

East Midlands Gateway Phase 2 (EMG2)

Document DCO 8.12

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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

June 2026 (2)

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

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	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. Together with an upgrade to the EMG1 substation and provision of a Community Park.	DCO Works Nos. 1 to 5 including Further Works as described in the draft DCO (REP2-008D)-(APP-012D). DCO Works Nos. 20 and 21 including relevant Further Works as described in the draft DCO (REP2-008D)-(APP-012D).
Highway Works	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.	DCO Works Nos. 6 to 19 including relevant Further Works as described in the draft DCO (REP2-008D)-(APP-012D).

- 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 land acquisition

- 3.1.3 The planning application reference 24/00727/OUTM submitted by EMA and promoted by EMA and Prologis for development of that part of the EMG2 Main Site lying to the north of Hyam's Lane ("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 they have consistently submitted to the ExP, key components of SEGRO's evidence base were not submitted with the DCO Application. In particular, no viability evidence was submitted with the application (it was served late, at Deadline 1, and still lacks a market-based

no-scheme-world land value and a sensitivity analysis); 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' position on a number of matters is accordingly expressly reserved (see Prologis' Deadline 4 Submission at section 6).

3.6 The Applicant rejects the entirety of the assertions made in paragraph 3.5 above.

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Reference Number	Matter	Application Document	Applicants' Position	Interested Party's Position	Status	Date Agreed
Land Interests						
1.	Land Interests of EMIA	Book of Reference (APP-021D) and Land Plans (APP-027D and APP-028D)	The land interests of EMIA within the EMG2 Main Site are accurately set out in the Book of Reference (APP-021D) The interests are as follows: Plot 1/2 - Hyams Lane subsoil Plot 1/4 – Land coloured blue on the plan - EMIAL freehold subject to option in favour of Prologis and subject to an overage agreement Plot 1/6 – Right of Way – EMIAL Plot 1/7 and Plot 2/2 – Land coloured turquoise on the plan (part) – EMA freehold subject to option in favour of Prologis Plot 2/3 – Land coloured turquoise on the plan (remainder of turquoise land) – EMA freehold subject to separate minerals ownership	Agreed.		D2 April 21 2026

			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 the scope of this SoCG. <u>In some cases (e.g. the Active Travel Link), this land is addressed in the SoCG between SEGRO and East Midlands Airport on operational impacts.</u>			
2.	Land Interests of Prologis	Book of Reference (<u>APP-021D</u>) and Land Plans (<u>APP-027D</u> and <u>APP-028D</u>)	The land interests of Prologis within the EMG2 Main Site are accurately set out in the Book of Reference (APP-021D) (<u>APP 02.1D</u>) The interests are as follows: Plot 1/2 – Hyams Lane subsoil Plot 1/3 – Land coloured yellow on the plan – Prologis UK 121 Limited freehold acquired from Messrs Jarrom Plots 1/4 – Land coloured blue on the plan – Prologis UK 121 Limited option to acquire from EMIAL	<u>Agreed.</u>		D2 April 21 2026

			Plot 1/5 – Land coloured orange on the plan – Prologis UK 121 Limited freehold acquired from Messrs Jarrom.			
History of Land Acquisition						
3.	Acquisition of land within EMG2 Main Site by SEGRO	Applicants Response to Relevant Representations of Prologis and EMIAL (REP1-051D Appendix 5 Paras 1.16 – 1.28 and Appendix 6 Paras 2.1 – 2.5 Annex 1) Applicant's Response to Deadline 1 Submissions – Written Representations of Prologis (REP2-032 Appendix 12 response to Prologis paras 4.15 - 4.16 and para 5.10) Applicant's Response to Deadline 2 & 3 submissions Appendix 6 and 7 (Doc 7.13) and ApplicantsExP Second Written Questions – Q	The Applicant's position is summarised below - The Applicant acquired an option on the land south of Hyams Lane in 2018 - The Applicant then worked with EMIALMAG to promote the entire site through the Local Plan exercise and to consider various options to bring forward the site and also airside development during 2020 - 2023. - Despite many offers having been made to EMAMAG it became apparent that it would prove difficult to reach agreement within any certain timescale and, due to that, and the attraction of a certain consenting timescale and process with which the Applicant was familiar given its DCO experience, an application	Prologis and EMIA make no comment on the Applicant's stated motivation for seeking a s.35 direction. Prologis/EMIAL do not, however, agree with the Applicant's stated position in two respects. First, Prologis does not accept the description of the Joint Application as "(incomplete)"; the application was validly submitted on 31 May 2024 (ref. 24/00727/OUTM) and has since been promoted jointly by Prologis and EMIA and updated in November 2025. Second, Prologis does not accept the Applicant's characterisation that it has "always sought to negotiate ... to try and avoid the need to compulsory acquire land"; the adequacy and genuineness of that engagement is in dispute and is addressed at items 18 and 22 (see Prologis' Written		

		<u>7.0.2 and Annexure 7A REP4-036</u> <u>Applicant's Response to the Prologis response to ExQ2 7.0.2 and 7.0.3 (Doc 7.16) both submitted by the Applicant at Deadline 45 (Appendix 8 Doc 7.17)</u>	was made for the s.35 Direction which was issued in February 2024. - <u>EMAMAG</u> submitted its (incomplete) planning application in June 2024 in the knowledge of the intention of the Applicant to progress the DCO. <u>Whilst further information was submitted in November 2025 and May 2026 there remains outstanding information and analysis to be submitted as requested by National Highways.</u> - the Applicant has always sought to negotiate with <u>EMIALMAG</u> and, since the end of 2024, Prologis to try and avoid the need to compulsory acquire land. -- <u>the Applicant is constrained from divulging the detail of the offers made since Prologis and MAG have refused to waive the protection of the NDA and without prejudice correspondence – hence the Applicant is effectively prevented from responding to the assertion that the offers “did</u>	<u>Representation dated 7 April 2026 at paragraphs 6.5–6.7; Prologis' Relevant Representation at section 10; and Prologis' Responses to ExQ2 at response 7.0.2).</u> <u>In relation to offers made to EMA prior to Prologis' involvement, EMA's position is that these offers either did not represent a fair market value for the land or had no SEGRO investment committee approval in circumstances where other bidders had put forward commercially acceptable offers that had been approved by their respective investment committees.</u>	
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			<u>not represent a fair market value".</u>			
4.	Acquisition of land within EMG2 Main Site by Prologis	Applicants Response to Relevant Representations of Prologis and EMIAL (REP1-051D Appendix 5 Paras 1.16 – 1.28 and Appendix 6 Paras 2.1 – 2.5 Annex 1) Applicant's Response to Deadline 1 Submissions – Written Representations of Prologis (REP2-032 Appendix 12 response to paras 4.15 - 4.16 and para 5.10) Applicant's Response to Deadline 2 & 3 submissions Appendix 6 and 7 (Doc 7.13) and Applicants the Prologis response to ExQ2 7.0.2 and 7.0.3 (Doc 7.16) <u>both submitted by the Applicant at Deadline 4</u>	- Prologis acquired its interests in the land in October 2024 in the knowledge of the intention of the Applicant to progress the DCO. - The Applicant has consistently sought to negotiate with Prologis to try and avoid the need to compulsory acquire land and continues to do so. <u>- The ExP is referred to the Applicant's response to the Prologis response to 2WQ 7.0.2 submitted at Deadline 5 for detail of discussions from which it is apparent that genuine and repeated attempts have been made by the Applicant to avoid compulsory acquisition including during the four year period prior to the involvement of Prologis.</u>	<u>Prologis confirms that it acquired its freehold interest in the former Jarrom land on 29 October 2024 and holds further interests under an option agreement with EMA. That acquisition followed an open-market competitive bid process conducted by the landowners' agent, in which it is understood SEGRO also participated and was not selected. Prologis does not accept the Applicant's framing that it acquired its interests "in the knowledge of the intention of the Applicant to progress the DCO" in so far as that framing is said to weigh against Prologis: the relevance of the timing of acquisition to the compelling-case and reasonable-alternatives tests is in dispute, and an affected party's commercial interest is not diminished by the existence of a competing developer's proposals. Prologis also does not accept the Applicant's</u>		

		5 (Appendix 8 Doc 7.17)		characterisation that it has "consistently sought to negotiate ... and continues to do so"; the adequacy and genuineness of that engagement is in dispute and is addressed at items 18 and 22 (see Prologis' Responses to ExQ1 [REP1-272D] (land sale history and chronology); Prologis' Written Representation dated 7 April 2026 at section 5 and paragraphs 6.5–6.7; and Prologis' Responses to ExQ2 at response 7.0.2).		
The Joint Application						
5.	Details of Joint Application		On 31 May 2024, EMA submitted the Joint Application to NWLDC. The application has since been promoted jointly by Prologis and MAG and updated in November 2025 ("Joint Application").	On 31 May 2024, EMA submitted the Joint Application to NWLDC (ref. 24/00727/OUTM). The application has since been promoted jointly by Prologis and MAG and updated in November 2025.		D4 16 June 2026
6.	Content of Joint Application		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	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		D4 16 June 2026

			Transport Hub and associated infrastructure on the Prologis/EMIA Land.	Training Hub, a Transport Hub and associated infrastructure on the Prologis/EMIA Land.		
7.	Location of Joint Application		The Prologis/EMIA Land is located within the EMAGIC cluster of the East Midlands Freeport and forms part of the designated tax site.	The Prologis/EMIA Land is located within the EMAGIC cluster of the East Midlands Freeport and forms part of the designated tax site.		D4 16 June 2026
8.	Freeport Status		Development on the Prologis/EMIA Land pursuant to the Joint Application, if granted and delivered within the Freeport Window would qualify for Freeport fiscal reliefs available to qualifying occupiers.	[Wording changed so not replicated – EMA/Prologis to check – happy] – Agreed. <u>Development on the Prologis/EMIA Land pursuant to the Joint Application, if granted and delivered within the Freeport Window, would qualify for Freeport fiscal reliefs available to qualifying occupiers.</u>		
9.	Approval of both DCO and Joint Application		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.	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. <u>Agreed.</u>		D4 16 June 2026
10.	Affect of approval of Joint Application on deliverability/viability		The grant of consent would not <u>of</u> itself be a bar to delivery/viability of the DCO	The grant of planning permission pursuant to the Joint Application would not		

	of the DCO Application		scheme subject to the Applicant having the necessary powers to acquire all of the land interests including those subject to the joint application. <u>The DCO will not be implemented without control over the land which is the subject of the Joint Application. Without CA powers the lack of control over the Joint Application land will present a barrier to delivery of the DCO and its attendant mitigation and benefits which include the delivery of the substantial improvements to J24.</u>	affect the deliverability or viability of the DCO Application. Prologis and EMIA agree that the grant of planning permission pursuant to the Joint Application would not itself be a bar to the delivery or viability of the DCO scheme. This is consistent with the acceptance by the Applicant's viability expert, Mr Colin Cottage, that viability is to be assessed on the assumption that planning permission would be granted for the Joint Application scheme, and the point is agreed on that basis. That agreement is, however, without prejudice to Prologis and EMIA's case that the Applicant's viability assessment fails to value the land subject to the Joint Application (the Prologis/EMIA Land) on a proper market basis, as addressed at items 11 and 34 below. Prologis and EMIA do not, in any event, agree the Applicant's qualification that delivery and viability are contingent upon the	
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				Applicant having the necessary powers to acquire all of the land interests, including those subject to the Joint Application; that qualification is in dispute and is addressed at items 11 and 17 below (see Prologis' Written Representation dated 7 April 2026 at section 6 and Prologis' Deadline 2 Submission at paragraphs 3.21–3.25).	
11.	<u>Affect</u> Effect of implementation of Joint Application on deliverability/viability of the DCO Application	Viability Appraisal and Summary of Viability Appraisal [REP1-027D and REP1-028D] - Applicant's Response to Deadline 2 <u>&and</u> 3 submissionsSubmissions Appendix 6 (Dec 7-13)response to 2.1-2.28 of Prologis submissions) - page 133 and Annex L - REP4-033) <u>Applicant's Response to the Deadline 4</u>	If the DCO scheme were approved without the necessary CA powers then the DCO scheme would not be deliverable and viable since - the scheme to the north of Hyams Lane under the Joint Application is a different scheme from that to be authorised by the DCO - the land to the south of Hyams Lane would not be viable to deliver as a phase 2 - the highway works for any phase 2 are	Not agreed. EMIA and Prologis do not accept that the absence of compulsory acquisition powers would render the DCO scheme undeliverable or unviable. The draft DCO itself includes a requirement stipulating the up-front delivery of the highway works in advance of first occupation. That requirement would remain in place in the absence of compulsory acquisition powers, such that the parties would be required to negotiate and agree terms before either could commence development; there is accordingly no basis	

		<u>submissions of Prologis submitted by the Applicant at Deadline 45 (Appendix 8 Doc 7.17)</u> -	unknown however the NSIP included in the DCO in respect of works to J24 would not be delivered. - - <u>The suggestion that the approval of the DCO without CA powers would enable the DCO scheme to proceed including the highway NSIP through negotiation between the parties runs counter to the experience so far.</u> - <u>Prologis suggests the parties could simply agree terms and then press on with their development with the highway works being delivered, presumably by the Applicant, in advance of either party commencing. There is no evidence to suggest there would be any basis for a successful negotiation between the parties and , in any event the lack of control</u>	<u>for the Applicant's contention that the J24 NSIP would not be delivered.</u> <u>The Applicant's reliance on the highway mitigation for "any phase 2" being unknown is misconceived: that point is directed to a different scenario – namely delivery of the Joint Application scheme on the northern land with a separate planning permission for the southern land as a phase 2 – and not to delivery of the DCO scheme in the absence of full compulsory acquisition.</u> <u>In any event, the Applicant has not properly assessed whether the DCO scheme, or the southern land alone, could be delivered without full compulsory acquisition. On the Applicant's own south-of-Hyams-Lane appraisal, the highway mitigation required for the southern land could still be delivered, and the southern land would remain viable to carry those costs,</u>	
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			would cause the Applicant to reconsider its commitment to delivery of the scheme and specifically the NSIP given the enhanced commercial risk to the Applicant inherent in the lack of control. In addition, leaving aside appetite for risk, it is clear from the past 18 months that any negotiations such as referred to by Prologis is highly likely to involve delay and uncertainty preventing the development being realised within the Freeport Window.	once a proper market value (rather than the inflated Aldridge Option price) is paid for the land south of Hyams Lane, as demonstrated in Prologis' viability evidence and appraisal submitted at Deadline 4. Prologis has in any event identified a number of scenarios under which the DCO scheme could be delivered on the Prologis/MAG Land without full compulsory acquisition, as set out in its written submissions (see Prologis' Relevant Representation at paragraphs 3.5 and 10.5; Prologis' Written Representation dated 7 April 2026 at section 6 and Figures 8 and 9; Prologis' Deadline 2 Submission at paragraphs 3.21–3.24; and Prologis' Deadline 4 Submission at section 6, section 7 and the response to Action Point 35).		
12.	Comparability of public benefits of	Applicants' Response to Examining Panel's First Written Questions	The public benefits which arise from the DCO Application are materially greater than that	Not agreed. Prologis and EMIA do not accept that the public benefits of the DCO		

	DCO and Joint Application	[REP1-054] – see response to ExQ 1.3.2 EMIA Response to ExQ1 [REP1-218D] – see response to ExQ 1.3.2 Prologis Response to ExQ1 [REP1-272D] – see response to ExQ 1.3.2	arising from the Joint Application as set out in the documentation referred to. These benefits include: - the greater floorspace hence greater economic and employment benefits - the comprehensive planning of the site facilitating internal bus connectivity and more extensive community park - the sustainable travel benefits including active travel links - the delivery of a key improvement to Junction 24 which is required to mitigate the traffic impact from the development but has a wider benefit in helping to provide capacity for future planned growth in the area.	<u>Application are materially greater than those of the Joint Application. There is no material distinction between the parties’ sustainability approaches (both target net zero, high EPC ratings, BREEAM Outstanding, on-site renewable energy and public transport benefits); the benefits relied on by the Applicant are in substance ‘additive’ (arising from the scale of the whole site developed) rather than ‘attributable’ to compulsory acquisition (benefits which would not arise but for CA) (see Prologis’ Deadline 2 Submission at paragraphs 5.2–5.3; Prologis’ Deadline 3 Submission and the Spawforths Comparative Benefits Note (Annex B to the Deadline 3 Submissions) (P4-NT-TP-0035-B); and Prologis’ Response to ExQ1 [REP1-272D]). Further, the Applicant has not demonstrated any analysis of the mitigation that is actually required at Junction 24 as a result of EMG2.</u>		
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The DCO Application						
13.	S.35 Direction	Environmental Statement Appendix B Section 35 Direction [APP-068]	The DCO Application has been brought into the Planning Act 2008 regime pursuant to a Section 35 Direction made on 21 February 2024. 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."	The DCO Application has been brought into the Planning Act 2008 regime pursuant to <u>reliance on</u> a Section 35 Direction made on 21 February 2024. 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-". <u>Prologis disputes whether the DCO scheme to which the Application relates is covered by the Section 35 Direction.</u>		D4 16 June 2026
14.	CA content	Book of Reference (APP-021D), and Land Plans (APP-027D and) APP-028D).	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.	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.		D4 16 June 2026
15.	CA powers		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	For the Secretary of State to include compulsory acquisition powers in a DCO, section 122(3) PA 2008 requires the Secretary of		D4 16 June 2026

			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.	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.		
16.	CA Guidance		The Guidance related to procedures for the compulsory acquisition of land (September 2013) applies to the consideration of the compulsory acquisition powers sought in the DCO Application.	The Guidance related to procedures for the compulsory acquisition of land (September 2013) applies to the consideration of the compulsory acquisition powers sought in the DCO Application. Agreed.		D4 16 June 2026
17.	Compelling Case		The Applicant contends that there is a compelling case in the public interest for the acquisition of the EMIAL and Prologis land	EMIAL/Not agreed. Prologis contend and EMIA do not accept that there is not a compelling case in the public interest for the acquisition of the EMAIL and EMIAL /Prologis land. <u>Their position is set out in their written submissions (see Prologis' Written Representation dated 7 April 2026 (Deadline 1) at section 6, in particular paragraph 6.5; Prologis' Deadline 2 Submission at section 3; and Prologis' Written Summary of</u>		

				<u>Oral Submissions at CAH2 (submitted at Deadline 4) at paragraphs 9 to 11).</u>		
18.	Reasonable Alternatives	<u>Applicants Response to Relevant Representations of Prologis and EMIAL (REP1-051D Appendix 5 and Appendix 6)</u> <u>Applicant's Response to the Prologis response to ExQ2 7.0.2 submitted by the Applicant at Deadline 5 (Appendix 8 Doc 7.17)</u>	The Applicant contends that all reasonable alternatives to the compulsory acquisition of the EMIAL/Prologis land as required by paragraph 8 of the CA Guidance have been explored	EMIAL/Prologis contend Not agreed. Prologis and EMIA do not accept that all reasonable alternatives to the compulsory acquisition of the EMIAL/Prologis land, as required by paragraph 8 of the CA Guidance, have not been explored. <u>The specific alternatives are addressed at item 44 below, and their position is otherwise set out in their written submissions (see Prologis' Written Representation dated 7 April 2026 (Deadline 1) at paragraphs 5.4–5.6 and 6.5–6.6 and section 10 of the PRR; Prologis' Deadline 2 Submission at section 3; the summary of the oral case given at CAH2, as set out in Prologis' Written Summary of Oral Submissions at Compulsory Acquisition Hearing 2 (submitted at Deadline 4) at paragraph 13; and Prologis' Responses to ExQ2 at response 7.0.2).</u>		

Negotiations between the Parties						
19.	Between the Applicant and EMIAL	Pre-application Land and Rights Negotiations Tracker [APP-022D] Applicants' Response to Relevant Representations of Prologis and EMIAL (REP1-051D Appendix 5 Paras 1.16 – 1.28 and Appendix 6 Paras 2.1 – 2.5 Annex 1) Applicant's Response to Deadline 1 Submissions – Written Representations of Prologis (REP2-032-REP2-032 Appendix 12 response to paras 4.15 - 4.16 and para 5.10) Applicant's Response to Deadline 2 & 3 submissions Appendix 6 and 7 (Doc 7.13) and Applicant's the Prologis response to ExQ2 7.0.2 and 7.0.3 (Doc 7.16)	Negotiations between SEGRO and EMIAMAG first commenced in February 2020. <u>The Applicant has set out the history of the four years of negotiations with MAG in its response to the relevant representations of EMA (largely ignored in the submissions of Prologis and MAG) and has at Deadline 5 responded to the inaccurate information submitted on the part of Prologis at D4 in the Applicant's response to the response of Prologis to ExQ2 7.0.2.</u>	Negotiations between SEGRO and EMIA first commenced in February 2020.		D4 16 June 2026

		both submitted by the Applicant at Deadline 4 5 (Appendix 8 Doc 7.17)				
20.	Between Applicant and Prologis	the and Applicant's response to ExQ2 7.0.2 and 7.0.3 (Doc 7.16) submitted at Deadline 4	Negotiations between the Applicant and Prologis (on behalf of both EMIAL and Prologis) first commenced in November 2024. <u>See response to 3. and 19. above</u>	Negotiations Prologis and EMIA do not accept that "negotiations" commenced in November 2024. Initial contact between the Applicant and Prologis was made on behalf of 21 November 2024; Prologis was notified of both EMIAL and Prologis the DCO in January 2025 through the public consultation; and the first commenced in November 2024. offer was not received until 21 February 2025, and contained no figures. Prologis and EMIA do not accept that what occurred at that stage amounted to genuine, substantive negotiation, let alone genuine substantive negotiation conducted at a formative stage (see items 21 and 22 below; Prologis' Relevant Representations; Prologis' Written Representation dated 7 April 2026 at paragraphs		D4 16 June 2026

				<u>4.15–4.16; and Prologis’ Responses to ExQ2 at response 7.0.2).</u>		
21.	Current state of negotiations		No agreement has yet been reached	No agreement has yet been reached		
22	Chronology of negotiations	Applicants Response to Relevant Representations of Prologis and EMIAL (<u>REP1-051D Appendix 5 Paras 1.16 – 1.28 and Appendix 6 Paras 2.1 – 2.5 Annex 1</u>) Applicant’s Response to Deadline 1 Submissions – Written Representations of Prologis (<u>REP2-032 Appendix 12 response to paras 4.15 - 4.16 and para 5.10</u>) Applicant’s <u>Response to the Prologis</u> response to ExQ2 7.0.2 and <u>7.0.3 (Doc 7.16)</u>-submitted by the Applicant at	The chronology of engagement is set out in the submissions made by the Applicant. The Applicant has made extensive efforts over years to reach agreement with <u>EMIALMAG</u> to avoid CA and more recently with Prologis including discussing a variety of arrangements which would avoid CA. <u>The most up to date and accurate chronology is appended to the Applicant’s response to the Prologis response to ExQ2 7.0.2 submitted at Deadline 5.</u>	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. <u>Prologis and EMIA do not accept the Applicant’s characterisation of ‘extensive efforts over years’.</u> <u>Meaningful negotiation with Prologis had barely begun, and the pattern has been one of limited engagement and delayed disclosure of information. Prologis and EMIA do not dispute that meetings and correspondence took place, but dispute that what occurred amounted to genuine, substantive negotiation conducted at a formative stage. Negotiation nonetheless continues (see</u>		

		Deadline <u>45 (Appendix 8 Doc 7.17)</u>		<u>Prologis' Written Representation dated 7 April 2026 at paragraphs 4.15–4.16; Prologis' Response to ExQ2 at response 7.0.2 and the chronology at Appendix 12; and Prologis' Deadline 4 Cover Letter at paragraphs 2.1–2.5).</u>		
Infrastructure and Interface Matters						
23.	Highway Access to southern land		The highway access corridor through to the southern land indicated in the Joint Application may be physically achievable and suitable subject to issues of the status of Hyams Land being resolved. Whether the proposed roundabout at the access to the A453 from the Prologis land and the internal estate road through the northern land are adequate to deal with traffic from both the Joint Application and the southern land has not, as far as the Applicant is aware, been tested. Until that roundabout and estate road have been confirmed as suitable to access the whole site (including the additional floorspace provided in the Joint Application on the	The Joint Application includes a Principal Highway Access Corridor capable of being extended to the Southern Land boundary, subject to commercial agreement. <u>Not agreed. The Joint Application includes a Principal Highway Access Corridor, and a southern roundabout, designed to be compliant to serve the land to the south, and the A453 access roundabout has been designed and sized having regard to the combined trip generation from both the Prologis/MAG Land and the Southern Land. Prologis and EMIA do not accept the Applicant's characterisation that the suitability of the</u>		

			northern land compared with the DCO scheme) it cannot be confirmed that the Joint Application provides suitable access for the southern land which is acceptable to the highway authorities. Aside from viability issues, any access is in any event reliant on approval and delivery of the Joint Application and the Applicant being able to reach agreement with a commercial competitor with implications for delay.	<u>roundabout and estate road is untested, or that access would necessarily be dependent upon agreement with a commercial competitor with consequent delay: there is no in-principle impediment to phased delivery by two separate promoters, and any cumulative highway mitigation would fall to be secured through the usual planning condition, section 106 and section 278 mechanisms in the ordinary way (see Prologis' Written Representation dated 7 April 2026 at paragraphs 5.27–5.28; and Prologis' Responses to ExQ1 [REP1-272D], including the illustrative access design at Appendix 6).</u>		
24.	Compatibility of access arrangements	<u>Applicants Response to Relevant Representations of Prologis (REP1-051D Appendix 6)</u>	The access proposals in the Joint Application are not compatible with the access proposals in the DCO Application. The DCO scheme has the benefit of bus and cycle access across the strip of land owned by Moto as a result of which the access enables bus and cycle penetration into the site with	<u>Prologis and EMIA agree that the access proposals in the Joint Application and the DCO Application are not compatible. That incompatibility is, however, the result of changes made by SEGRO to its own proposals at a relatively late stage before the DCO Application was made. The earlier onsite road</u>		

			shuttle bus connectivity with all parts of the site unlike the Joint Application. <u>As explained previously the principal form of access to the DCO scheme did not change “at a relatively late stage”. The access was determined as early as 2024 and the highway modelling has all been based on that access which best facilitates public transport and HGV movements.</u> <u>It is noted that Prologis do not deny that their site is effectively severed by the Moto strip which prevents vehicular interconnectivity between the land to the east of the Moto land (including the transport hub) and the remainder of the site.</u>	<u>configuration – which had been proposed since the Section 35 Direction was issued, and on which Prologis had developed its own highways proposal – was varied, without any explanation, so that the physical interface between the two schemes would be less straightforward (see Prologis’ Relevant Representation at paragraph 10.8; and Prologis’ Written Representation dated 7 April 2026 at section 6).</u> <u>As to internal connectivity, Prologis and EMIA do not accept that the Joint Application is incapable of delivering equivalent bus, cycle and sustainable-travel and connectivity provision: the Joint Application itself includes a Transport Hub and active-travel provision, and such provision does not depend on single-developer delivery of the whole site.</u>		
25.	J24 highway mitigation	Agreed Joint Position Statement relating to	The highway mitigation proposed in the DCO is required	The highway mitigation strategy for Junction 24 of the		

		SRN Mitigation Scheme <u>[REP1-060D]</u> now included in National Highways SoCG (Doc 8.5) submitted at Deadline 4 Applicant's response to D2 & D3 submissions Appendix 6 and 7 (Doc 7.13) submitted at Deadline 4<u>Applicant's Response to the Deadline 2/3 submissions (Appendix K REP4-033)</u>	to mitigate the impact of the DCO scheme. It has a wider benefit in that it is consistent with (but not reliant upon) the emerging proposals for a strategic scheme at J24 which will enable, and is required for, planned growth in the area. The Applicant is part of a consortium of developers which have been considering the strategic scheme with National Highways of which the mitigation for the DCO scheme is considered a key first element.	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.		
26.	Highway works proportionate	Applicant's response to D2 & D3 submissions Appendix 6 and 7 (Doc 7.13) submitted at Deadline 4<u>Applicant's Response to the Deadline 2/3 submissions (Appendix K REP4-033)</u>	The highway works proposed in the DCO are required to mitigate the impact of the development and as such are proportionate to the development proposed. The fact that the works also have wider benefits does not affect that proportionality. <u>It is not the Applicant's case, as suggested, that the works exceed what is required to mitigate EMG2. The works are required to mitigate EMG2 but also have wider benefits. Prologis/EMA seem to believe that the two are mutually</u>	<u>Not agreed. Prologis and EMIA do not accept that the highway works proposed in the DCO are proportionate mitigation of the impacts of the DCO development. Highway works must be subordinate and proportionate to the development they are intended to mitigate and cannot be an aim in themselves; where their scale, cost or land-take exceeds what is necessary to address the scheme's</u>		

			<u>exclusive whereas, clearly, they are not.</u> <u>No evidence has been produced to demonstrate that the EMG2 proposals could be delivered without unacceptable impacts in the absence of the mitigation proposed in the DCO.</u> <u>It is notable that highway mitigation for the Joint Application has not yet been identified.</u>	<u>impacts, they cannot lawfully justify the grant of compulsory acquisition powers, nor be afforded significant weight as a public benefit in the section 122(3) balance. On the Applicant's own case the works exceed what is required to mitigate EMG2: the Applicant has acknowledged (in response to ISH1 Action Point 7) that the new free-flow link from the M1 northbound to the A50 westbound would be required to allow for growth in the area "whether that included EMG2 or not", and has told LCC that the mitigation would bring capacity benefits to the strategic road network that "go beyond mitigating the impacts of the EMG2 development". To that extent the works fall to be assessed as components of a wider strategic regional programme being progressed by a multi-developer consortium, not as benefits attributable to the DCO scheme (see Prologis' Written Representation dated 7 April 2026 at section 8 and</u>	
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				paragraphs 5.35–5.37; Prologis’ Relevant Representation at paragraphs 13.18–13.24; Prologis’ Deadline 3 Submission at paragraphs 3.1–3.2; and Prologis’ Deadline 4 Submission at paragraphs 7.1–7.3).		
27.	Mitigation for southern land		It is not known what highway mitigation would be required for the southern land were it to be developed as a phase 2 to the Joint Application. Of relevance is: - the full highway mitigation is not yet known for the Joint Application - until the highway mitigation is known for the Joint Application it is not possible to determine what mitigation would be required, or achievable, for the southern land - the DCO NSIP involving the green package could not be delivered	Not agreed. It is part of SEGRO’s positive case for the DCO, and for the compulsory acquisition powers it seeks, that development of the southern land will only come forward under the DCO and would not be viable or deliverable as a standalone development. The burden is therefore on SEGRO to demonstrate that it has properly investigated what would be required to develop the southern land alone, including the highway mitigation that would be likely to be needed, so that it can substantiate the case that it seeks to make. Whilst Prologis and EMIA recognise that the highway mitigation required to		

			without a DCO or by the southern land alone	<u>develop the southern land in isolation is not yet known, that is a reflection of SEGRO's own failure properly to explore this as a reasonable alternative to compulsory acquisition and to substantiate the assertion in its Statement of Reasons that this alternative to compulsory acquisition is unviable. The burden does not lie with Prologis/EMA to disprove SEGRO's assertions.</u> <u>In any event, even if the highway mitigation required for the southern land were the same as or similar to that proposed in the DCO, the scheme could still be delivered and the southern land would remain viable to carry those costs, provided a proper market value (rather than the inflated Aldridge Option price) were paid for the land south of Hyams Lane, as demonstrated in the viability evidence and appraisal submitted by Prologis at Deadline 4 (see Prologis' Written Representation dated 7 April</u>	
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				<u>2026 at sections 5 and 6; Prologis' Relevant Representation at section 10; and Prologis' Deadline 4 Submission at section 7 and the responses to Action Points 35 and 49).</u>		
Freeport						
28.	Location		The EMG2 Main Site falls within the EMAGIC cluster of the East Midlands Freeport and forms part of the designated tax site.	The EMG2 Main Site falls within the EMAGIC cluster of the East Midlands Freeport and forms part of the designated tax site.		D4 16 June 2026
29.	Freeport Window		The Freeport Window - the period during which qualifying occupiers may access Freeport fiscal reliefs - is currently stated to expire on 30 September 2031.	The Freeport Window - the period during which qualifying occupiers may access Freeport fiscal reliefs - is currently stated to expire on 30 September 2031.		D4 16 June 2026
30.	Freeport Reliefs		The Freeport fiscal reliefs accrue to qualifying occupiers, not to the developer of the relevant land.	The Freeport fiscal reliefs accrue to qualifying occupiers, not to the developer of the relevant land.		D4 16 June 2026
31.	Availability of reliefs		Development on the Prologis/EMIA Land delivered pursuant to either the Joint Application or the DCO Application, if occupied within the Freeport Window, would be	Development on the Prologis/EMIA Land delivered pursuant to either the Joint Application or the DCO Application, if occupied within the Freeport Window, would be		D4 16 June 2026

			capable of qualifying for Freeport fiscal reliefs. <u>The wording of the above paragraph was changed for accuracy not to make a point</u>	be capable of qualifying for Freeport fiscal reliefs. <u>Note word change—occupied for commenced</u> Prologis and EMIA note that item 31 has been amended to refer to development "occupied" within the Freeport Window, in place of "commenced" as previously agreed. Prologis and EMIA are content with this change, which more accurately reflects that the Freeport fiscal reliefs are accessed by qualifying occupiers (as recorded at item 30) and therefore depend on occupation within the Window – noting that, strictly, certain reliefs are triggered by qualifying expenditure being incurred, or qualifying employees being hired, before the Window closes rather than by occupation alone. For the avoidance of doubt, Prologis and EMIA do not accept that this point assists the Applicant's case for compulsory acquisition.		
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32.	Mechanism for delivery		There is no legislative 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 however it is good planning practice for large sites to be planned comprehensively to achieve the optimal form of development providing the best opportunity to maximise the economic and social benefits whilst minimising the environmental impacts.	<u>TherePrologis and EMIA agree that there</u> 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. <u>The objectives of comprehensive, well-planned development do not require the site to be under the control of a single developer, and the Applicant does not suggest that they do. Those objectives can be achieved across a multi-developer site through well-understood coordinating mechanisms – including a co-ordinating role for the local planning authority through planning conditions and requirements, design codes, parameter plans, masterplanning and phasing, and section 106 obligations – which are routinely used to secure coherent, high-quality outcomes regardless of the number of promoters involved (see Prologis’</u>		

				<u>Written Representation dated 7 April 2026 at paragraphs 5.23–5.24; Prologis’ Relevant Representation at section 10; and Prologis’ Deadline 2 Submission at paragraphs 3.21–3.25).</u>		
33.	Amount of Freeport benefits		The DCO scheme will achieve materially greater benefits related to the Freeport which is a matter relevant to the consideration of whether or not there is a compelling case in the public interest.	<u>Not agreed. Prologis and EMIA consider that the “materially greater” Freeport benefits claimed are additive, rather than flowing from the grant of CA powers. They accrue from the scale of the whole site developed – and the Freeport designation is not dependent upon a single developer or upon compulsory acquisition. The fiscal reliefs accrue to qualifying occupiers, not to the developer, and are equally available whether the Prologis/EMIA Land is developed pursuant to the Joint Application or the DCO Application. In any event, the benefits relied upon are dependent upon the DCO development being delivered within the Freeport Window, which Prologis and EMIA dispute on the basis of</u>		

				viability: the DCO scheme is, on the Applicant's own evidence, only marginally viable, such that there is a real risk it will not be delivered within the Window at all, whereas the Joint Application provides a more certain route to securing Freeport benefits on the Prologis/EMIA Land (see Prologis' Deadline 2 Submission at AP12 (Freeport) and paragraph 5.3; Prologis' Deadline 3 Submission, Financial Viability Assessment of Peter Roberts; and Prologis' Deadline 4 Submission at section 6).		
Viability						
34.	Evidence	Viability Appraisal and Summary of Viability Appraisal [REP1-027D and REP1-028D] [REP1-027D and REP1-028D] Applicant's <u>Response to Deadline 2 and 3 Submissions Appendix 6</u> (response to D2 &	Viability evidence was submitted by the Applicant at D1 dealing with the viability of the DCO scheme and the viability of the southern land alone. The viability evidence also cast doubt on the viability of the development of the Joint Application. At D4 the Applicant will respondresponded to the viability evidence submitted by Prologis/EMIAL at D3.	Not agreed. The viability evidence submitted by the Applicant at Deadline 1 is fundamentally flawed, for the reasons set out in the Financial Viability Assessment of Mr Peter Roberts submitted at Deadline 3. The further viability evidence submitted by the Applicant at Deadline 4 is also fundamentally flawed, for reasons that will be set out in		

		<u>2.1-2.28 of Prologis submissions Appendix 6 (Doc 7.13) - page 133 and Annex L - REP4-033)</u> <u>Applicant's Response to the Deadline 4 submissions of Prologis submitted by the Applicant at Deadline 4 5 (Appendix 8 Doc 7.17)</u>	<u>Further submissions were made at D5</u>	<u>Mr Roberts' response to be submitted at Deadline 5.</u> <u>Prologis and EMIA do not accept that the Applicant's viability evidence casts doubt on the viability of the Joint Application. Mr Cottage has made clear that he is not contending that the Joint Application scheme is not commercially viable. Prologis and EMIA's position, and their response to Mr Cottage's material, is set out in Mr Roberts' Financial Viability Assessment submitted at Deadline 3, and will be developed further in his response to be submitted at Deadline 5.</u>		
35.	Viability of DCO scheme	<u>Viability Appraisal and Summary of Viability Appraisal [REP1-027D and REP1-028D]</u> <u>Applicant's Response to Deadline 2 and 3 Submissions Appendix 6 (response to 2.1-2.28 of Prologis submissions) -</u>	<u>The DCO scheme is viable</u>	<u>Not agreed. The evidence demonstrates that the DCO scheme is not viable, for the reasons set out in the Financial Viability Assessment of Mr Peter Roberts submitted at Deadline 3, and as will be developed further in his response to be submitted at Deadline 5.</u>		

		<u>page 133 and Annex L - REP4-033)</u> <u>Applicant's Response to the Deadline 4 submissions of Prologis submitted by the Applicant at Deadline 5 (Appendix 8 Doc 7.17)</u>				
36.	Viability of Joint Application	Viability Appraisal and Summary of Viability Appraisal [REP1-027D and REP1-028D] <u>[REP1-027D and REP1-028D]</u> <u>Applicant's Response to Deadline 2 and 3 Submissions Appendix 6 (response to D2 & D32.1-2.28 of Prologis submissions Appendix 6 (Doc 7.13)) - page 133 and Annex L - REP4-033)</u> <u>Applicant's Response to the Deadline 4 submissions of Prologis submitted by the</u>	The Joint Application scheme does not appear to be viable although key information from Prologis to carry out a full appraisal (such as the amount paid for the land and identification and confirmation of highway mitigation) is not available.	<u>Not agreed. The evidence demonstrates that the Joint Application scheme is viable, for the reasons set out in the Financial Viability Assessment of Mr Peter Roberts submitted at Deadline 3, and as will be developed further in his response to be submitted at Deadline 5.</u>		

		<u>Applicant at Deadline 45 (Appendix 8 Doc 7.17)</u>				
37.	Viability of Southern Land	<u>Viability Appraisal and Summary of Viability Appraisal</u> <u>[REP1-027D and REP1-028D]</u> Applicant's <u>Response to Deadline 2 and 3 Submissions Appendix 6 (response to D2 & D32.1-2.28 of Prologis submissions Appendix 6 (Doc 7.13) - page 133 and Annex L - REP4-033)</u> <u>Applicant's Response to the Deadline 4 submissions of Prologis submitted by the Applicant at Deadline 45 (Appendix 8 Doc 7.17)</u>	The southern land is not viable	<u>Not agreed. The evidence demonstrates that the southern land is capable of viable development in isolation, for the reasons set out in the Financial Viability Assessment of Mr Peter Roberts submitted at Deadline 3, and as will be developed further in his response to be submitted at Deadline 5.</u>		
38.	Areas of agreement /disagreement	Applicant's response <u>Response</u> to D2 & D3 <u>the Deadline 4</u> submissions Appendix 6 (Doc 7.13) <u>of Prologis submitted by the</u>	Respective experts have been asked by ExP to prepare a document identifying the issues between them and so this SoCG defers to that document in	<u>Prologis and EMIA agree that the respective valuation experts have been asked by the ExP to identify the issues between them, and that this SoCG defers to that document in respect of specific valuation</u>		D4 16 June 2026

		<u>Applicant at Deadline 45 (Appendix 8 Doc 7.17)</u>	respect of specific valuation issues <u>The Prologis/EMIA version of events is not accurate.</u> <u>Mr Cottage produced an initial Excel Spreadsheet and sent it to Mr Roberts for review on 28 May 2026. On 2 June 2026, Mr Roberts sent Mr Cottage a different Excel spreadsheet. Mr Cottage checked that the spreadsheet worked, which it did, other than for slightly overcalculating interest costs (reducing viability as a result), and confirmed he was happy to adopt Mr Robert's spreadsheet. Mr Cottage returned the spreadsheet to Mr Roberts on 12 June 2026 with his comments and some alterations to the "User Instruction" tab, including noting that the spreadsheet over calculates interest. On the 14th June Mr Roberts returned the spreadsheet to Mr Cottage with some alterations and on the 15th June, Mr Cottage sent back what he believed to be the final version with a few further minor</u>	<u>issues. Action Point 35 dated 12 May 2026 required the Applicants, Prologis and EMIA to prepare an Excel spreadsheet retaining formulas and identifying areas of agreement and disagreement. It was necessary for Prologis' valuer to take the lead on this action and, having received the Argus files from Mr Cottage for SEGRO, Mr Roberts replicated those appraisals on behalf of Prologis and EMIA and invited Mr Cottage to make comments.</u> <u>It was necessary to prepare two spreadsheets as Mr Cottage's Evidence Document DCO 4.3 provides a full DCO scheme appraisal and a separate appraisal relating to the land south of Hyams Lane assuming that the Prologis/MAG land is delivered separately. Prologis and EMIA understood that this was because SEGRO considered that the viability of that scenario is of relevance to the decision by</u>	
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			<u>amendments to his comments. Mr Roberts acknowledged receipt and Mr Cottage heard nothing more from him on the matter.</u> <u>However, the version that Prologis submitted to the ExP at Deadline 4 is not the version seen by Mr Cottage, but a different version with some additional comments from Mr Roberts and the reference to the over calculation of interest in the "User Instruction" tab removed.</u> <u>Mr Roberts did not send his spreadsheet for the land to the south of Hyams Lane to Mr Cottage until 18.22 on Sunday 14 June 2026. Bearing in mind that Mr Cottage was also preparing a submission for Deadline 4, this did not give him sufficient time to properly review the spreadsheet and engage with Mr Robert's on it before Deadline 4 (16 June 2026). Moreover, while Prologis (and Mr Roberts) continue to say that the second appraisal in Document DCO 4.5 relates to</u>	<u>the ExP. Mr Roberts therefore prepared a separate Excel appraisal replicating Mr Cottage's Argus appraisal but Mr Cottage declined to make any comments therein. Having reviewed Mr Cottage's Deadline 4 Response it would appear that SEGRO are no longer relying on the alleged viability of development of the land south of Hyams Lane.</u>	
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			the land south of Hyams Lane, as Mr Cottage has made very clear, it is an appraisal of the DCO Scheme assuming no compulsory purchase powers over the Prologis Land, which is a different thing. Not least because Mr Cottage's appraisal assumed completion of the DCO Highways Works, while Mr Roberts argues that this would not be necessary if the land south of Hyam's lane were to be brought forward separately. Until the basis of an appraisal can be agreed between the valuers, submitting an Excel Spreadsheet reflecting the agreed basis is clearly not possible and also potentially misleading.			
<u>Other matters in dispute</u>						
39.	<u>Vires / Section 35 Direction correspondence</u>	Environmental Statement Appendix B Section 35 Direction [APP-068]; draft DCO submitted at Deadline 5	The Applicant has responded to this issue and rejects the contention that there is any legal difficulty for the reasons set out in the Post Hearing Submission and the Applicant's	Prologis and EMIA's position is that the DCO scheme as applied for is not consistent with the Section 35 Direction and the Secretary of State has no power to grant the DCO as applied for, or to vary the Direction as part of the		

		<u>Applicant's responses to Deadline 2 & 3 submissions REP4-033</u> <u>Applicant's Post Hearing Submissions REP4-034</u>	<u>responses to Deadline 2 and 3 submissions.</u>	<u>determination of the application. This includes the proper construction of the Direction (in particular the meaning of "substantial", "campus" and "co-located head office functions"), the divergence of SEGRO's masterplan from the project described in the Direction, and the inadequacy of the proposed requirement and Article 5, which do not and cannot cure that inconsistency (see Prologis' Written Representation dated 7 April 2026 at paragraphs 3.1–3.17; Prologis' Deadline 2 Submission at section 2 (paragraphs 2.1–2.38, including paragraphs 2.21–2.33); Prologis' Deadline 4 Submission at section 3 (including paragraphs 3.7–3.28 and 3.34–3.35) and Appendix 5; and Prologis' Responses to ExQ2 at response 1.0.5).</u>		
42.	<u>Legal basis of determination (section 104 / section 105 split)</u>	<u>Draft DCO submitted at Deadline 5 (REF[]) ; Statement of Reasons (REP1-025D)</u>	<u>The Applicant has responded to this issue in the Applicant's Post CAH2 Hearing Submissions and subsequent correspondence from which it is clear that there</u>	<u>Prologis and EMIA contend that the different elements of the project (the business and commercial development, the strategic highway works, and</u>		

		<u>Applicant's Post Hearing Submissions REP4-034</u> <u>Applicants Note on Disaggregation submitted at Deadline 5 (Doc 7.18)</u>	<u>is no requirement to assess the different elements of the single project discretely.</u>	<u>associated development) must each be assessed discretely under the correct statutory framework, applying R (EFW Group Ltd) v Secretary of State [2021] EWHC 2697 (Admin). The highway works are promoted as mitigation for the commercial development and are not independent NSIPs; their justification depends on the fate of the principal commercial element (see Prologis' Written Representation dated 7 April 2026 at paragraphs 3.10–3.15 and Prologis' Deadline 2 Submission at AP8 (Legal basis of determination)).</u>		
43.	<u>Adequacy of the Environmental Statement</u>	<u>Environmental Statement [APP-067 and updated chapters]</u> <u>Applicant's Post Hearing Submissions REP4-034 Appendix 1</u>	<u>The Applicant does not accept the contention that the ES is deficient in failing to address the socio-economic and land- use consequences on the Joint Application for the reasons set out in the Applicant's CAH2 Post Hearing Submissions at Appendix 1.</u>	<u>Prologis and EMIA contend that the Environmental Statement is legally inadequate in that it fails to assess the adverse socio-economic and land-use consequences of frustrating the Joint Application (the "delivery" and "non-delivery" scenarios), and that this deficiency cannot be remedied without a targeted supplement to the ES (see</u>		

			Further representations have been made in subsequent correspondence with the ExP.	Prologis' Deadline 2 Submission at paragraph 5.2(b); and Prologis' Deadline 4 Submission at section 5 and the responses to Action Points 31–33).		
44.	<u>Reasonable alternatives (specific scenarios)</u>	Statement of Reasons (REP1-025D); Pre-application Land and Rights Negotiations Tracker [APP-022D] Applicant's Response to the Prologis response to ExQ2 7.0.2 submitted by the Applicant at Deadline 5 (Appendix 8 Doc 7.17)	The Applicant has been considering and discussing a variety of alternatives with first MAG and more recently, Prologis for many years in a genuine effort to avoid compulsory purchase powers. The most up to date and accurate chronology of the discussions with Prologis is in the Applicant's response to the Prologis response to ExQ2 7.0.2 submitted by the Applicant at Deadline 5. The CA guidance requires reasonable alternatives to be explored. None of the alternatives proposed to MAG in the period of negotiation proved acceptable to MAG and, to date none of the alternatives put forward by Prologis have proved to be realistic alternatives	Prologis and EMIA have identified and put to SEGRO a series of reasonable alternatives to compulsory acquisition, including (a) exclusion of CA powers over the Prologis/MAG Land to allow delivery under the Joint Application; (b) provision of no more than access across the Prologis/MAG Land to enable the Southern Land to come forward; (c) the grant of the DCO without CA powers, with Prologis delivering the DCO development on its own land in reliance on section 156 PA 2008; (d) targeted amendments substituting the Joint Application parameters; and (e) a joint venture arrangement. SEGRO has not genuinely explored these in a structured or good-faith way (see Prologis' Written Representation dated 7 April 2026 at paragraph 6.2 and		

			<u>which, even if they were workable (unlikely given nature of negotiations) would have adverse impacts on viability of the southern land and involve substantial delay.</u>	<u>section 10 (paragraphs 10.5–10.7) of the PRR; and Prologis’ Deadline 2 Submission at paragraphs 3.21–3.25).</u>		
<u>45.</u>	<u>Highways – pink package, Moto MSA and National Highways</u>	<u>Agreed Joint Position Statement relating to SRN Mitigation Scheme [REP1-060D]</u>		<u>Prologis and EMIA do not accept that access from the Finger Farm roundabout to an employment development through the Moto Donington Park Motorway Service Area would be permitted under paragraph 6 of Circular 01/2022, such that the access relied upon by the Applicant cannot be achieved even on its own terms (see Prologis’ Deadline 4 Submission at paragraph 7.4 and the response to Action Point 49; and Prologis’ Responses to ExQ2 in relation to highways).</u>		

SIGNATURES:

On behalf of the DCO Applicant:

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Signature

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Name

DRAFT

On behalf of EMIA:

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Signature

.....
Name

On behalf of Prologis:

.....
Signature

.....
Name

DRAFT

APPENDIX 1

[Ownership plan]

DRAFT

DRAFT