



Our Environmental Stewardship, Social Responsibility and Governance (ESG) programme funds education officers from the The Eden Project to go into schools close to our developments and talk to the children about ESG and how they can play their part in protecting the planet.

# PROLOGIS UK

RESPONSIBLE BUSINESS REPORT 2018



## AN ENDURING AND LONGSTANDING COMMITMENT TO ENVIRONMENTAL STEWARDSHIP, SOCIAL RESPONSIBILITY AND GOVERNANCE (ESG)



Welcome to our first Prologis UK Responsible Business Report. For me, this report is rather special as it demonstrates our enduring and long standing commitment to sustainability – a commitment that spans over a decade.

2018 will be remembered as the year when the world fully recognised the reality of climate change: extreme weather, record greenhouse gas emissions, major climate studies and the final episode of the BBC’s Blue Planet II were all key in raising awareness of climate change and, most importantly, changing behaviour. Against this backdrop, a powerful movement was slowly gathering momentum – a movement driven not by politicians

or scientists, but by children. For me, the most important message we can take from these young people is that lots of small actions can make a big difference. At Prologis UK we’ve been putting sustainability at the heart of our business for over a decade and we want the next generation to positively engage with climate change issues. That’s why, for the past 11 years, our sustainability programme, has worked with The Planet Mark and The Eden Project to take the sustainability message into schools local to our Prologis Parks. Education officers from The Eden Project visit the schools and talk to the children about sustainability and how they can play their part in protecting the planet. Over the past 11 years we’ve

delivered this programme to 6,855 children in 59 schools and colleges close to Prologis developments and this is a programme that will continue to deliver benefit both locally and globally.

We are a business committed to embedding sustainability into every aspect of our business operations: from the high-quality sustainable buildings we create to the communities close to our developments. We are also a business committed to helping others start their own sustainability journey, which is why we work with our supply chain, customers, employees and local schools to help reduce our collective impact on the world in which we live.

At Prologis UK we’ve been putting sustainability at the heart of what we do for over a decade and I am incredibly proud of our Responsible Business Report and excited to continue our work in this area.

The Prologis UK Responsible Business Report forms part of our wider global commitment to ESG. To read our 2018 Global ESG Impact Report follow this link [www.prologis.com/esg-report/2018](http://www.prologis.com/esg-report/2018)

**Paul Weston,**  
UK Regional Head



## 2018 HIGHLIGHTS



### AWARDS

- Planet Mark 2018 Awards: Supply Chain Engagement.
- BREEAM Awards 2018: Regional Award, Western Europe, DC2 Prologis Park Dunstable.



### ENVIRONMENT

#### 10 YEAR MILESTONES

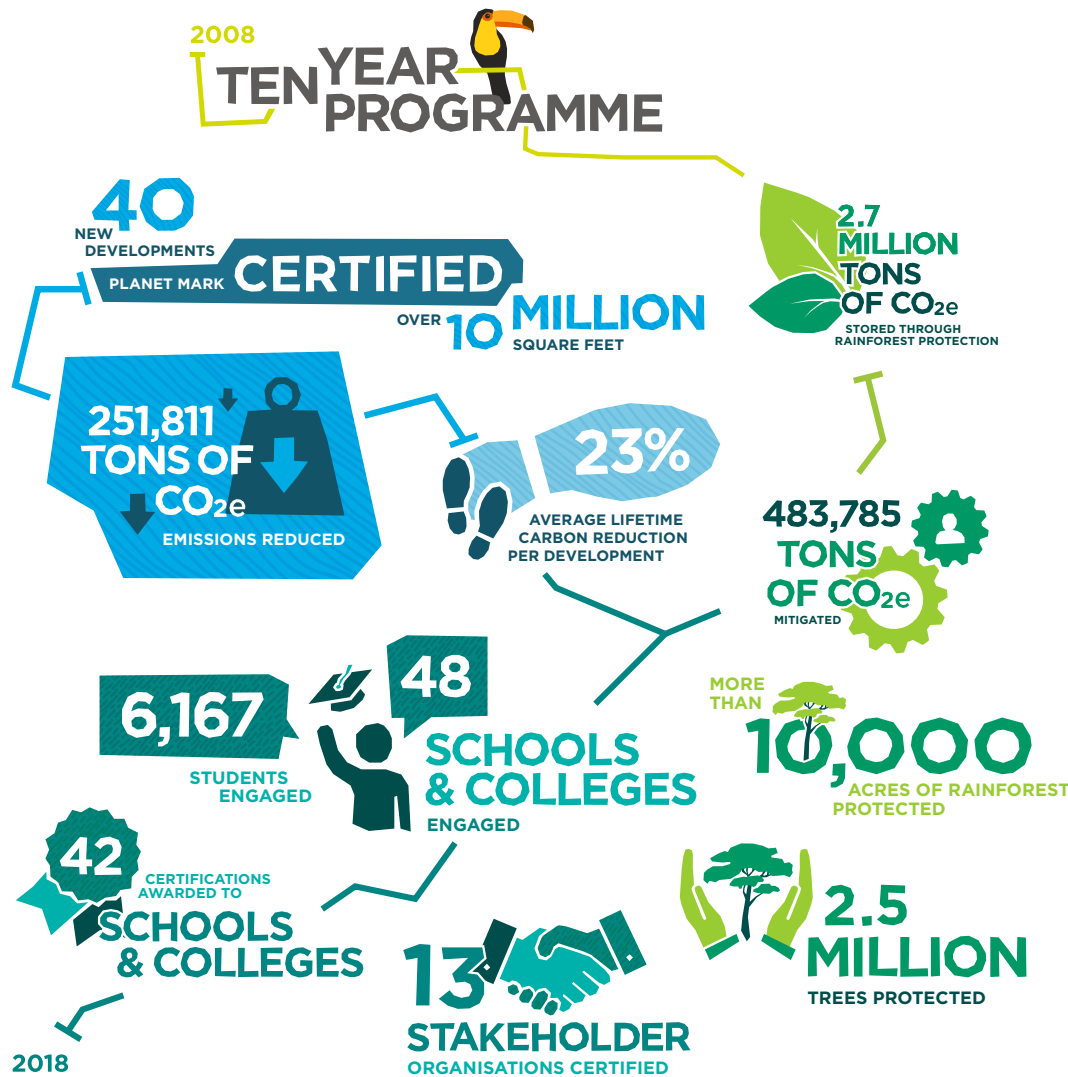
- 10 years of partnership with The Planet Mark and Cool Earth.
- 10,000 acres of rainforest protected.
- Over 10 million square feet of buildings certified.
- 6,855 sustainability workshops delivered to school children.



### A YEAR OF FIRSTS

- Prologis became the first property company in the UK to require its entire supply chain to commit to a social value charter.
- First Tesla Powerwall battery storage unit installed in DC115 at Prologis DIRFT.
- First sustainability events for private investors hosted by Prologis in London and Amsterdam.
- First electric bus trial at The Bridge development in Dartford.
- Prologis European Logistics Fund (PELF) issues first Green Bond.

For details of our global year of firsts, read our Global ESG Impact Report [www.prologis.com/esg-report/2018](http://www.prologis.com/esg-report/2018)



## EFFICIENT AND SUSTAINABLE BUILDINGS

As the long-term owner of the buildings and logistics parks we create, we feel passionately that we should play our part in reducing carbon emissions in our buildings to bring the benefits of sustainability to our customers, the local community and beyond. This ethos sits at the heart of our sustainability strategy and influences the way we build and refurbish our buildings and interact with the local community.

### CERTIFICATION

In 2008, working with The Planet Mark, we became the first property company in the UK to measure, reduce and mitigate the carbon emissions embodied in the structure and fabric of our new buildings.

Today, every new building we develop has its environmental sustainability attributes officially certified by The Planet Mark Sustainability Certification. Between 2008 and 2018, over 40 Prologis developments were certified, which recorded an overall avoidance of over 250,000 tons of CO<sub>2</sub> - the equivalent of over 617 million miles driven by an average family vehicle.

### PROTECTION

To make a real difference and ensure we play our part in reducing carbon emissions for the long-term, we go over and beyond the requirements of The Planet Mark Certification Scheme and mitigate five times the unavoidable embodied carbon emissions in our buildings. We do this by working with the charity Cool Earth, to protect areas of rainforest and support rainforest communities. Since 2008, our buildings have helped to protect over 10,000 acres of rainforest in the Peruvian Amazon and Papua New Guinea – that’s an area greater than Zone 1 of the London Underground.

### EDUCATION

Our sustainability programme funds education officers from the Eden Project to go into local schools close to our developments and talk to the children about sustainability and how they can play their part in protecting the planet. Over the past decade we’ve delivered this programme to 6,167 children in 48 schools and colleges close to Prologis developments.



## COMMUNITIES

As a property company with a long-term interest in the logistics parks we develop, we seek to be a force for good in the communities where we are based and where we are building.

### SOCIAL VALUE CHARTER

In 2018 we formally demonstrated our commitment to social value by becoming the first UK property company to require all our suppliers to sign-up to a Supply Chain Social Value Charter. Launched during Responsible Business Week 2018, the charter specifically commits Prologis suppliers to developing and agreeing a Social Value Action Plan (SVAP) built around a set of Themes, Outcomes and Measures (TOM's).

### SUSTAINABILITY WORKSHOPS

In 2018, Education Officers from The Eden Project visited 11 schools close to our developments and delivered sustainability workshops to 688 pupils. During the workshops they talked to the children about sustainability and how they can play their part in protecting the planet. Over the past 11 years we've delivered this programme to 6,855 children in 59 schools and colleges close to Prologis developments.

### SUPPORTING LOCAL CAUSES

Every year, Prologis employees across the globe come together for Impact Day - our annual day of service where we give something back to the

communities close to our Prologis Parks. In 2018 we created new paths, animal shelters and an outdoor classroom for an animal charity that helps both animals and those with physical and learning disabilities. Prologis employees are also given 4 days of paid leave per year to volunteer with charitable organisations, including Prologis' global day of service, IMPACT Day.

### FUNDING SAFER COMMUNITIES

As well as providing on-site security services across our network of parks, we also work in partnership with the local community to promote safer spaces. In 2018, at Prologis DIRFT in Northamptonshire, we sponsored two Police Community Support Officers in partnership with Crick Parish Council after funding for the existing PCSO's was cut. Thanks to the 'sponsor a PCSO scheme' we were able to fund 80% of the annual cost with Crick Parish Council funding the remaining amount, enabling vital community policing work in the area to continue.

### BRINGING SUSTAINABILITY TO LIFE

In 2018 we sponsored a group of students from Warwickshire College to spend two days at The Eden Project in Cornwall learning about sustainability. This is the first time we've been able to take this initiative out of the classroom and really bring sustainability to life and we were delighted that the visit had a powerful and long-lasting effect on the students involved.



Cornwall Trip / The Eden Project





## ENVIRONMENTAL BENEFITS\*

**49**

Sustainable building certifications totalling 1 million square metres (10.7 million square feet)

**1.6**

million square metres of cool or reflective roofing (17.2 million square feet)

**7 MW**

of total solar energy generating capacity (22 solar projects in the UK)

**54%**

of the UK property portfolio is fitted with smart metering technology.

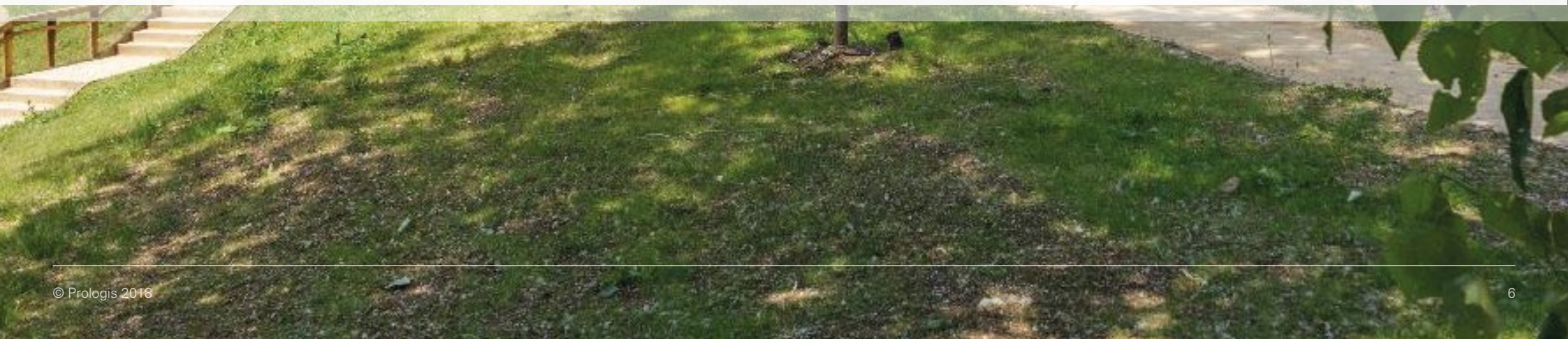
**74**

Energy Performance Certificates covering 1.5 million square metres (16.1 million square feet)

**86%**

of the total UK property portfolio has energy efficient lighting (42% LED)

\*Cumulative figures as of December 2018





## PROLOGIS GREEN TRAVEL SCHEME

In 2018 we celebrated the ten-year anniversary of the Prologis Green Travel Scheme. This scheme is available across our network of Prologis Parks in the UK and helps employees find a car share partner or identify bus, rail, cycle or pedestrian links. We also work with our occupiers and local bus companies to adjust bus services to staff needs or to provide funding for bus services, where necessary.

In 2008, working with Liftshare UK, our in-house Property Management Team set up the very first Green Travel

Scheme at Prologis Park Kettering. Since then, they have worked hard to introduce Liftshare schemes across our network of Prologis Parks, using the scheme in Northamptonshire as an outstanding example of how car-sharing can reduce local traffic, save employees money and dramatically reduce CO<sub>2</sub> emissions.

Joining the scheme is simple and completely free of charge. Employees simply register their details on the Prologis UK Green Travel website and then activate their

account. Once they've registered their journey, they are presented with other journeys matching theirs. Once they've found a suitable match from the results, they can then contact the member(s) using an internal messaging system.

Since 2013, we've been measuring the positive financial and environmental impact of our Green Travel Scheme and the results speak for themselves:

**1,000**

MEMBERS OF THE SCHEME

**£300,000**

SAVED FOR PROLOGIS PARKS EMPLOYEES

**2.9M**

SINGLE OCCUPANT JOURNEYS SAVED

**122,000**

CARS TAKEN OFF THE ROAD A YEAR

**575,000**

TONS OF CO<sub>2</sub> EMISSIONS SAVED

Our Green Travel Scheme helps people who work at Prologis Parks get to work, reduces local traffic and safeguards the environment.



## 2018: A YEAR OF FIRSTS



### Social Value



In 2018, Prologis became the first property company in the UK to require its entire supply chain to commit to a Social Value Charter. This will help us attach a financial value to the environmental and societal benefits our combined activities bring to local communities and the environment.



### Electric Battery Storage



First Tesla Powerwall battery storage unit installed in DC115 at Prologis DIRFT. The 116,000 square foot, state-of-the-art, rail-accessed logistics building at DIRFT will help the occupier reduce energy costs through a combination of roof lights that provide natural daylighting and a rooftop solar installation, paired with three 15kWH Tesla Powerwall battery storage units.



## 2018: A YEAR OF FIRSTS



### First Sustainability Briefings for Private Investors



Colleagues from our global sustainability, operations, facilities management and customer relationship teams hosted sustainability events in London and Amsterdam. These were the first ever sustainability events for private investors hosted by Prologis and outlined our global approach to sustainability and how we apply sustainability to our fund strategy.



### Green Transport



In 2018 Kent County Council, supported by Prologis, conducted the first electric bus trial on a Prologis development in the UK. The trial, conducted at The Bridge development in Dartford, provided the opportunity to gather valuable data around CO<sub>2</sub> emissions, gain passenger feedback and will enable Kent County Council to understand how electric buses operate in the UK.

## LOOKING FORWARD



As we move through 2019 and in to 2020, interest in sustainability is going to increase and the key driver for this will not be legislation, but the recent groundswell in public awareness of environmental issues.

Issues such as plastic pollution and climate change are now firmly on the radar of many UK consumers and, the positive consequence of this is a desire to seek out and do business with companies who can demonstrate an enduring commitment to sustainability at all points of the supply chain.

At Prologis UK, we've been placing sustainability at the heart of our decision making for over a decade and, over the coming years, we expect to see increasing demand from our customers for not only

sustainable and efficient buildings, but a more holistic approach to sustainability which embraces the needs of employees, the local community and evolving business needs.

To be truly effective, sustainability requires a multi-factor approach and this is central to the way we run and manage our network of over 22 Prologis Parks in the UK. In addition to building highly sustainable and efficient buildings, we will continue to create park environments which contribute to wellbeing and enable employees to transition to greener, more sustainable ways of getting to work. We will also continue to work with local communities to ensure our developments are a force for good and actively support local employment, education and the environment.

For the fast-expanding urban logistics and distribution sector, increasing energy consumption due to automation, as well as demand for faster delivery and around-the-clock services, will require efficiency in this area. As the electricity network becomes more efficient and the UK become less reliant on gas, we will work closely with customers to ensure they have access to sustainable energy sources which can support automation and efficient business operations.

As someone who has been championing sustainability in the built environment for over twenty years, I welcome the current interest in environmental issues and I'm keen to help our customers, their employees and the communities close to our parks build on our legacy of sustainable development.

**Simon Cox,**  
Project Management  
& Infrastructure Team



# 2008 TEN YEAR PROGRAMME 2018



Find out more about Prologis UK's  
Sustainability Programme:

[WWW.PROLOGIS.CO.UK/SUSTAINABILITY](http://WWW.PROLOGIS.CO.UK/SUSTAINABILITY)

