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The Planning Inspectorate
c/o QUADIENT
69 Buckingham Avenue
Slough
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Your reference

Our reference



By Email Only: emgateway2@planninginspectorate.gov.uk

21 April 2026

Dear Sirs

DEADLINE 2 SUBMISSIONS IN RELATION TO AN APPLICATION BY SEGRO PROPERTIES LIMITED ("SEGRO") FOR A DEVELOPMENT CONSENT ORDER IN RESPECT OF EAST MIDLANDS GATEWAY PHASE 2

OUR CLIENT: PROLOGIS UK LIMITED AND PROLOGIS UK 121 LIMITED ("PROLOGIS")

We refer to the Examining Panel's Rule 8 letter dated 18 March 2026. We write on behalf of our client Prologis in relation to their submissions at Deadline 2 in connection with the above application submitted via the East Midlands Gateway Phase 2 portal.

Documents Submitted

The following documents have been submitted at Deadline 2:

- Prologis' Deadline 2 Submission commenting on SEGRO's Deadline 1 Submissions;
- A summary of Prologis' Deadline 2 Submission (appended to this letter at Appendix 1);
- A clean version of the tripartite Statement of Common Ground provided by Prologis to the Applicant on 7 April 2026 ("**7 April SoCG**") (appended to this letter at Appendix 2; and
- A tracked changes version of the tripartite Statement of Common Ground provided by the Applicant to Prologis on 21 April 2026 ("**21 April SoCG**") which highlights the changes made by the Applicant to the 7 April SoCG (appended to this letter at Appendix 3).

Please note that the summary is intended to aid the Examining Panel but should not be relied upon as the definitive representation of Prologis' case. For the full statement of Prologis' position on any matter, the Examining Panel is respectfully advised to consult the full document.

Collaboration with EMA/EMIAL

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Prologis notes that it has had sight of the Deadline 2 Submission made by East Midlands Airport Limited and East Midlands Airport Property Investments (Industrial) Limited (together "**EMA/EMIAL**"), and that those submissions have been prepared following collaboration and discussion between the Prologis and EMA/EMIAL.

Prologis considers that EMA/EMIAL's submissions are aligned with Prologis' own case. Prologis therefore supports and agrees with EMA/EMIAL's submissions insofar as they overlap with and reinforce the points advanced by Prologis, without seeking to repeat those points in Prologis' own submissions.

Statement of Common Ground

Having provided the 7 April SoCG to the Applicant on behalf of both Prologis and EMA/EMIAL, Prologis received the amended 21 April SoCG version from the Applicant's representative at 16:23 on the date of Deadline 2. Given the timing of receipt, Prologis has not had adequate opportunity to properly review the Applicant's amendments to the 7 April SoCG prior to Deadline 2 and its subsequent publication.

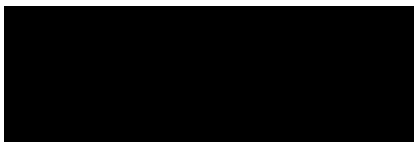
The tracked changes version at Appendix 3 to this letter demonstrates the extent to which the Applicant has rejected the proposals advanced by Prologis in the 7 April SoCG. Prologis notes that whilst the Examining Panel's Rule 8 letter identified land interests as the minimum topic to be addressed in the Statement of Common Ground, it also stated that "*should parties wish to include more, then the ExP is content to receive this*". Prologis had sought to provide additional detail in the 7 April SoCG in order to better assist the Examining Panel in understanding the parties' respective positions. The Applicant has chosen not to engage with this approach.

In the interests of transparency, Prologis has appended to this letter both a clean copy of the 7 April SoCG and the tracked changes version provided by the Applicant (the 21 April SoCG) to provide the Examining Panel with full visibility on the progress in respect of the tripartite Statement of Common Ground.

AI Declaration

In compliance with the requirement in the Rule 8 letter, Prologis confirms that artificial intelligence tools (Microsoft Copilot and Harvey) have been used to a limited extent in the preparation of the submissions enclosed with this letter. Specifically, AI has been used to assist with select research and proof-reading aspects of the documents. The outputs generated by AI have been reviewed and verified by qualified professionals.

Yours faithfully



DLA Piper UK LLP

Appendix 1 – Summary of Prologis' Deadline 2 Submission

PLANNING ACT 2008

**THE INFRASTRUCTURE PLANNING (EXAMINATION PROCEDURE)
RULES 2010**

**APPLICATION BY SEGRO PROPERTIES LIMITED FOR A
DEVELOPMENT CONSENT ORDER IN RESPECT OF EAST MIDLANDS
GATEWAY PHASE 2**

SUMMARY OF DEADLINE 2 SUBMISSION

ON BEHALF OF

PROLOGIS UK LIMITED AND PROLOGIS UK 121 LIMITED

1 Vires and the Section 35 Direction

- 1.1 A DCO made in reliance on a Section 35 Direction must correspond fully with the project specified; otherwise it is ultra vires. The Direction here expressly identified a "very substantial carbon neutral campus/headquarters required by Maersk" with co-located head office functions, relied upon for the project's national significance.
- 1.2 The dDCO neither describes nor secures that campus element, and the description of development is confined to B2/B8 uses, omitting the Use Class E(g)(i) consent required for the head office functions; a DCO granted on that basis would be ultra vires. The environmental and transport impacts of a campus/headquarters have not been assessed in SEGRO's Environmental Statement or Transport Assessment.
- 1.3 SEGRO's response to Action Point 15 deepens the concern by qualifying the project as consisting "primarily of a logistics and manufacturing hub and, only if required by Maersk, a carbon neutral campus/headquarters" – a material departure from the basis on which the Direction was sought.
- 1.4 The Maersk letter is aspirational, not binding, and any genuine requirement could be met by another developer.
- 1.5 SEGRO's options are to amend the application to align with the Direction or to withdraw it; persisting risks an unlawful decision or refusal. Even leaving vires aside, shorn of the campus element the project cannot be assumed nationally significant, which directly affects the compelling case analysis.

2 Response to SEGRO's Position on Reasonable Alternatives

- 2.1 SEGRO misunderstands the approach to alternatives under section 122 PA 2008. Caselaw treats property ownership as a constitutional right requiring other options to be considered and discarded before CA, and paragraph 8 of the CA Guidance requires alternatives to "have been explored" before the application – the past tense is deliberate.
- 2.2 SEGRO offers no evidence of when, by whom or on what basis alternatives were assessed before the DCO Application; the alternatives were proposed by Prologis, and SEGRO's position amounts to post-hoc rationalisation, not the pre-decision structured assessment required.
- 2.3 SEGRO's reliance on alleged uncertainty of the Joint Application is misplaced given the vires, viability and deliverability uncertainties affecting the DCO Application, and is inconsistent with SEGRO's parallel objection to the Joint Application as a threat.
- 2.4 The relevant question is whether claimed benefits justify CA, not whether alternatives replicate SEGRO's design. Alternative (a) provides certainty of delivery and a reasonable prospect of the Southern Land coming forward via the Principal Highway Access Corridor and emerging Freeport SPD; alternative (b) (access-only CA) would overcome any alleged dependency; and alternatives (c) – (e) provide for whole-site delivery via standard mechanisms such as a Joint Venture with cost equalisation, capable of capturing "enhanced benefits" such as the Training Hub.
- 2.5 Prologis repeats its invitation made in the Written Representation for the Examining Panel to require disclosure of SEGRO's internal decision pathway.

3 Compulsory Acquisition: The Compelling Case

- 3.1 SEGRO's Deadline 1 submissions reveal a fundamental misunderstanding of the compelling case test under section 122(3) PA 2008. At paragraph 3.47, SEGRO acknowledges that the CA Guidance requires "compelling evidence" that public benefit outweighs private loss but

then asserts that the Guidance "does not qualify the term 'outweigh'" and that there is no requirement to "significantly, substantially or greatly outweigh". On that basis SEGRO advances the proposition that a marginal improvement in public benefit over private loss suffices to satisfy the statutory test.

- 3.2 That proposition is wrong in law. The word "compelling" was deliberately chosen by Parliament and imports a standard materially higher than a bare planning balance: the public benefits must decisively outweigh the certain private loss, and any decision determined on SEGRO's articulation would be susceptible to legal challenge. SEGRO has prepared and advanced its case on the basis of this legal error, which the ExP and the Secretary of State must keep clearly in mind when reading the Statement of Reasons.
- 3.3 The compelling case test is not a conventional planning balance; it is an all-embracing assessment encompassing (a) the alternatives that were or ought to have been explored; (b) the attempts made to avoid CA through scheme changes or negotiation; (c) the balance of public interest benefits against public interest harms; and (d) the proportionality of the interference with private rights.
- 3.4 As paragraph 16 of the CA Guidance recognises and the Court of Appeal confirmed in Rookery, the test for CA is distinct from, and not automatically satisfied by, the grant of development consent: a scheme may be acceptable in planning terms yet still fail the additional CA threshold.
- 3.5 In Sainsbury's, Lord Walker confirmed that "private to private" acquisitions amount to a serious invasion of proprietary rights and call for a "stricter approach". This is a paradigm "private to private" case – SEGRO, a private commercial developer, seeking compulsion of land owned by another private commercial developer (Prologis) actively promoting the same type of development on the same land. The ExP is invited to apply that heightened standard to every element of SEGRO's case.

4 Public Benefits versus Private Loss

- 4.1 Prologis reserves the right to supplement these submissions at Deadline 3 on socio-economic issues.
- 4.2 The vires issue connects directly to the compelling case: if the Application does not correspond to the Direction, national significance cannot be assumed; no campus/head office development has been assessed in the ES or Transport Assessment; and a compelling case for CA cannot be made out absent clarity on what is sought.
- 4.3 SEGRO's claimed benefits must be tested as either "attributable" to CA or merely "additive".
- 4.4 If the Joint Application is permitted before the Secretary of State's decision, the incremental benefits of the DCO Scheme would be too limited to justify the interference. CA powers would also cause public loss – the loss of the Joint Application's benefits, which the ES does not assess.
- 4.5 As set out in WR paragraphs 5.13 – 5.18, using CA to reverse the outcome of fair commercial competition between rival developers sets a damaging precedent.

5 Summary of Responses to DCO 7.4 – Applicant's Response to Hearing Action Points

- 5.1 AP2 (Morpeth) – SEGRO seeks to distinguish the Morpeth Revocation Decision on the basis that EMG2 is privately funded. Prologis submits Morpeth in fact reinforces its case (WR 7.7–7.25) and that SEGRO conflates funding with viability.
- 5.2 AP8 (s.104/s.105 split) – SEGRO conflates EIA "salami-slicing" with the distinct statutory question. SEGRO's acceptance of a split approach is correct but must be followed by a discrete assessment of the split components.

- 5.3 AP12 (Freeport) – Freeport benefits are additive (not exclusive to the DCO route) and the designation is not dependent on a single developer or on CA.
 - 5.4 AP15 (Carbon Neutral Campus) – SEGRO's proposed contingent requirement (applying "only if required by Maersk") is a material departure from the Direction and does not secure delivery, going directly to the vires issue above.
 - 5.5 AP21 (Dualling) – SEGRO's proposed safeguarding requirement would sterilise part of the Prologis/MAG Land for highway works its Transport Assessment confirms are not triggered by the DCO Scheme. Land cannot simultaneously be "required" for development and kept free from it; this calls into question SEGRO's ability to satisfy s.122(2) or s.122(3). Prologis reserves its position pending the updated dDCO.
 - 5.6 AP25 (Adverse impacts of the Joint Application not coming forward) – SEGRO's response that benefits "far outweigh" the alternative is unsubstantiated and circular. Prologis submits: (i) the uncertainty cited applies equally to the DCO scheme; (ii) EIA "likely" effects denote real risk, not probability; and (iii) the ES still fails to assess the socio-economic consequences of frustrating the Joint Application where the DCO is not delivered in full.
- 6 Annex B: Summary of Responses to DCO 7.5 – Applicant's Response to ExQ1
- 6.1 ExQ 1.3.2 – Compatibility with the Joint Application – Both schemes are in outline form with parameter plans and level variances, so compatibility cannot be reliably assessed at this stage. SEGRO altered its access arrangements after Prologis had aligned the Joint Application, without explanation, and could have amended its DCO Application to align.
 - 6.2 ExQ 1.4.3 – Community Park – Nine skylark breeding territories are confirmed on site; as a Section 41/BoCC5 species this engages the NPPF paragraph 193 mitigation hierarchy, and the multifunctional Park is unlikely to provide the open, undisturbed conditions skylark require. A plan delineating public access, drainage and skylark mitigation areas is needed.
 - 6.3 ExQ 5.0.3 – Skylarks – BTO data show populations remain below historical levels and depend on local arable habitat availability; on-site grassland will not replicate arable conditions or function as reliable nesting habitat, and reliance on displacement ignores cumulative loss.

DLA Piper UK LLP

21 April 2026

Appendix 2 – 7 April SoCG (Clean)

East Midlands Gateway Phase 2 (EMG2)

Document []

DRAFT

Statement of Common Ground between
the DCO Applicant and East Midlands
International Airport Limited/East
Midlands Airport Property Investments
(Industrial) Limited and Prologis UK 121
Limited/Prologis UK Limited

March 2026

The East Midlands Gateway Phase 2
and Highway Order 202X and The East Midlands Gateway
Rail Freight and Highway (Amendment) Order 202X

SEGRO.COM/SLPEMG2

SEGRO

1 Introduction

- 1.1 This SoCG has been requested by the Examining Panel and is entered into by (1) SEGRO Properties Limited who has submitted the DCO Application, (2) East Midlands International Airport Limited (EMA) and East Midlands Airport Property Investments (Industrial) Limited ("EMIAL") (together "EMIA") and (3) Prologis UK Limited (PUKL) and Prologis UK 121 Limited (PUK121) (together "Prologis").
- 1.2 This SoCG has been prepared in respect of development which is the subject of the DCO application comprising:

Main Component	Summary of Component	Works Nos.
DCO Application made by the DCO Applicant for the DCO Scheme		
EMG2 Works	<p>Logistics and advanced manufacturing development located on the EMG2 Main Site south of East Midlands Airport and the A453, and west of the M1 motorway. The development includes HGV parking and a bus interchange.</p> <p>Together with an upgrade to the EMG1 substation and provision of a Community Park.</p>	<p>DCO Works Nos. 1 to 5 including Further Works as described in the draft DCO (APP-012D).</p> <p>DCO Works Nos. 20 and 21 including relevant Further Works as described in the draft DCO (APP-012D).</p>
Highway Works	<p>Works to the highway network: the A453 EMG2 access junction works (referred to as the EMG2 Access Works); significant improvements at Junction 24 of the M1 (referred to as the J24 Improvements), works to the wider highway network including the Active Travel Link, Hyams Lane Works, works to Long Holden, L57 Footpath Upgrade, A6 Kegworth Bypass/A453 Junction Improvements and Finger Farm Roundabout Improvements.</p>	<p>DCO Works Nos. 6 to 19 including relevant Further Works as described in the draft DCO (APP-012D).</p>

- 1.3 Capitalised terms refer to the Glossary at Appendix A to Chapter 1 of the Environmental Statement (**APP-067**) unless otherwise stated.
- 1.3 This SoCG relates only to the DCO Application and not the MCO Application. It also only deals with matters in which all three parties are involved relating to the EMG2 Main Site. A separate SoCG between EMA and the DCO Applicant deals with matters in which Prologis are not involved.

2 Details of the Parties to this SoCG

- 2.1 Both EMA and EMIAL are part of the Manchester Airport Group ("**MAG**"). EMA is the owner and operator of East Midlands Airport and EMIAL is a subsidiary property investment company. Both companies have land interests within the EMG2 Main Site.
- 2.2 Prologis is a developer and has an agreement with EMA to acquire the land owned by EMA within the EMG2 Main Site.
- 2.3 The plan in Appendix 1 ('the plan') identifies the separate interests of EMA, Prologis and the DCO Applicant within the EMG2 Main Site.

3 Content of this SoCG

- 3.1 The areas covered by this SoCG are as follows:

- 3.1.1 Land Interests
- 3.1.2 History of the land and commercial process
- 3.1.3 The Joint Application
- 3.1.4 The DCO Application
- 3.1.5 Negotiations between the parties
- 3.1.6 Infrastructure and interface matters
- 3.1.7 The Freeport
- 3.1.8 Viability
- 3.1.9 Matters under discussion
- 3.1.10 Matters not agreed

- 3.2 This SoCG records those matters which are agreed and, if appropriate, any matters that are not agreed and still under discussion between the DCO Applicant and EMA/Prologis.
- 3.3 Where this SoCG is identified as a draft, some matters may still be under discussion. If appropriate, a final version that confirms the final positions of the parties on relevant matters will be submitted before the close of the Examination.
- 3.4 Within the following table a Red Amber Green (RAG) status has been applied as follows: green: agreed, amber – a matter under discussion and/or further work to be completed and red – not agreed.
- 3.5 Prologis and EMIA record at the outset that this SoCG has been prepared in circumstances where, as it has consistently submitted to the ExP, key components of SEGRO's evidence base were not submitted with the DCO Application and will only be made available at Deadline 1 or remain outstanding. In particular, no viability evidence was submitted with the application; the highways assessment has been subject to ongoing revision throughout the examination; and the Environmental Statement does not assess the adverse socio-economic consequences of frustrating the Joint Application. Prologis therefore notes that this SoCG represents its best

endeavours to identify areas of agreement at Deadline 1, and that its position on a number of matters is expressly reserved pending review of SEGRO's Deadline 1 material.

4 Areas of Agreement/Disagreement

Land Interests		RAG
1.	<p>The land interests of EMIA within the EMG2 Main Site are accurately set out in the Book of Reference (APP 2.1D)</p> <p>The interests are as follows:</p> <p>Plot 1/2 - Hyams Lane subsoil</p> <p>Plot 1/4 – Land coloured blue on the plan - EMIAL freehold subject to option in favour of Prologis and subject to an overage agreement</p> <p>Plot 1/6 – Right of Way – EMIAL</p> <p>Plot 1/7 and Plot 2/2 – Land coloured turquoise on the plan (part) – EMA freehold subject to option in favour of Prologis</p> <p>Plot 2/3 – Land coloured turquoise on the plan (remainder of turquoise land) – EMA freehold subject to separate minerals ownership</p> <p>There are other interests around the EMG2 Main Site which are owned by MAG and are accurately set out in the Book of Reference and Sheets 1 and 2 of the Land Plans. However, those further interests fall outside this SoCG.</p>	
2.	<p>The land interests of Prologis within the EMG2 Main Site are accurately set out in the Book of Reference (APP 2.1D)</p> <p>The interests are as follows:</p> <p>Plot 1/2 – Hyams Lane subsoil</p> <p>Plot 1/3 – Land coloured yellow on the plan – Prologis UK 121 Limited freehold acquired from Messrs Jarrom - pending application [Update?]</p> <p>Plots 1/4 – Land coloured blue on the plan – Prologis UK 121 Limited option to acquire from EMIAL - pending application [Update?]</p>	

	Plot 1/5 – Land coloured orange on the plan – Prologis UK 121 Limited freehold acquired from Messrs Jarrom - pending application [Update?]	
History of the Land and Commercial Process		
3.	The Prologis/EMIA Land was actively marketed by MAG, on behalf of EMIA, through a competitive open-market process to identify a development partner. SEGRO participated in that competitive process and was the unsuccessful bidder. MAG selected Prologis as its preferred development partner following that process.	
4.	Following the competitive process, Prologis acquired or secured option interests in the Prologis/EMIA Land.	
5.	[INSERT DETAILS OF SEGRO'S ACQUISITION OF ITS OPTION LAND WITHIN THE RED LINE].	
The Joint Application		
6.	On 31 May 2024, MAG submitted an outline application to NWLDC (ref. 24/00727/OUTM). The application has since been promoted jointly by Prologis and MAG and updated in November 2025 (" Joint Application ").	Green
7.	The Joint Application seeks outline planning permission for up to 135,000 sqm of Class B2/B8 floorspace (plus ancillary offices), together with a new all-movements junction on the A453, a Training Hub, a Transport Hub and associated infrastructure on the Prologis/EMIA Land.	Green
8.	The Prologis/EMIA Land is located within the EMAGIC cluster of the East Midlands Freeport and forms part of the designated tax site.	Green
9.	Development on the Prologis/EMIA Land pursuant to the Joint Application, if granted, would qualify for Freeport fiscal reliefs available to qualifying occupiers within the Freeport Window.	Green
10.	The grant of planning permission pursuant to the Joint Application would not, as a matter of law or planning policy, create a legal bar to the grant of a DCO for the DCO Application, or vice-versa.	Green
11.	The grant of planning permission pursuant to the Joint Application would not affect the deliverability or viability of the DCO Application.	Green
12.	Whether the delivery of development by Prologis/EMIA pursuant to a planning permission granted under the Joint	Red

	Application would affect the deliverability or viability of the DCO Application is a matter in dispute between the parties.	
13.	Whether the development permitted by the Joint Application is materially comparable to the development proposed on the Prologis/EMIA Land under the DCO Application in terms of public interest benefits is a matter in dispute between the parties.	Red
The DCO Application		
14.	The DCO Application has been brought into the Planning Act 2008 ("PA 2008") regime pursuant to a Section 35 Direction made on 21 February 2024 ("Section 35 Direction"). The Section 35 Direction identified the proposed project as: "a logistics and manufacturing hub, including a substantial carbon neutral campus/headquarters including co-located head office functions."	Green
15.	The DCO Application seeks powers of compulsory acquisition and/or temporary possession over, among other land, the Prologis/EMIA Land pursuant to Part 5 of the draft DCO and section 122 PA 2008.	Green
16.	For the Secretary of State to include compulsory acquisition powers in a DCO, section 122(3) PA 2008 requires the Secretary of State to be satisfied that there is a compelling case in the public interest for those powers. This is a test that is distinct from, and not automatically satisfied by, any decision to grant development consent.	Green
17.	The Guidance related to procedures for the compulsory acquisition of land (September 2013) ("CA Guidance") applies to the consideration of the compulsory acquisition powers sought in the DCO Application.	Green
18.	Whether there is a compelling case in the public interest for compulsory acquisition of the Prologis/EMIA Land is a matter in dispute between SEGRO and Prologis. SEGRO contends that such a case exists. Prologis and EMIA contends that it does not.	Red
19.	Whether all reasonable alternatives to compulsory acquisition of the Prologis/EMIA Land have been explored, as required by paragraph 8 of the CA Guidance, is a matter in dispute between the parties.	Red
Negotiations between the parties		
20.	Negotiations between SEGRO and EMIA first commenced in February 2020.	Green

21.	Negotiations between SEGRO and Prologis first commenced in November 2024.	Green
22.	Negotiations between the parties regarding alternatives to compulsory acquisition and the commercial relationship between the DCO Application and the Joint Application are ongoing.	Green
23.	As at the date of this SoCG, the parties have not reached agreement on any of the alternatives to compulsory acquisition identified by Prologis in section 10 of its Relevant Representation dated 9 January 2026 ("PRR") and in its Written Representation.	Green
24.	The precise chronology and characterisation of the negotiations between SEGRO and Prologis, including the adequacy of SEGRO's engagement with alternatives to compulsory acquisition, is a matter in dispute between the parties.	Red
Infrastructure and Interface Matters		
25.	The Joint Application includes a Principal Highway Access Corridor capable of being extended to the Southern Land boundary, subject to commercial agreement.	Green
27.	Whether the access arrangements proposed in the Joint Application are compatible with the access proposals in the DCO Application, and the extent to which any incompatibility could be resolved through negotiation or planning mechanisms, remains a matter under discussion.	Amber
28.	The highway mitigation strategy for Junction 24 of the M1 is being progressed through a multi-developer consortium framework, of which SEGRO is a participant. The J24 mitigation solution is not a product of the DCO Application alone.	Green
29.	Whether the highway works proposed in the DCO Application are necessary and proportionate to mitigate the traffic impacts of the proposed development, and what highway mitigation would be required in a scenario where the Joint Application is delivered on the Prologis/EMIA Land, is a matter in dispute between the parties.	Red
The Freeport		
30.	The EMG2 Main Site falls within the EMAGIC cluster of the East Midlands Freeport and forms part of the designated tax site.	Green

31.	The Freeport Window - the period during which qualifying occupiers may access Freeport fiscal reliefs - is currently stated to expire on 30 September 2031.	Green
32.	The Freeport fiscal reliefs accrue to qualifying occupiers, not to the developer of the relevant land.	Green
33.	Development on the Prologis/EMIA Land delivered pursuant to either the Joint Application or the DCO Application, if commenced within the Freeport Window, would be capable of qualifying for Freeport fiscal reliefs.	Green
34.	There is no legislative or policy requirement as to the delivery mechanism for development or for the entirety of the site to be brought forward by a single developer or as a single development.	Green
35.	Whether the DCO Application, as compared with the Joint Application, is likely to deliver materially greater Freeport benefits sufficient to justify compulsory acquisition of the Prologis/EMIA Land, is a matter in dispute between the parties.	Red
Viability		
36.	No viability evidence was submitted with the DCO Application. SEGRO has committed to provide viability evidence at Deadline 1. The parties will revisit this section of the SoCG following Deadline 1 to identify if further agreement can be reached.	Green
37.	Whether the DCO scheme is commercially viable on realistic assumptions, including the full open market compensation payable for the Prologis/EMIA Land in the no-scheme world, is a matter in dispute between the parties.	Red
38.	The relevance of and whether the development proposed by Prologis/ EMIA under the Joint Application is commercially viable is a matter in dispute between the parties.	Red
39.	Whether the development by SEGRO of the EMG2 Main Site solely on land south of Hyams Lane is commercially viable is a matter in dispute between the parties	Red

5 Matters under discussion

- 5.1 The following matters are under active discussion between the parties and may be the subject of updated submissions before the close of the examination:

- 5.1.1 the potential for the DCO Application to proceed without compulsory acquisition powers over the Prologis/EMIA Land, and the mechanism by which the Joint Application and the DCO Application could both be delivered without compulsory acquisition;
- 5.1.2 the terms of any access or infrastructure agreement between the parties that would enable SEGRO to bring forward the Southern Land in conjunction with Prologis' development of the Prologis/EMIA Land under the Joint Application;
- 5.1.3 the treatment of the Prologis/EMIA Land under the DCO Application in the event that the Joint Application is granted planning permission;
- 5.1.4 the interface between the highway mitigation obligations of each party and the potential for a shared infrastructure funding arrangement in relation to J24; and
- 5.1.5 the potential for a joint venture or other collaborative structure to bring forward the entirety of the EMG2 Main Site.

6 Matters not agreed

- 6.1 The following matters are not agreed between the parties and remain in dispute. Each constitutes a principal area of disagreement for the purposes of the examination:
 - 6.1.1 Whether there is a compelling case in the public interest for the compulsory acquisition of the Prologis/EMIA Land within the meaning of section 122(3) PA 2008. SEGRO contends that there is; Prologis contends that it does not.
 - 6.1.2 Whether all reasonable alternatives to compulsory acquisition have been explored by SEGRO as required by paragraph 8 of the CA Guidance. Prologis contends that they have not, and that SEGRO has not genuinely explored any of the five alternatives identified in section 10 of the PRR in a structured or good-faith way before resorting to the draconian step of CA.
 - 6.1.3 Whether SEGRO's Funding Statement satisfies paragraph 17 of the CA Guidance, and in particular whether it adequately addresses the resource implications of acquiring the Prologis/MAG Land at full open market value in the no-scheme world (including the controlling-access premium which SEGRO's own position at paragraph 5.57 of the SoR implies accrues to that land), and the costs of implementing the proposed development.
 - 6.1.4 Whether the DCO scheme is commercially viable on realistic development economics assumptions, having regard to all development costs including full compensation for the Prologis/EMIA Land. Prologis contends that it is not, and that SEGRO's assertion of viability is undermined by the internal contradiction between its claim that the DCO scheme as a whole is viable and deliverable, and its concurrent assertion that development of the Southern Land alone would not be viable or deliverable.
 - 6.1.5 Whether the development proposed by Prologis under the Joint Application is commercially viable. SEGRO contends it is not; Prologis contends that it is. Prologis will provide viability evidence in support of that position by Deadline3.
 - 6.1.6 Whether the public interest benefits of the DCO Application on the Prologis/EMIA Land materially exceed those of the Joint Application, such that compulsory acquisition of the Prologis/EMIA Land is justified. Prologis contends that the correct comparator is the DCO scheme against the Joint Application (not against a null baseline), and that on any such comparison the incremental public interest benefit is too marginal to satisfy the compelling case threshold.
 - 6.1.7 Whether the highway works proposed in the DCO Application are necessary and proportionate to mitigate the traffic impacts of the proposed development, or whether

they are over-specified; and whether, to the extent they generate any wider network benefit, such benefit is capable of constituting an independent public interest justification for compulsory acquisition.

- 6.1.8 Whether the Environmental Statement submitted with the DCO Application is legally adequate, having regard to its failure to assess the adverse socio-economic and land-use consequences of frustrating the Joint Application. Prologis contends that it is not, and that this deficiency cannot be remedied without a targeted supplement to the ES.
- 6.1.9 Whether the DCO Application, in its current form, complies with the requirements of the Section 35 Direction, and in particular whether the absence of a binding commitment to deliver a carbon neutral campus/headquarters by a confirmed occupier renders the application inconsistent with the Section 35 Direction.

SIGNATURES:

On behalf of the DCO Applicant:

.....
Signature

.....
Name

DRAFT

On behalf of EMIA:

.....
Signature

.....
Name

On behalf of Prologis:

.....
Signature

.....
Name

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APPENDIX 1

[Ownership plan]

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Appendix 3 – 21 April SoCG (Tracked)

**East Midlands Gateway
Phase 2 (EMG2)**

Document []

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Statement of Common Ground between
the DCO Applicant and East Midlands
International Airport Limited/East
Midlands Airport Property Investments
(Industrial) Limited and Prologis UK 121
Limited/Prologis UK Limited

April~~March~~ 2026

The East Midlands Gateway Phase 2
and Highway Order 202X and The East Midlands Gateway
Rail Freight and Highway (Amendment) Order 202X

SEGRO.COM/SLPEMG2

SEGRO

1 Introduction

1.1 This SoCG has been requested by the Examining Panel and is entered into by (1) SEGRO Properties Limited who has submitted the DCO Application, (2) East Midlands International Airport Limited (EMA) and East Midlands Airport Property Investments (Industrial) Limited ("EMIAL") (together "EMIA") and (3) Prologis UK Limited (PUKL) and Prologis UK 121 Limited (PUK121) (together "Prologis").

1.2 This SoCG has been prepared in respect of development which is the subject of the DCO application comprising:

Main Component	Summary of Component	Works Nos.
DCO Application made by the DCO Applicant for the DCO Scheme		
EMG2 Works	<p>Logistics and advanced manufacturing development located on the EMG2 Main Site south of East Midlands Airport and the A453, and west of the M1 motorway. The development includes HGV parking and a bus interchange.</p> <p>Together with an upgrade to the EMG1 substation and provision of a Community Park.</p>	<p>DCO Works Nos. 1 to 5 including Further Works as described in the draft DCO (APP-012D).</p> <p>DCO Works Nos. 20 and 21 including relevant Further Works as described in the draft DCO (APP-012D).</p>
Highway Works	<p>Works to the highway network: the A453 EMG2 access junction works (referred to as the EMG2 Access Works); significant improvements at Junction 24 of the M1 (referred to as the J24 Improvements), works to the wider highway network including the Active Travel Link, Hyams Lane Works, works to Long Holden, L57 Footpath Upgrade, A6 Kegworth Bypass/A453 Junction Improvements and Finger Farm Roundabout Improvements.</p>	<p>DCO Works Nos. 6 to 19 including relevant Further Works as described in the draft DCO (APP-012D).</p>

1.3 Capitalised terms refer to the Glossary at Appendix A to Chapter 1 of the Environmental Statement (**APP-067**) unless otherwise stated.

1.3 This SoCG relates only to the DCO Application and not the MCO Application. It also only deals with matters in which all three parties are involved relating to the EMG2 Main Site. A separate SoCG between EMA and the DCO Applicant deals with matters in which Prologis are not involved.

2 Details of the Parties to this SoCG

- 2.1 Both EMA and EMIAL are part of the Manchester Airport Group ("**MAG**"). EMA is the owner and operator of East Midlands Airport and EMIAL is a subsidiary property investment company. Both companies have land interests within the EMG2 Main Site.
- 2.2 Prologis is a developer and has an agreement with EMA to acquire the land owned by EMA within the EMG2 Main Site.
- 2.3 The plan in Appendix 1 ('the plan') identifies the separate interests of EMA, Prologis and the DCO Applicant within the EMG2 Main Site.

3 Content of this SoCG

- 3.1 ~~As requested by the ExP, the areas covered by this SoCG deals with land interests are as follows:~~

~~3.1.1 Land Interests~~

~~3.1.2 History of the land and commercial process~~

~~3.1.3 The Joint Application~~

~~— The DCO Application~~

~~3.1.4 Negotiations between the parties~~

~~3.1.4 Infrastructure and interface matters~~

~~3.1.5 The Freeport~~

~~3.1.5 Viability~~

~~3.1.5 Matters under discussion~~

~~3.1.5 Matters not agreed~~

- 3.2 This SoCG records those matters which are agreed and, if appropriate, any matters that are not agreed and still under discussion between the DCO Applicant and EMA/Prologis.
- 3.3 Where this SoCG is identified as a draft, some matters may still be under discussion. If appropriate, a final version that confirms the final positions of the parties on relevant matters will be submitted before the close of the Examination.

3.4 Within the following table a Red Amber Green (RAG) status has been applied as follows: green: agreed, amber – a matter under discussion and/or further work to be completed and red – not agreed.

~~3.4 Prologis and EMIA record at the outset that this SoCG has been prepared in circumstances where, as it has consistently submitted to the ExP, key components of SEGRO's evidence base were not submitted with the DCO Application and will only be made available at Deadline 1 or remain outstanding. In particular, no viability evidence was submitted with the application; the highways assessment has been subject to ongoing revision throughout the examination; and the Environmental Statement does not assess the adverse socio-economic consequences of frustrating the Joint Application. Prologis therefore notes that this SoCG represents its best~~

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endeavours to identify areas of agreement at Deadline 1, and that its position on a number of matters is expressly reserved pending review of SEGRO's Deadline 1 material.

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4 Areas of Agreement/Disagreement

Land Interests	RAG
<p>1.</p>	<p>The land interests of EMIA within the EMG2 Main Site are accurately set out in the Book of Reference (APP 2.1D)</p> <p>The interests are as follows:</p> <p>Plot 1/2 - Hyams Lane subsoil</p> <p>Plot 1/4 – Land coloured blue on the plan - EMIAL freehold subject to option in favour of Prologis and subject to an overage agreement</p> <p>Plot 1/6 – Right of Way – EMIAL</p> <p>Plot 1/7 and Plot 2/2 – Land coloured turquoise on the plan (part) – EMA freehold subject to option in favour of Prologis</p> <p>Plot 2/3 – Land coloured turquoise on the plan (remainder of turquoise land) – EMA freehold subject to separate minerals ownership</p> <p>There are other interests around the EMG2 Main Site which are owned by MAG and are accurately set out in the Book of Reference and Sheets 1 and 2 of the Land Plans.</p> <p>However, those further interests fall outside the scope of this SoCG.</p>
<p>2.</p>	<p>The land interests of Prologis within the EMG2 Main Site are accurately set out in the Book of Reference (APP 2.1D)</p> <p>The interests are as follows:</p> <p>Plot 1/2 – Hyams Lane subsoil</p> <p>Plot 1/3 – Land coloured yellow on the plan – Prologis UK 121 Limited freehold acquired from Messrs Jarrom - pending application [Update?]</p> <p>Plots 1/4 – Land coloured blue on the plan – Prologis UK 121 Limited option to acquire from EMIAL - pending application [Update?]</p>

Commented [M1]: Please can the status of the pending applications be confirmed i.e. still pending?

Commented [M2]: As above

	Plot 1/5 – Land coloured orange on the plan – Prologis UK 121 Limited freehold acquired from Messrs Jarrom - pending application [Update?]	
History of the Land and Commercial Process		
3.	The Prologis/EMIA Land was actively marketed by MAG, on behalf of EMIA, through a competitive open-market process to identify a development partner. SEGRO participated in that competitive process and was the unsuccessful bidder. MAG selected Prologis as its preferred development partner following that process.	
4.	Following the competitive process, Prologis acquired or secured option interests in the Prologis/EMIA Land.	
5.	[INSERT DETAILS OF SEGRO'S ACQUISITION OF ITS OPTION LAND WITHIN THE RED LINE].	
The Joint Application		
6.	On 31 May 2024, MAG submitted an outline application to NWLDC (ref. 24/00727/OUTM). The application has since been promoted jointly by Prologis and MAG and updated in November 2025 ("Joint Application").	Green
7.	The Joint Application seeks outline planning permission for up to 135,000 sqm of Class B2/B8 floorspace (plus ancillary offices), together with a new all-movements junction on the A453, a Training Hub, a Transport Hub and associated infrastructure on the Prologis/EMIA Land.	Green
8.	The Prologis/EMIA Land is located within the EMAGIC cluster of the East Midlands Freeport and forms part of the designated tax site.	Green
9.	Development on the Prologis/EMIA Land pursuant to the Joint Application, if granted, would qualify for Freeport fiscal reliefs available to qualifying occupiers within the Freeport Window.	Green
10.	The grant of planning permission pursuant to the Joint Application would not, as a matter of law or planning policy, create a legal bar to the grant of a DCO for the DCO Application, or vice versa.	Green
11.	The grant of planning permission pursuant to the Joint Application would not affect the deliverability or viability of the DCO Application.	Green
12.	Whether the delivery of development by Prologis/EMIA pursuant to a planning permission granted under the Joint	Red

	Application would affect the deliverability or viability of the DCO Application is a matter in dispute between the parties.	
13.	Whether the development permitted by the Joint Application is materially comparable to the development proposed on the Prologis/EMIA Land under the DCO Application in terms of public interest benefits is a matter in dispute between the parties.	Red
The DCO Application		
14.	The DCO Application has been brought into the Planning Act 2008 (" PA 2008 ") regime pursuant to a Section 35 Direction made on 21 February 2024 (" Section 35 Direction "). The Section 35 Direction identified the proposed project as: "a logistics and manufacturing hub, including a substantial carbon neutral campus/headquarters including co-located head office functions."	Green
15.	The DCO Application seeks powers of compulsory acquisition and/or temporary possession over, among other land, the Prologis/EMIA Land pursuant to Part 5 of the draft DCO and section 122 PA 2008.	Green
16.	For the Secretary of State to include compulsory acquisition powers in a DCO, section 122(3) PA 2008 requires the Secretary of State to be satisfied that there is a compelling case in the public interest for those powers. This is a test that is distinct from, and not automatically satisfied by, any decision to grant development consent.	Green
17.	The Guidance related to procedures for the compulsory acquisition of land (September 2013) (" CA Guidance ") applies to the consideration of the compulsory acquisition powers sought in the DCO Application.	Green
18.	Whether there is a compelling case in the public interest for compulsory acquisition of the Prologis/EMIA Land is a matter in dispute between SEGRO and Prologis. SEGRO contends that such a case exists. Prologis and EMIA contends that it does not.	Red
19.	Whether all reasonable alternatives to compulsory acquisition of the Prologis/EMIA Land have been explored, as required by paragraph 8 of the CA Guidance, is a matter in dispute between the parties.	Red
Negotiations between the parties		
20.	Negotiations between SEGRO and EMIA first commenced in February 2020.	Green

21.	Negotiations between SEGRO and Prologis first commenced in November 2024.	Green
22.	Negotiations between the parties regarding alternatives to compulsory acquisition and the commercial relationship between the DCO Application and the Joint Application are ongoing.	Green
23.	As at the date of this SoCG, the parties have not reached agreement on any of the alternatives to compulsory acquisition identified by Prologis in section 10 of its Relevant Representation dated 9 January 2026 ("PRR") and in its Written Representation.	Green
24.	The precise chronology and characterisation of the negotiations between SEGRO and Prologis, including the adequacy of SEGRO's engagement with alternatives to compulsory acquisition, is a matter in dispute between the parties.	Red
Infrastructure and Interface Matters		
25.	The Joint Application includes a Principal Highway Access Corridor capable of being extended to the Southern Land boundary, subject to commercial agreement.	Green
27.	Whether the access arrangements proposed in the Joint Application are compatible with the access proposals in the DCO Application, and the extent to which any incompatibility could be resolved through negotiation or planning mechanisms, remains a matter under discussion.	Amber
28.	The highway mitigation strategy for Junction 24 of the M1 is being progressed through a multi-developer consortium framework, of which SEGRO is a participant. The J24 mitigation solution is not a product of the DCO Application alone.	Green
29.	Whether the highway works proposed in the DCO Application are necessary and proportionate to mitigate the traffic impacts of the proposed development, and what highway mitigation would be required in a scenario where the Joint Application is delivered on the Prologis/EMIA Land, is a matter in dispute between the parties.	Red
The Freeport		
30.	The EMG2 Main Site falls within the EMAGIC cluster of the East Midlands Freeport and forms part of the designated tax site.	Green

31.	The Freeport Window – the period during which qualifying occupiers may access Freeport fiscal reliefs – is currently stated to expire on 30 September 2031.	Green
32.	The Freeport fiscal reliefs accrue to qualifying occupiers, not to the developer of the relevant land.	Green
33.	Development on the Prologis/EMIA Land delivered pursuant to either the Joint Application or the DCO Application, if commenced within the Freeport Window, would be capable of qualifying for Freeport fiscal reliefs.	Green
34.	There is no legislative or policy requirement as to the delivery mechanism for development or for the entirety of the site to be brought forward by a single developer or as a single development.	Green
35.	Whether the DCO Application, as compared with the Joint Application, is likely to deliver materially greater Freeport benefits sufficient to justify compulsory acquisition of the Prologis/EMIA Land, is a matter in dispute between the parties.	Red
Viability-		
36.	No viability evidence was submitted with the DCO Application. SEGRO has committed to provide viability evidence at Deadline 1. The parties will revisit this section of the SoCG following Deadline 1 to identify if further agreement can be reached.	Green
37.	Whether the DCO scheme is commercially viable on realistic assumptions, including the full open market compensation payable for the Prologis/EMIA Land in the no scheme world, is a matter in dispute between the parties.	Red
38.	The relevance of and whether the development proposed by Prologis/ EMIA under the Joint Application is commercially viable is a matter in dispute between the parties.	Red
39.	Whether the development by SEGRO of the EMG2 Main Site solely on land south of Hyams Lane is commercially viable is a matter in dispute between the parties	Red

5 Matters under discussion

5.1 The following matters are under active discussion between the parties and may be the subject of updated submissions before the close of the examination:

- 5.1.1 ~~the potential for the DCO Application to proceed without compulsory acquisition powers over the Prologis/EMIA Land, and the mechanism by which the Joint Application and the DCO Application could both be delivered without compulsory acquisition;~~
- 5.1.2 ~~the terms of any access or infrastructure agreement between the parties that would enable SEGRO to bring forward the Southern Land in conjunction with Prologis' development of the Prologis/EMIA Land under the Joint Application;~~
- 5.1.3 ~~the treatment of the Prologis/EMIA Land under the DCO Application in the event that the Joint Application is granted planning permission;~~
- 5.1.4 ~~the interface between the highway mitigation obligations of each party and the potential for a shared infrastructure funding arrangement in relation to J24; and~~
- 5.1.5 ~~the potential for a joint venture or other collaborative structure to bring forward the entirety of the EMG2 Main Site.~~

6 ~~Matters not agreed~~

- 6.1 ~~The following matters are not agreed between the parties and remain in dispute. Each constitutes a principal area of disagreement for the purposes of the examination:~~
 - 6.1.1 ~~Whether there is a compelling case in the public interest for the compulsory acquisition of the Prologis/EMIA Land within the meaning of section 122(3) PA 2008. SEGRO contends that there is; Prologis contends that it does not.~~
 - 6.1.2 ~~Whether all reasonable alternatives to compulsory acquisition have been explored by SEGRO as required by paragraph 8 of the CA Guidance. Prologis contends that they have not, and that SEGRO has not genuinely explored any of the five alternatives identified in section 10 of the PRR in a structured or good-faith way before resorting to the draconian step of CA.~~
 - 6.1.3 ~~Whether SEGRO's Funding Statement satisfies paragraph 17 of the CA Guidance, and in particular whether it adequately addresses the resource implications of acquiring the Prologis/MAG Land at full open market value in the no-scheme world (including the controlling-access premium which SEGRO's own position at paragraph 5.57 of the SoR implies accrues to that land), and the costs of implementing the proposed development.~~
 - 6.1.4 ~~Whether the DCO scheme is commercially viable on realistic development economics assumptions, having regard to all development costs including full compensation for the Prologis/EMIA Land. Prologis contends that it is not, and that SEGRO's assertion of viability is undermined by the internal contradiction between its claim that the DCO scheme as a whole is viable and deliverable, and its concurrent assertion that development of the Southern Land alone would not be viable or deliverable.~~
 - 6.1.5 ~~Whether the development proposed by Prologis under the Joint Application is commercially viable. SEGRO contends it is not; Prologis contends that it is. Prologis will provide viability evidence in support of that position by Deadline3.~~
 - 6.1.6 ~~Whether the public interest benefits of the DCO Application on the Prologis/EMIA Land materially exceed those of the Joint Application, such that compulsory acquisition of the Prologis/EMIA Land is justified. Prologis contends that the correct comparator is the DCO scheme against the Joint Application (not against a null baseline), and that on any such comparison the incremental public interest benefit is too marginal to satisfy the compelling case threshold.~~
 - 6.1.7 ~~Whether the highway works proposed in the DCO Application are necessary and proportionate to mitigate the traffic impacts of the proposed development, or whether~~

they are over-specified; and whether, to the extent they generate any wider network benefit, such benefit is capable of constituting an independent public interest justification for compulsory acquisition.

6.1.8 Whether the Environmental Statement submitted with the DCO Application is legally adequate, having regard to its failure to assess the adverse socio-economic and land-use consequences of frustrating the Joint Application. Prologis contends that it is not, and that this deficiency cannot be remedied without a targeted supplement to the ES.

6.1.9 Whether the DCO Application, in its current form, complies with the requirements of the Section 35 Direction, and in particular whether the absence of a binding commitment to deliver a carbon neutral campus/headquarters by a confirmed occupier renders the application inconsistent with the Section 35 Direction.

SIGNATURES:

On behalf of the DCO Applicant:

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Signature

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Name

DRAFT

On behalf of EMIA:

.....
Signature

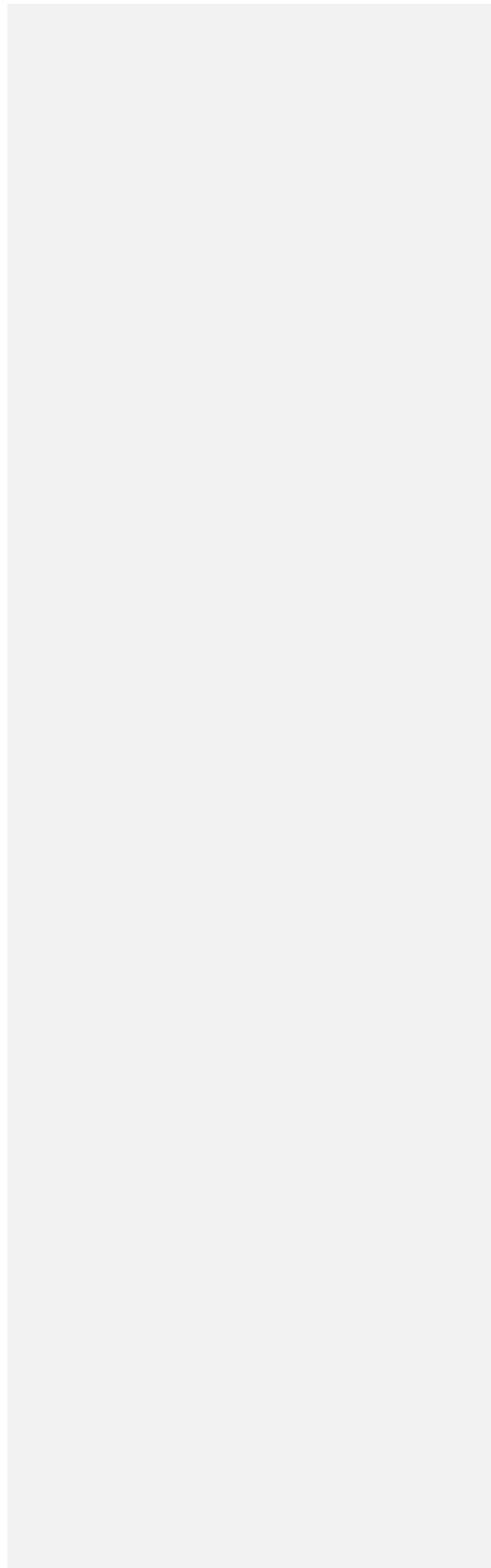
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On behalf of Prologis:

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Signature

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Name

DRAFT



APPENDIX- 1

[Ownership plan]

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