy efficiency improvements throughout its global portfolio. These important investments significantly reduce energy consumption and environmental impacts on our operating portfolio buildings while lowering customer operating costs. A primary component of the Prologis sustainability program is to work with customers to reduce energy use in buildings that are already operating. Energy savings from upgrades in the global portfolio have reduced electricity use by a projected 407 million kilowatt-hours per year, worth \$250 million in energy savings to our customers over the next five years.

Fifty-one percent of the Prologis operating portfolio has received energy-efficient lighting upgrades, up from 41 percent in 2011. This is in line with our goal to upgrade 10 percent of our portfolio each year. Total investment in these improvements is estimated at \$34 million, including our own investments and those of our customers. These upgrades are an important path toward our goal of reducing energy use across our global portfolio 20 percent by 2020.

Cumulative Lighting Upgrades

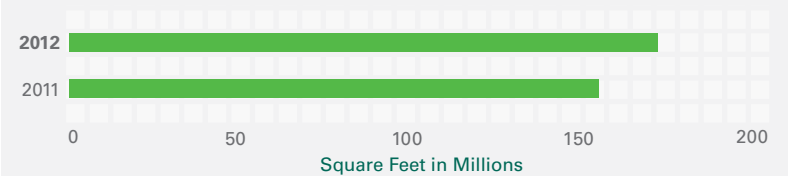


We were recognized in 2012 for our efforts to improve energy efficiency within our portfolio when we received the industrial sector leader award from the NAREIT Leader in the Light energy conservation recognition program.

Cool Roofing

Prologis is actively pursuing other building improvements that enhance customer comfort, increase asset value and reduce environmental impacts. White, reflective roofing is a solution to reducing heat island effects while delivering a more comfortable and efficient building. The Prologis portfolio has 168 million square feet (15.6 million square meters) of reflective roofing, a 3.3 percent increase from 151 million square feet (14 square meters) in 2011.

Reflective Roofing in the Portfolio





Water-efficient landscaping reduces demand for water in drought-sensitive markets.

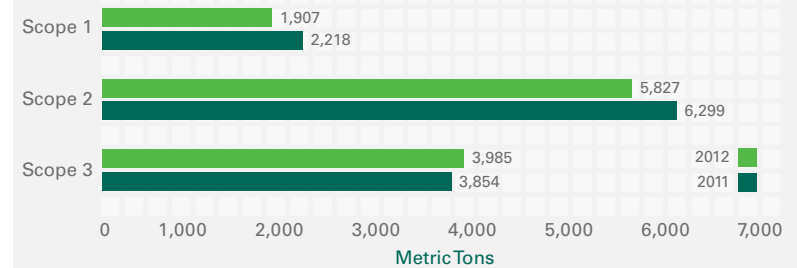
Portfolio Carbon Emissions

Prologis monitors energy and carbon emission performance of our buildings where we have access to whole-building energy data through the ULI Greenprint Center for Building Performance's benchmarking system. For a sample of 45 buildings that comprise 15.6 million square feet (1.45 million square meters) of our portfolio, 2011 energy use was 7.6 kWh/square foot, a 0.1% decrease over the energy use in the same properties in 2010. For the same sample of 45 buildings, 2011 carbon emissions (Scope 1 + 2 + 3) were 2.7 kg of CO₂e per square foot (29.1 kg CO₂e/m²), a 0.5% decrease over the emissions from those properties in 2010. 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. We expect to report on a greater number of buildings in our portfolio in the coming years.

Corporate Carbon Emissions

In addition to finding opportunities for energy efficiency in our portfolio, we also look for ways to reduce the energy use and carbon footprint associated with our corporate operations. In 2012, Prologis began a comprehensive energy efficiency and solar project at its global headquarters in San Francisco. This project utilizes an emerging form of project finance known as PACE (Property Assessed Clean Energy), which provides long-term financing for sustainability measures such as solar projects and energy efficiency upgrades. This project, to be completed in 2013, is projected to reduce grid energy purchases by 33 percent. The energy savings will be shared by all customers in the building.

Prologis Operational Carbon Footprint in CO₂e



Prologis has been reporting its operational carbon footprint, as well as risks and opportunities related to climate change, to the Carbon Disclosure Project for several years. In 2012, we began reporting our operational carbon footprint through The Climate Registry. Our 2011 North American operational footprint was independently verified by SCS Global Services, and we are in the process of independently verifying our global 2012 operational carbon footprint.

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.

Whether pursuing energy efficiency and solar projects at our headquarters or supporting lighting upgrades and cool roofing throughout our property portfolio, Prologis seeks to deliver sustainability in ways that benefit the bottom line. Energy-efficient upgrades in our portfolio are delivering \$50 million in annual savings to customers—savings that benefit the environment and make the company's properties better able to attract and retain customers.

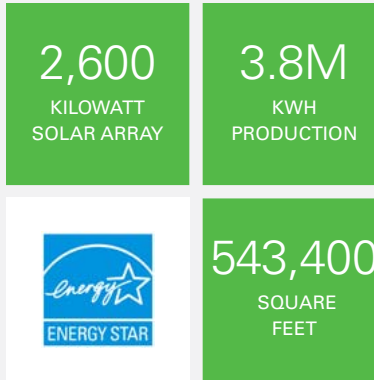
RENEWABLE ENERGY

RIALTO, CALIFORNIA

RIALTO I-210 DC3

“THE PROLOGIS ROOFTOP SOLAR ARRAY POWERS THE LOCAL UTILITY GRID AND COMPLEMENTS OUR OWN INITIATIVES TO REDUCE ENVIRONMENTAL IMPACTS AND LOWER OUR OPERATING COSTS.”

Bob Yunag, Rialto DC Site Manager, Stanley Black & Decker



SOLAR GENERATES REVENUE AND CLEAN ENERGY

In 2012, Prologis developed a 2.6 megawatt rooftop solar array at Rialto I-210 DC3, a 543,400 square foot (50,400 square meter) distribution center in Southern California. The solar facility is expected to produce 3.8 million kilowatt-hours (kWh) annually—enough electricity to power the equivalent of the host distribution center and two more like it. This array supplies the local utility grid with clean electricity and provides additional revenue for Prologis through construction management fees and roof rent.

The Rialto I-210 DC3 solar array is the latest rooftop solar project to be completed by the Prologis Renewable Energy Group. This team expands the use of our rooftop assets to generate clean solar energy and complements our ongoing efforts to address climate change. This growing commitment to renewable energy has been accomplished through partnerships with utilities and investors.

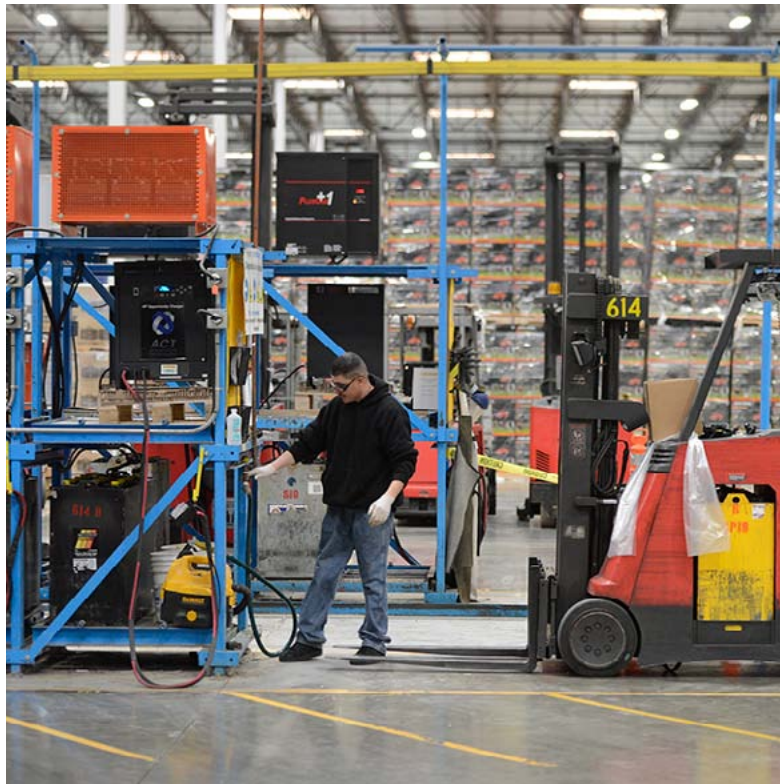
Even as the Renewable Energy Group developed the rooftop solar array at this building, Prologis supported customer-led energy-conserving improvements at the facility such as a high-bay lighting upgrade and a water conserving drip irrigation system. Stanley Black & Decker and Prologis have continued this collaboration by exploring the possibility of upgrading outdoor light fixtures to energy-efficient LEDs.

Aligning sustainability and corporate responsibility efforts helps to make the Stanley Black & Decker facility more profitable, and strengthens Prologis value as a partner in achieving more energy-efficient industrial properties that have a smaller environmental footprint.

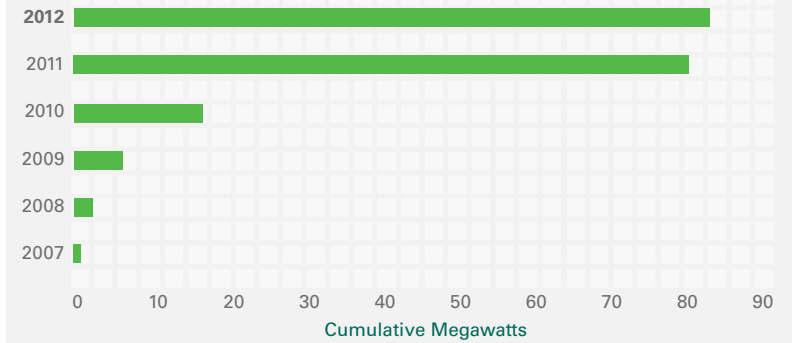
Rialto in Context

To date, Prologis has developed 83 megawatts of rooftop solar projects in six countries. These projects have an estimated clean electricity production capacity of 104 million kilowatt-hours annually. If this solar energy were used to offset building energy use, it would be sufficient to convert 18 million square feet (1.7 million square meters) of our operating portfolio into net-zero-energy properties. This program has converted nearly 20 million square feet (1.8 million square meters) of underutilized rooftop space into sources of revenue-generating projects that contribute to clean energy. Our renewable energy initiative demonstrates a solution that enhances sustainability within our property portfolio while creating revenue for investors and Prologis.

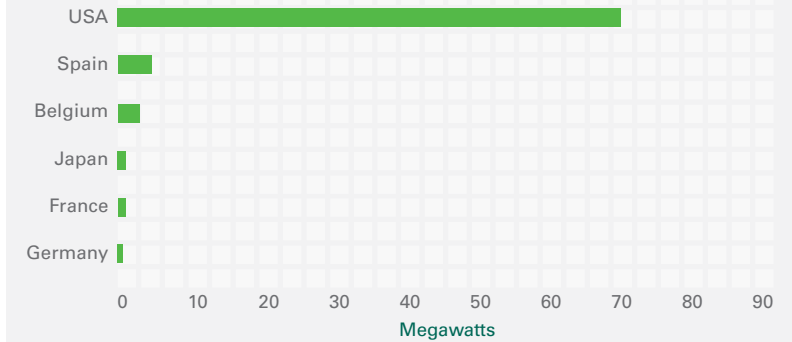
Prologis works with customers to enhance building energy efficiency.



Cumulative Solar Projects




Megawatts Installed by Country



A solid blue rectangular graphic containing the text "SOCIAL RESPONSIBILITY" in white, bold, uppercase letters.

**SOCIAL
RESPONSIBILITY**

A group of six people are running on a dirt trail through a hilly, wooded area. The runners are wearing athletic gear, including jackets, hats, and backpacks. The background shows a mix of green trees and dry, yellowish grass, suggesting a natural, outdoor setting.

AT PROLOGIS, SOCIAL RESPONSIBILITY MEANS EXCELLENCE IN HOW WE INTERACT WITH OUR COLLEAGUES, SUPPLIERS AND LOCAL COMMUNITIES. THIS INCLUDES PROVIDING A CHALLENGING, DYNAMIC AND DIVERSE WORK ENVIRONMENT THAT SUPPORTS OUR COLLEAGUES' PROFESSIONAL DEVELOPMENT.

OUR BUSINESS WILL BENEFIT WHILE WE EXPAND SUPPORT FOR OUR LOCAL COMMUNITIES, ENCOURAGE VOLUNTEERISM AND REDUCE OUR IMPACT ON THE ENVIRONMENT.

SOCIAL RESPONSIBILITY

At Prologis, social responsibility means excellence in how we interact with our colleagues, suppliers and local communities. Our managing director and head of global construction ensures that our policies against human rights violations, forced labor and child labor are upheld at our construction sites. Additionally, our chief human resources officer oversees our non-discrimination policy.

Colleagues in Denver, Colorado helped underserved families with home improvement projects through the nonprofit Extreme Community Makeover.



We have developed a series of 2013 goals against which to measure our social responsibility efforts. These include:

- Implement a global supplier code of conduct
- Launch IMPACT Day, our first global day of service, on May 17, 2013, for every Prologis office around the world
- Double employee participation in Matching Gift and Dollars for Doers programs
- Implement energy-reduction behavior-change activities through our CR Champions

We believe that by setting goals in these areas, our business will benefit while we expand support for our local communities, encourage our employees to participate in volunteer activities within their communities and continue to work together to reduce our impact on the environment. We expect that these efforts will continue to enable us to better attract and retain the best employees and remain a welcomed member of the communities in which we operate.

Employee Volunteer Program

The Employee Volunteer Program at Prologis is an important part of our culture, and allows us to invest in the communities where we live and work. This program provides all employees with three days per year to volunteer in their local community during regular business hours. This includes two days to volunteer with fellow employees at company-sponsored events and one day per year to volunteer for organizations of their own choosing.

Examples of Prologis employees volunteering in their local communities in 2012 included:

More than 100 Prologis colleagues in our Tokyo and Osaka offices in Japan participated in community cleanup activities where they collected garbage and debris near Prologis properties in Tokyo, Osaka and Kasugai.

Colleagues in our Denver, Colorado office made an impact by helping families with home improvement projects, including landscaping, cleanup, repairs and painting, through the nonprofit Extreme Community Makeover. The Denver accounting department packed supplies and prepared medical equipment for shipment to developing countries at Project C.U.R.E.

The Columbus, Ohio team assembled, sanded and painted tables for families in need at the Furniture Bank of Central Ohio.

Employees in our San Francisco, California office refurbished rooms at a local school through a project with Rebuilding Together and taught students financial literacy with Junior Achievement.

Prologis employees in Solihull, U.K. partnered with the charitable organization Planet Positive to teach hands-on workshops at nearby elementary schools to help students and staff gain a better understanding of the importance of sustainability.

Employees coordinated with customers and brokers in Atlanta, Georgia to collect and sort hundreds of toys for the Marine Toys for Tots Foundation.

The Nashville, Tennessee team regularly prepares breakfast for the city's homeless at their local chapter of The Salvation Army.

Prologis Foundation

The Prologis Foundation was established in 2001 with the goal of providing financial support to institutions of higher education and charitable organizations. In 2012, the Foundation donated more than \$600,000 to nonprofit organizations, schools and universities.

Foundation grants were given to organizations primarily focused on 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 which received financial support from the Prologis Foundation in 2012 included:

- American Red Cross
- Boys and Girls Clubs
- Habitat for Humanity
- Junior Achievement
- Metro Volunteers
- Ronald McDonald House Charities

Space for Good

Prologis developed the Space for Good program to provide warehouse space to charitable organizations in need of such space on a temporary basis to 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 2012, Prologis donated more than 4 million square feet (400,000 square meters) of distribution center space on a temporary basis to organizations in need. This space represents a value of more than \$730,000. Organizations that benefited from space within our buildings included:

- Marine Toys for Tots Foundation
- National Multiple Sclerosis Society
- Project C.U.R.E.
- Salvation Army

Volunteers teach Junior Achievement curriculum in San Francisco, California and assemble furniture in Columbus, Ohio.



ATHLETIC CHARITY EVENTS

COMMUNITY INVOLVEMENT AND WELLNESS

PROLOGIS IS A STRONG SUPPORTER OF PHYSICAL ACTIVITIES THAT BUILD CAMARADERIE AMONG EMPLOYEES WHILE SERVING OUR COMMUNITIES.

In 2012, Prologis continued to sponsor and support activities around the world that exemplify our commitment to community involvement and employee wellness. Prologis employees around the world biked, ran and walked to benefit charitable organizations throughout the year.

As the title sponsor of the Courage Classic, Prologis encouraged employees to bike over 150 miles in three days through the Rocky Mountains of Colorado. Employees from across the United States, Mexico and Japan participated in the event, which benefited Children's Hospital Colorado.

Employees in Europe organized the Prologis Cycle Challenge, in which employees, brokers and customers biked over 350 miles in four days from Geneva, Switzerland to Nice, France. Employees from the U.K., the Netherlands and France participated in the event, which raised funds for reGENERation, Help Harry Help Others and the Prince's Trust.

Teams in San Francisco and Shanghai ran in the J.P. Morgan Corporate Challenge, the world's largest corporate running series. These races supported Larkin Street Youth Services and Compassion for Migrant Children, respectively.

A core group of runners at Prologis has developed the Blazing Bones Trail Series, charity-focused running events that take place throughout the year across a variety of global locations. In 2012, Blazing Bones organized two trail runs that benefited nonprofits improving education and human welfare. A California event in the spring raised funds for The Guardsmen, Lucile Packard Children's Hospital and St. Dorothy's Rest. A fall event in Colorado benefited the Aurora Public Schools Education Foundation, Big Brothers Big Sisters of Colorado and Ronald McDonald House Charities of Denver. The events were designed so that employees of all fitness levels could participate, running, hiking and walking anywhere from six to 26.2 miles.

By supporting employee involvement in these and other races around the world, Prologis builds camaraderie, encourages employees to live healthy lifestyles and gives back to the communities where we live and work.

CYCLING,
WALKING,
RUNNING,
HIKING



PROLOGIS IS DEDICATED TO THE CONTINUAL IMPROVEMENT OF TRAINING AND EDUCATION PROGRAMS FOR OUR EMPLOYEES.

EMPLOYEES

We believe our success is dependent upon the integrity of our workforce. Prologis is dedicated to attracting and retaining exceptional talent by providing challenging and rewarding professional opportunities that are matched by competitive compensation packages. We are committed to treating employees fairly and consistently, in addition to providing an equal employment opportunity. We recruit, hire, train, promote and compensate without regard to race, color, age, religion, gender, disability or sexual orientation. Our chief human resources officer oversees our policies related to employment practices, diversity and equal opportunity, training and education. The human resources department has developed internal metrics to track performance and guide decision-making in these areas.

We believe attracting local talent often best serves our business needs. More than 99 percent of our employees are local nationals. We had a total of 10 expatriates companywide working in a market other than his or her home country, seven of whom were at the vice president level or above.

GLOBAL EMPLOYMENT BY REGION

as of December 31, 2012

THE AMERICAS	EUROPE	ASIA	TOTAL
883	380	183	1,446

GLOBAL EMPLOYMENT BY TYPE

Note: Contractors are not classified as Prologis employees.

FULL TIME	PART TIME	CONTRACTORS
1,428	18	227

Our employees are not organized under collective bargaining agreements, with the exception of France, where the population falls under a collective labor agreement. These individuals make up approximately four percent of our total headcount. No Prologis employees filed an Equal Employment Opportunity Commission (EEOC) claim against the company in 2012.

Skill and Career Development

Prologis is dedicated to the continual improvement of training and education programs for our employees. Our April 2012 companywide employee engagement survey revealed a number of unique opportunities to enhance our training offerings. As a result of this survey, we launched Great People Management, a training course to help our managers enhance their supervisory skills. In North America in 2012, 192 managers and 382 employees completed this training for a total of 574 participants and 2,550 hours. This successful program is being launched in Europe and Asia in 2013.

Our educational assistance program was restructured and expanded in 2012 and now offers up to \$5,000 in tuition reimbursement for full- and part-time employees earning an associate’s, bachelor’s, and/or master’s degree if the degree is business or job related and obtained through an accredited college or university.

All Prologis employees receive an annual performance review. In 2012, we developed a 360 feedback assessment tool and conducted assessments for our senior leaders. In 2013, this career development tool will be made available to other supervisors within the organization.

WE PLACE A HIGH IMPORTANCE ON DEVELOPING STRONG RELATIONSHIPS WITH THE COMMUNITIES IN WHICH WE OPERATE.

Turnover

In 2012, a total of 79 individuals were affected by a reduction in our workforce, including 40 men and 39 women. Most of these changes were part of a planned restructuring due to the merger between ProLogis and AMB that was completed in June 2011.

Prologis provides severance benefits to eligible full-time and part-time employees whose employment is terminated due to restructuring. In the U.S., this included severance pay plus additional base pay for each year of continuous service; COBRA premium health care coverage for a specified period; immediate, full vesting in the Prologis 401(k) Savings Plan; and outplacement and career counseling services.

Benefits

Prologis is dedicated to attracting exceptional talent and offering competitive compensation. Prologis employees who work more than 32 hours per week (30 hours per week in some countries) are considered full-time employees and can choose to participate in Prologis' full benefits offering. Based on location, this offering can include, but is not limited to: medical and dental coverage, matching 401(k) plans, multiple insurance coverage options (including basic and supplemental life, accidental death and dismemberment, dependent life, short-term disability, long-term disability, unemployment, etc.) and educational support.

COMMUNITIES

Each year, we strive to create a more meaningful impact in the communities where we live and work. Supporting social needs in the community 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 communities where we live, work and operate. By supporting our employees' community interests, we stand out as an employer of choice.

We place a high importance on developing strong relationships with the communities in which we operate. When Prologis establishes a presence in a community, we often take part in studies and engage directly with the communities to ensure the decisions we make with respect to our operations are in alignment with the needs of each community and surrounding market.

This is an important part of bringing the customers that lease space from us closer to their customers, and ensures that our operations balance the needs of each community with the economic and environmental requirements of our business activity. As part of our due diligence, we complete development and environmental impact analyses that enable us to do some or all the following:

- Estimate the total number of jobs to be created and new tax revenues to be generated as a result of the development
- 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 any 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 locally based contractors and service providers
- Source construction materials locally 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.

Prologis CCP Cajamar
Industrial Park, Sao Paulo, Brazil



As our position in a community grows, we continue to build relationships within that community. Most of our growth is driven by the business activities of our customers; as they enter into or expand within a community, they create jobs in various sectors, including warehousing and distribution. Thus, our facilities become an integral part of a community's employment opportunities.

SUPPLIERS

The environmental and social impact of our business is influenced by third-party contractors, vendors and suppliers. We seek to actively engage our suppliers in our efforts to develop and operate more sustainably. We have worked with trusted vendors on numerous occasions to install and test new energy-efficient technologies. We have also worked with manufacturers to introduce energy-efficient products to new markets.

We routinely utilize local construction materials and suppliers. The two largest components of our buildings, concrete and steel, are typically procured from local suppliers. In addition, 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. Utilizing local suppliers also often reduces shipping and transportation needs, which helps to reduce 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.



ETHICS AND GOVERNANCE

TRUST AND BUSINESS INTEGRITY ARE CRITICAL TO THE LONG-TERM HEALTH OF ANY PUBLIC COMPANY. AT PROLOGIS, WE RECOGNIZE THIS FUNDAMENTAL PRINCIPLE AND HAVE FORMALLY INCORPORATED IT INTO OUR CORPORATE GOVERNANCE AND OUR DAY-TO-DAY BUSINESS OPERATIONS.



OUR EMPLOYEES,
OFFICERS AND
BOARD MEMBERS
RECEIVE REGULAR
TRAINING TO STAY
ABREAST OF ETHICAL
ISSUES AND OUR
CORPORATE VALUES.

ETHICS

Trust and business integrity are critical to the long-term health of any public company. We believe that to be successful and establish 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.

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 that may arise in transactions between us and our stakeholders. The Code of Ethics and Business Conduct can be viewed on our website at <http://ir.prologis.com/governance.cfm>.

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 acknowledgement and acceptance of the Code of Ethics and Business Conduct.

Accountability

Our Ethics Committee includes our chief legal officer and general counsel, our chief human resources officer and our 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. These include independent telephone hotlines and an anonymous form available from our website and our intranet. Our Internal Audit department ensures all reports are investigated, with appropriate management action taken when necessary. Periodic reports are made to the Audit Committee of the Board.

In 2012, Prologis did not take any legal action for anti-competitive behavior, anti-trust or monopoly practices. We did not have any fines or nonmonetary sanctions for noncompliance with laws and regulations.

We also place high importance on maintaining consistent messaging when marketing our business. Every public-facing employee adheres to a detailed disclosure policy, and Prologis follows all New York Stock Exchange (NYSE) and Securities and Exchange Commission (SEC) guidelines and rules regarding press release announcements and other marketing collateral. The company also has processes in place to ensure Regulation Fair Disclosure compliance. Additionally, we maintain a strict policy of truth in advertising. We are in full compliance with marketing communications regulations and do not have any violations to report for 2012.

ETHICS AND GOVERNANCE

GLOBAL COMPLIANCE POLICY



IN 2012, PROLOGIS RELEASED AN UPDATED VERSION OF ITS GLOBAL COMPLIANCE POLICY, WHICH REINFORCES OUR CORPORATE POSITION AGAINST BRIBERY AND CORRUPTION IN ALL COUNTRIES.

I INTEGRITY

Integrity is the cornerstone of every action we take. Our word is our bond. We strive to demonstrate a consistency of character that is transparent, genuine, trustworthy and respectful.

M MENTORSHIP

The quality of our people is the key to our success. Through **mentorship**, we pass on our institutional knowledge, develop our talent pool and create a sustainable and learning enterprise.

P PASSION

We are **passionate** about our work. We are committed to going above and beyond what is expected of us. Decisive, nimble and results-driven, we endeavor to be thoughtful and thorough in everything we do.

A ACCOUNTABILITY

We are all **accountable** to each other, our customers and to our investors. Individual accountability is critical to achieving the overall goals and objectives of the company.

C COURAGE

We live in a constantly changing world. What was good enough yesterday will not be enough tomorrow. We embrace change and we have the **courage** to take calculated risks to exceed our business objectives.

T TEAMWORK

We are one **team**. We believe that our collaborative culture provides a competitive advantage. We communicate openly with each other and value diversity in perspectives and opinions.

Our Global Compliance Policy combines best practices from the Foreign Corrupt Practices Act (FCPA), UK Bribery Act and other similar policies from the regions where we operate around the world. All employees were notified of the improvements to the policy and can access it at any time via the company intranet. We continue to provide awareness training to employees globally to ensure compliance with this policy. Our global compliance officer oversees the training related to and compliance with this policy.

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. Integrity is one of six core values that shape the Prologis corporate culture. These core values are embodied in the acronym IMPACT. These values guide our interactions with customers, investors and colleagues in every country where we operate. The values represented by IMPACT are essential to building our culture of enduring excellence.

WE ARE COMMITTED
TO CORPORATE
GOVERNANCE
PRACTICES THAT
SUPPORT A BUSINESS
ENVIRONMENT OF
UNCOMPROMISING
INTEGRITY.

CORPORATE GOVERNANCE

We are committed to corporate governance practices that support a business environment of uncompromising integrity. We reinforce this objective through our governance policies and compliance with the Sarbanes-Oxley Act of 2002, FCPA and the rules of the SEC and the NYSE.

Our highest governance body is the Board of Directors, followed by our senior officers. Hamid R. Moghadam is the chairman of the board and chief executive officer.

BOARD COMMITTEES

Audit Committee

Board Governance and Nomination Committee

Compensation Committee

Executive Committee

The Prologis Board comprises 10 members who are elected annually, nine of whom are independent. Irving F. Lyons III is the lead independent director on the board. 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.

Prior to the election of any member of the board by the stockholders, the Board Governance and Nomination Committee screens potential candidates and obtains additional input from the chairman of the board and the chief executive officer.

The board conducts an annual self-evaluation of its performance and the performance of each board committee to determine whether the board and committees are functioning effectively. The results of this evaluation are discussed by the full board, with any agreed changes incorporated in board and committee charters as applicable.

Prologis' Compensation Committee administers our executive compensation program. On an annual basis, the compensation committee reviews the elements of compensation for our executive officers, which includes an evaluation of the program's effectiveness with respect to our ability to hire, retain and motivate key employees, as well as through our ability to create long-term shareholder value. The compensation structure primarily consists of a cash component (base salary and target cash bonus) and a long-term equity component. For more on our compensation structure, please refer to our Definitive Proxy Statement, filed on March 15, 2013.

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.

Interested parties may communicate with any of the directors, individually or as a group, by writing to them in care of Edward S. Nekritz as follows:

Edward S. Nekritz
Chief Legal Officer, General Counsel and Board Secretary
Prologis
4545 Airport Way
Denver, Colorado 80239

All communications should prominently indicate on the outside of the envelope that they are intended for the full Board, for outside directors only, or for any particular group or member of the Board.

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 our company, not limited to familiar or quantifiable risk. Our approach includes understanding and managing risk and risk/reward relationships for corporate strategic objectives, establishing appropriate mitigation and management practices, and empowering leaders to identify functional risks.

Our management approach to addressing risks that might impact financial performance builds upon traditional risk management functions such as the Legal, Investment Services and Insurance/Risk Management departments. However, the concept of risk mitigation is woven into every function at Prologis, from the Treasury and Finance departments to the Leasing and Capital Deployment departments to the Corporate Communications, Corporate Responsibility and Human Resource departments. Each of these functional areas 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, etc.)

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 risk, financial risk and business risk, including real-estate-related asset risks such as vacancy, development, land, environmental, seismic and litigation. PIRI increases risk awareness through the identification, assessment and prioritization of risks, and enables key business units to manage risk components within their own sphere of influence.

Before any capital is committed to a new investment, we perform thorough due diligence and present investment memos based on the findings to Prologis' internal Investment Committee, which is composed of the Executive Committee of the company as well as rotating members of senior management globally. The committee reviews investment memos, conducts an economic analysis and considers the social and environmental impacts of the investment.

WE BELIEVE OUR
PROACTIVE APPROACH
TO SUSTAINABLE
DEVELOPMENT
POSITIONS US WELL
IN REGARD TO
MANAGING FUTURE
REGULATION.

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 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 board meeting. The Board Audit Committee is charged with monitoring the quality and integrity of Prologis' accounting and reporting practices. The Board Governance and Nomination Committee regularly assesses and develops recommendations for the Board regarding corporate governance matters and principles, as well as environmental stewardship and social responsibility matters.

In the future, we may be affected by stricter energy efficiency standards for buildings. If buildings become subject to more stringent energy conservation regulations, we may see more stringent requirements related to zoning, impact fees and environmental management. We could also see energy and resource risk due to less reliability and higher prices for energy, water and waste disposal. We believe our proactive approach to sustainable development positions us well in regard to managing future regulation and helps to mitigate our exposure to fluctuations in these areas.

Prologis has a Disclosure Committee comprising appointed employees that assist the CEO and the CFO with their responsibilities regarding the company's disclosure controls and procedures. Their purpose is to ensure these controls are adequately designed and operating effectively. The Disclosure Committee ensures that all appropriate information is disclosed in reports filed or submitted under the Securities and Exchange Act of 1934, as amended. A questionnaire is circulated quarterly to selected company business unit leaders and others in charge of particular processes or procedures to give feedback to the Disclosure Committee and assist with monitoring. The Disclosure Committee provides recommendations to the CEO and the CFO prior to the filing of our SEC reports.

GRI CONTENT INDEX

INDICATOR	DESCRIPTION	PAGE
1.1 ■	CEO Statement	3, 4
1.2 ■	Key impacts, risks, and opportunities.	3, 4, 15, 28, 38
2.1 ■	Name of the organization.	5
2.2 ■	Primary brands, products, and/or services.	5
2.3 ■	Operational structure.	5, 6
2.4 ■	Location of headquarters.	5
2.5 ■	Countries of operation.	5
2.6 ■	Nature of ownership and legal form.	5
2.7 ■	Markets served.	5
2.8 ■	Scale of the organization.	5
2.9 ■	Significant changes during the reporting period.	5
2.10 ■	Awards received in the reporting period.	13
3.1 ■	Reporting period.	6
3.2 ■	Date of most recent previous report.	6
3.3 ■	Reporting cycle.	6
3.4 ■	Contact point for questions.	6
3.5 ■	Process for defining report content.	6, 7, 8
3.6 ■	Boundary of the report.	6, 7
3.7 ■	Limitations on the scope or boundary of the report.	6, 7
3.8 ■	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities.	7

■ Indicator has been fully reported

▣ Indicator has been partially reported

INDICATOR	DESCRIPTION	PAGE
3.9 ■	Data measurement techniques and the bases of calculations.	7
3.10 ■	Explanation of the effect of any re-statements of information provided in earlier reports.	8
3.11 ■	Significant changes from previous reporting periods in the scope, boundary, or measurement methods.	8
3.12 ■	Table identifying the location of the Standard Disclosures in the report.	40
3.13 ■	Policy and current practice with regard to seeking external assurance for the report.	43
4.1 ■	Governance structure of the organization.	37
4.2 ■	Indicate whether the Chair of the highest governance body is also an executive officer.	37
4.3 ■	Number and gender of members of the highest governance body that are independent and/or non-executive members.	37
4.4 ■	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	38
4.5 ■	Linkage between compensation for members of the highest governance body, senior managers, and executives, and the organization's performance.	37
4.6 ■	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	35, 37
4.7 ■	Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees.	37

GRI CONTENT INDEX

INDICATOR	DESCRIPTION	PAGE
4.8 ■	Internally developed statements of mission or values, codes of conduct, and principles.	35, 36
4.9 ■	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance.	39
4.10 ■	Processes for evaluating the highest governance body's own performance.	37
4.11 ■	Whether and how the precautionary approach or principle is addressed by the organization.	38, 39
4.12 ■	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	12
4.13 ■	Memberships in associations.	13
4.14 ■	List of stakeholder groups engaged by the organization.	8
4.15 ■	Basis for identification and selection of stakeholders with whom to engage.	8
4.16 ■	Approaches to stakeholder engagement.	8-12
4.17 ■	Key topics and concerns that have been raised through stakeholder engagement.	11, 12
DMA ■	Disclosure of Management Approach – Economic	38, 39
EC1 ☑	Direct economic value generated and distributed.	29
EC2 ■	Financial implications and other risks and opportunities for the organization's activities due to climate change and other sustainability issues.	38
EC6 ☑	Policy, practices, and proportion of spending on locally-based suppliers.	33


■ Indicator has been fully reported


☑ Indicator has been partially reported











INDICATOR	DESCRIPTION	PAGE
EC7 ☑	Procedures for local hiring.	31
EC8 ☑	Development and impact of infrastructure investments and services provided primarily for public benefit.	33
DMA ■	Disclosure of Management Approach – Environmental	14, 15
CRE1 ■	Building energy intensity.	24
EN5 ☑	Energy saved due to conservation and efficiency improvements.	23
EN6 ■	Initiatives to provide energy-efficient or renewable energy based products and services.	23, 26
EN7 ■	Initiatives to reduce indirect energy consumption and reductions achieved.	19, 20, 23, 24
EN13 ■	Habitats protected or restored.	18, 20
EN14 ■	Strategies, current actions, and future plans for managing impacts on biodiversity.	18, 20, 32, 33
EN16 ■	Total direct and indirect greenhouse gas emissions by weight.	24
EN17 ■	Other relevant indirect greenhouse gas emissions by weight.	24
CRE3 ■	Greenhouse gas emissions intensity from buildings.	24
EN18 ☑	Initiatives to reduce greenhouse gas emissions and reductions achieved.	23
CRE5 ☑	Land and other assets remediated and in need of remediation for the existing or intended land use.	17, 18

GRI
CONTENT
INDEX

INDICATOR	DESCRIPTION	PAGE
EN26 	Initiatives to enhance efficiency and mitigate environmental impacts of products and services.	18, 20, 23, 26
EN28 	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations.	17
DMA 	Disclosure of Management Approach – Labor Practices and Decent Work	31
LA1 	Total workforce by employment type, employment contract, and region.	31
LA2 	Total number and rate of new employee hires and employee turnover.	32
LA3 	Benefits provided to full-time employees.	32
LA4 	Percentage of employees covered by collective bargaining agreements.	31
LA10 	Average hours of training per year per employee.	31
LA11 	Programs for skills management and lifelong learning that support the continued employability of employees.	32
LA12 	Percentage of employees receiving regular performance and career development reviews.	31
DMA 	Disclosure of Management Approach – Human Rights	27, 28
HR4 	Total number of incidents of discrimination and corrective actions taken.	31
DMA 	Disclosure of Management Approach – Society	32, 36

 Indicator has been fully reported

 Indicator has been partially reported

INDICATOR	DESCRIPTION	PAGE
SO1 	Percentage of operations with implemented local community engagement, impact assessments, and development programs.	32
SO3 	Percentage of employees trained in organization's anti-corruption policies and procedures.	35, 36
SO7 	Total number of legal actions for anticompetitive behavior, anti-trust, and monopoly practices.	35
SO8 	Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and regulations.	35
DMA 	Disclosure of Management Approach – Product Responsibility	8, 11, 21, 33, 35
PR1 	Life cycle stages in which health and safety impacts of products and services are assessed for improvement.	33
CRE8 	Type and number of sustainability certification, rating and labeling schemes for new construction, management, occupation and redevelopment.	21
PR5 	Practices related to customer satisfaction.	11
PR6 	Programs for adherence to laws, standards, and voluntary codes related to marketing communications.	35
PR7 	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications.	35



The Two Tomorrows group of companies was formed in January 2009 following the merger of leading sustainability and corporate responsibility consultancies, Csrnetwork Ltd and Sd3 Ltd. Two Tomorrows (North America) is a subsidiary of DNV Business Assurance North America. Two Tomorrows is an international consultancy that helps companies to perform better and create value by doing business in a sustainable way. www.twotomorrow.com

INDEPENDENT ASSURANCE STATEMENT

Scope and Objectives

Two Tomorrows (North America) Inc. was retained by Prologis Inc. to conduct independent assurance of its 2012 Corporate Responsibility Report ('the Report'), as published on the company's website at <http://www.prologis.com/en/responsibility.html>.

The assurance process was conducted in accordance with the 2008 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. Information presented in the Report, with the exception of financial information related to Prologis' 2012 10-K filing and Proxy Statement, was included in the scope of our assurance engagement. We used the Global Reporting Initiative (GRI) Quality of Information Principles as Criteria for evaluating performance information.

Responsibilities of Prologis Inc. and of the Assurance Providers

Prologis has sole responsibility for preparation of the Report. Two Tomorrows, 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' management.

Two Tomorrows was not involved in the preparation of any part of the Report. This is our seventh year of providing assurance for Prologis and currently, we have no other contracts with Prologis.

We adopt a balanced approach towards all stakeholders when performing our evaluation.

Our team comprised: Todd Cort, Sarah Gudernatch, and Natasha D'Silva. Further information, including individual competencies relating to the team, can be found at: www.twotomorrow.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 a selection of senior managers 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 Prologis' governance arrangements, stakeholder engagement process, management priorities, and systems;
- We conducted a general review of issues raised by external parties that could be relevant to Prologis' policies to provide a check on the appropriateness of statements made in the Report;
- We visited one construction site in Fife, Washington. During the site visit, we interviewed local management and the contractor company responsible for project management as well as reviewed site-level sustainability data for January through December 2012; and
- We reviewed the full 12-month sustainability data collated at the corporate level 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.

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:

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

During construction of new developments, Prologis promotes health, safety, and environmental stewardship through contract provisions with construction contractors as well as active oversight and engagement.

Although Prologis works effectively with local planning agencies, there may be additional benefits to implementing more detailed community outreach programs to engage neighbors during construction to ensure any concerns are addressed proactively.

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

In our opinion, and based on the information that we have reviewed, Prologis has addressed the most material environmental and social issues facing the company and its stakeholders.

The company has an opportunity to improve its process of prioritizing non-financial issues by developing a formal materiality process. A formal materiality process helps to ensure that non-financial risks and opportunities are recognized and properly considered by the company.

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

Prologis engages and responds to stakeholders at all levels of the company. The company has particularly strong mechanisms in place to respond to traditional stakeholders such as customers and investors. These include particularly strong practices such as a customer advisory panel and regular investor updates on the green building and sustainability initiatives undertaken by the company.

In addition, significant investment was made in 2012 and into 2013 to engage with employees around sustainability initiatives and community involvement. Sustainability and corporate responsibility have been focus areas for employee town hall meetings, information presented on the Prologis intranet, and in-person awareness raising efforts through operational visits by the Prologis sustainability team.

Two Tomorrows (North America) Inc.

Oakland

April 2013



Todd Cort
Project Director



Sarah Gudernatch
Project Associate



Natasha D'Silva
Project Associate



Statement GRI Application Level Check

GRI hereby states that **Prologis** has presented its report "2012 Corporate Responsibility Report" to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level B+.

GRI Application Levels communicate the extent to which the content of the G3.1 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3.1 Guidelines. For methodology, see www.globalreporting.org/SiteCollectionDocuments/ALC-Methodology.pdf

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, 16 April 2013

A handwritten signature in blue ink, appearing to read "Nelmara Arbex".

Nelmara Arbex
Deputy Chief Executive
Global Reporting Initiative



The "+" has been added to this Application Level because Prologis has submitted (part of) this report for external assurance. GRI accepts the reporter's own criteria for choosing the relevant assurance provider.

The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. www.globalreporting.org

Disclaimer: Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on 9 April 2013. GRI explicitly excludes the statement being applied to any later changes to such material.