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The Planning Inspectorate
c/o QUADIENT
69 Buckingham Avenue
Slough
SL1 4PN

Your reference

Our reference

[redacted]

By Email Only: emgateway2@planninginspectorate.gov.uk

28 April 2026

Dear Sirs

DEADLINE 3 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 3 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 3:

- Prologis' Deadline 3 Submission commenting on SEGRO's Deadline 1 Submissions;
- A joint letter from Prologis and EMA/EMIAL to the Examining Panel in respect of CAH2 (appended to this letter at Appendix 1)
- A summary of Prologis' Deadline 3 Submission (appended to this letter at Appendix 2);

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 relevant full document.

Collaboration with EMA/EMIAL

Prologis notes that it has had sight of the Deadline 3 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.

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

[redacted]

DLA Piper UK LLP

Appendix 1 – Joint Letter to ExP

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FAO: EMG2 Examining Panel via
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SL1 4PN

Your reference

Our reference

[redacted]

28 April 2026

To the Examining Panel ("ExP")

Planning Act 2008 – sections 91, 92, 93 and 153
The Infrastructure Planning (Examination Procedure) Rules 2010 – rule 13
Application by SEGRO Properties Limited, for an order granting development consent for a scheme comprising the East Midlands Gateway Phase 2 (EMG2)

The Infrastructure Planning (Changes to, and Revocation of, Development Consent Orders) Regulations 2011 – regulations 33, 35 and 36
Application by SEGRO (EMG) Limited, for an order making material changes to the previously approved East Midlands Gateway Rail Freight Interchange and Highway Order 2016

We write in response to the EXP's letter dated 17 April 2026 providing notification of the hearings ("the Notification") to be held in the week commencing 11 May 2026 and in advance of the detailed agendas being set for those hearings.

This is a joint letter from both Prologis UK Limited, Prologis UK 121 Limited (Prologis) and East Midlands International Airport Limited and East Midlands Airport Property Investments (Industrial) Limited ("the Airport").

The Notification states that CAH2 will consider the effects on individual plots and allow affected parties to make oral representations about the compulsory acquisition request. It goes on to state that time limits for individual representations may be set.

It further explains that the hearing will include giving Prologis and the Airport a 10 minute opportunity to provide a single presentation on the Joint Application and "*the benefits they consider it would deliver over and above EMG2*".

We assume that the opportunity for Prologis and the Airport to make oral representations will not be limited to the presentation referred to in the Notification, and that will each be given the opportunity to speak to the effects on individual plots and the compulsory acquisition request more generally. We note the reference to the potential limiting of time for submissions on this issue. Given the importance of the issue to both Prologis and the Airport, the fact that they are the main affected landowners, the proprietary rights and draconian powers at issue, we hope that neither Prologis or the Airport will be curtailed from making their case.

The ExP will now have the benefit of both the Prologis and the Airport's submissions at Deadlines 1, 2 and, very shortly, 3. In those submissions a number of points have been raised about the proper legal approach to compulsory acquisition, both as a matter of general principle and having regard to the nature of this specific case.

Set against that approach Prologis and the Airport are concerned that the way in which the content of the presentation has been articulated in the Notification risks compounding the errors in the Applicant's approach that we have identified in the above submissions in relation to its approach to compulsory acquisition.

In order to be granted compulsory purchase powers there must be a compelling case in the public interest (see s.122(3) of the PA 2008) to justify the compulsory acquisition of the land sought to be acquired. The burden of proof in this respect is squarely on the Applicant to demonstrate to the Secretary of State that such a compelling case exists.

On the facts here the proper lawful assessment of whether there is a compelling case in the public interest does not effectively comprise a beauty parade between two schemes. Rather, what is required is an assessment of, *inter alia*:

- The extent to which there are alternative means of delivering similar benefits on the land to be acquired;
- The *net* benefits of the Application scheme in relation to the land to be acquired;
- The risks of and/ or impact on the wider economy of use of compulsory purchase powers between private companies seeking to deliver the same sort of development; and
- The private loss of Prologis and the Airport.

And, in light of the above, whether there is a compelling case in the public interest (the test being properly understood as a high hurdle – see ***Prest v Secretary of State for Wales*** [1983] 81 LGR 193, in which Lord Denning MR stated: "*I regard it as a principle of our constitutional law that no citizen is to be deprived of his land by any public authority against his will, unless it is expressly authorised by Parliament and the public interest decisively so demands: and then only on the condition that proper compensation is paid: see Attorney-General v. De Keyser's Royal Hotel Ltd. If there is any reasonable doubt on the matter, the balance must be resolved in favour of the citizen*" (emphasis added)).

Prologis and the Airport are grateful for the opportunity to explain the Joint Application and its progress as well as to speak to the benefits of that scheme, but to seek to reduce the section 122(3) issues in this case to a simple comparison of benefits of the whole of the Application with the Joint Application would be to tempt the ExP into legal error.

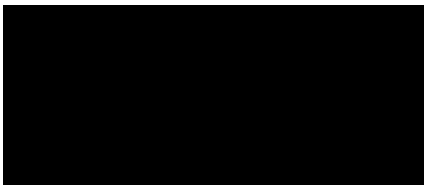
Prologis and the Airport have commented on the inadequacy of the environmental assessment of the socio/ economic and land use impacts of the consequences of granting the DCO (and thereby sterilising the Joint Application and removing its benefits). This is the proper forum in which to understand the impacts of the Application. It is its *net* benefits that are of import.

We write to give the ExP advance notice of our concerns in the spirit of being transparent and with the aim of assisting the efficient and effective examination of the application (including informing the drafting of the detailed agendas).

As such we wish to make it clear that if the formulation of the content of the requested presentation is to be understood as an indication that the ExP are minded to say if the benefits of the whole of the Application are greater than the benefits of the Joint Application there would be a compelling case in the public interest, that would reflect an error in approach.

We look forward to taking the opportunity to give a presentation. It will be focused on the Joint Application's progress, contents and the benefits of that scheme. We will also, separately, be speaking to the impacts of compulsory acquisition on our respective landholdings and the Applicant's case for compulsory acquisition. We reserve the right to speak to other agenda items as necessary.

Kind regards



Senior Vice President, Regional Head
Prologis UK

Strategic Planning Director
Manchester Airports Group

Appendix 2 – Summary of Prologis' Deadline 3 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 3 SUBMISSION

ON BEHALF OF

PROLOGIS UK LIMITED AND PROLOGIS UK 121 LIMITED

1 Introduction

1.1 Prologis reiterates that the DCO Application proceeded to examination with significant evidence central to the case for compulsory acquisition outstanding; the belated provision of viability, transport and socio-economic material at Deadline 1 does not cure the procedural disadvantage that Prologis has suffered in preparing its case.

1.2 Three overarching points are emphasised: first, the issues addressed go to the heart of the case for compulsory acquisition and cannot be deferred to a later stage; second, each topic goes directly to whether the Applicant has demonstrated a "compelling case in the public interest" under section 122(3) PA 2008, a test qualitatively different from a bare planning balance; and third, this is a paradigm "private to private" acquisition calling for the "stricter approach" confirmed by the Supreme Court in Sainsbury's.

2 Viability – this section draws on the analysis of the DWD Report available at Annex A of the Deadline 3 Submission

2.1 Viability is highly material to the section 122(3) PA 2008 test. The Applicant itself has acknowledged that viability is "an extremely important issue" for the EMG2 DCO application. It is central both to whether SEGRO can demonstrate the public interest benefit required to outweigh the loss of Prologis' property rights, and to the consideration of alternatives, since SEGRO relies on viability to rule out independent development of the Southern Land. This is not a dispute about compensation; it is a conceptually distinct and prior issue of viability squarely for the ExP and the Secretary of State.

2.2 The Viability Appraisal records a profit on cost of only 15.91% - a mere 0.91 percentage points above the 15% hurdle rate which the Applicant itself identifies as the minimum acceptable return. The DCO Scheme is therefore only marginally viable on the Applicant's own figures, before any of the deficiencies identified in the DWD Report are factored in. No sensitivity analysis has been provided, in breach of mandatory RICS Professional Standards, meaning there is no means of assessing how robust even that marginal figure is. The Applicant has also failed to disclose its underlying cashflows or electronic appraisal models despite repeated requests, further limiting the weight that can be afforded to the Viability Appraisal.

2.3 The Viability Appraisal assumes both the Aldridge Land and the Prologis/MAG Land would be released at £225,000 per acre - a figure derived from the SEGRO/Aldridge Promotion and Option Agreement, not from market evidence. There is no basis for assuming Prologis/MAG, whose land is not landlocked, abuts an adopted highway, and is subject to the Joint Application, would accept the same price as landlocked land without planning permission. The DWD Report demonstrates that the market value of the Prologis/MAG Land is likely to be significantly higher: Mr Roberts' indicative appraisal generates a residual land value of approximately £306,000 per acre at the 15% hurdle rate, with market evidence suggesting the true figure would be higher still. If the Upper Tribunal determines compensation at or near that level, the DCO Scheme would fall well below the 15% hurdle rate, rendering it unviable and undeliverable.

2.4 The "Aldridge Land only" appraisal (Appendix H) is fundamentally flawed. It includes £10.5 million of DCO costs that would never be incurred under a TCPA 1990 route; it assigns spine road costs that Prologis would deliver as part of the Joint Application; it derives site costs by crudely stripping elements from the whole DCO Scheme rather than undertaking a ground-up assessment; and it adopts a land value of £225,000 per acre which its own appraisal demonstrates is unsupportable (generating only a 3.62% profit). Once these errors are corrected, the residual land value for the Aldridge Land is approximately £17 million (circa £116,000 per acre), confirming the Southern Land is capable of viable independent development. SEGRO's inability to achieve this is a consequence of its own contractual commitment to overpay for the Aldridge Land - a problem of its own making, not a public interest justification for compulsory acquisition.

2.5 By contrast, the Joint Application is manifestly viable on the Applicant's own inputs. Mr Roberts' indicative appraisal, adopting the methodology and assumptions in the Viability Appraisal save for unit-specific rents and yields, generates a residual land value of £31,250,000 at a 15% profit on cost - materially exceeding the £22,902,329 assumed in the Viability Appraisal. If that lower land value is applied, the Joint Application's profit would, on the balance of probabilities, significantly exceed both the 15% hurdle rate and the 15.91% calculated for the DCO Scheme, confirmed by sensitivity analyses across a range of inputs.

2.6 The new viability evidence accordingly does not advance the Applicant's case for compulsory acquisition; it undermines it. The DCO Scheme's benefits are not demonstrably deliverable, whilst the Joint Application (which Prologis can deliver without compulsory acquisition) is plainly viable and substantially more so than the DCO Scheme.

3 Traffic and Transport

3.1 The Applicant maintains that the scale of mitigation proposed at M1 Junction 24 is necessary and relies on its consistency with the wider strategic programme being progressed by the East Midlands Growth Point developer consortium. Prologis does not take issue with that broad consistency; however, the mitigation package proposed in connection with the Joint Application – focused on improvements at Finger Farm roundabout and provision for dualling on the A453 – is itself consistent with that wider programme and represents an equally valid alternative contribution.

3.2 The Applicant's own acknowledgement that the proposed highway works would be required to allow for growth within the area "whether that included EMG2 or not" demonstrates that they are not solely a function of mitigating EMG2 impacts and cannot properly be characterised as benefits attributable to the DCO Scheme. They fall to be assessed as benefits of a wider strategic regional programme.

3.3 The assessment of the MCO and DCO traffic impacts remains interlinked. Further explanation is required from the Applicant as to how the discrete traffic effects of the MCO Application have been assessed independently.

3.4 There is a clear gap in the assessment of cumulative construction-phase transport effects: the Transport Assessment does not appear to have assessed the combined impacts of on-site construction traffic and off-site highway works at Junction 24, notwithstanding that both are assumed to be progressed concurrently.

4 Socio-economic Issues – this section draws on the analysis of the Spawforths note available at Annex B of the Deadline 3 Submission

4.1 The overarching question is not whether the DCO Scheme delivers greater socio-economic benefits than the Joint Application, but whether those benefits demonstrated only to be achievable through compulsory acquisition are so compelling as to justify the interference with Prologis' property rights.

4.2 SEGRO's Comparison of Benefits at Annex 5 of Appendix 6 of DCO 7.2 Responses to Relevant Representations suffers from a central, structural deficiency: it proceeds as if the relevant question were simply whether the DCO Scheme delivers greater benefits than the Joint Application, and nowhere engages with the additive/attributable distinction fundamental to the section 122(3) PA 2008 test.

4.3 The absolute floorspace, jobs and GVA figures relied upon by the Applicant are misleading, as they assume a binary counterfactual in which no development comes forward absent the DCO. The realistic counterfactual is the Joint Application being delivered on the Prologis/MAG Land alongside a TCPA 1990 application on the Southern Land.

4.4 The Annex 5 Comparison fails to provide the underlying methodology or assumptions necessary to verify the economic benefit claims - including the additionality assessment, leakage and multiplier assumptions, supporting calculations for construction and operational

employment, and the phasing and delivery timeline for the approximately 3,700 on-site operational jobs. Without that information, the ExP is invited to treat the Applicant's economic benefit figures with considerable caution.

4.5 The claimed social benefits – including the Skills, Employment and Supply Chain Task Force, cycle and pedestrian connectivity, and the Community Park – are not unique to the DCO route. In particular, the Prologis Training Hub offers a more direct, tangible and deliverable benefit, and the Community Park cannot justify the compulsory acquisition of additional land where relevant landscape functions can be performed on a smaller footprint.

4.6 The Applicant's "Additional Benefits" – highway mitigation, HGV parking, drainage, and integrated power provision – are each either equally deliverable through the Joint Application or are at best minor and peripheral.

4.7 The Applicant has not assessed the public interest harm of frustrating the Joint Application: its analysis proceeds as if the only consequence of granting compulsory acquisition powers is private loss to Prologis. The new socio-economic evidence accordingly fails to discharge the evidential burden under section 122(3) PA 2008.

DLA Piper UK LLP

28 April 2026