

ENERGY EFFICIENCY SUSTAINABILITY TOUR:

Overall Energy Performance

We reduced energy consumption by 1.8% across the whole portfolio in 2019.

1. EFFICIENT LIGHTING

We completed lighting retrofits, both interior and exterior, across 5 million square feet, or 43% of our portfolio in 2019. This will result in an over 1.2 MWh reduction in energy consumption.

2. SOLAR

Our total installed solar portfolio is 4.3 MW across seven sites, and their production in 2019 was over 6,000 MWh, which represents 2.2% of our overall energy consumption.

3. WINDOW FILM

We piloted an innovative spray window film in 2018 through the Kilroy Innovation Lab, and then scaled that in 2019 to a full-building installation. That installation is estimated to save over 140,700 kwh annually with a payback of less than 3 years. The installation is innovative because, unlike traditional window films, it is invisible when applied and therefore does not impact building aesthetics.

4. BATTERY STORAGE

Our 9 battery storage projects, which total 4.3 MW in capacity, were completed in 2019.



5. RETROCOMMISSIONING AND AUDITING

We completed 5 retrocommissioning and ASHRAE Level II projects across approximate 600,000 square feet of space in 2019.

6. HVAC

We completed major HVAC projects in 4.3 million square feet of our portfolio and minor projects in every building we manage directly. Projects included installations of VFDs, sealing ductwork, equipment replacement, and pneumatic to DDC upgrades. Total savings are conservatively estimated to be approximately 475,000 kwh.

7. ALL ELECTRIC

17% of our portfolio is entirely all-electric. In line with the California Public Utilities Commission, we believe that reducing our buildings' dependence on natural gas is a key part of our strategy to reduce the carbon footprint of our portfolio because natural gas is a carbon intensive fuel source.

8. EV CHARGING

- 58,750 gallons of gasoline saved (2018: 46,136 gallons saved).
- 196.6 tonnes GHG savings (2018: 154.4 tonnes).
- 8,328 unique drivers (2018: 2,697 unique drivers).
- EV Charging stations installed at every new development project.

9. WHITE ROOF

- 84% of our portfolio has white roofs to reduce cooling loads.

KILROY INNOVATION LAB

One of the major drivers of our continued sustainability performance is our willingness to embrace emerging technologies that improve the environmental performance of our existing and new assets. Piloting new technologies gives us access to capital through utility incentive programs, helps us mitigate technology risk by helping us discover new technologies that can assist with the transition to a lower-carbon economy, and improves our brand. We launched the Kilroy Innovation Lab three years ago to formalize the process for implementing sustainability pilots to provide credibility for successful technologies. Our areas of focus are energy, water, waste, health, biodiversity, financial structures, sustainability reporting and supply chain management. The Lab provides a built-in Measurement & Verification platform, powered by Gridium, for us to evaluate the success of pilots, and the Los Angeles Cleantech Incubator, the US Green Building Council Los Angeles (USGBC-LA) Net Zero Accelerator and Build Edison are our technology partners.

We have fully completed two Innovation Lab pilots. One was an innovative precooling HVAC product which saved approximately \$26,000 in its first year with a projected 1-year payback and one was a sophisticated energy analytics installation which reduced building energy consumption over 5% in its first year. We are considering scaling both projects further. The 2019 installed Innovation Lab pilots included a spray-on window film and a plug load management project, and we began investigating an additional HVAC precooling technology for a 2020 deployment.

The Innovation Lab has received very positive media coverage, including a feature in [REIT magazine's 2019 July/August issue](#), which stated, "Kilroy's innovation lab has helped to raise the profile of its sustainability efforts among important stakeholders, including tenants, investors, and employees."

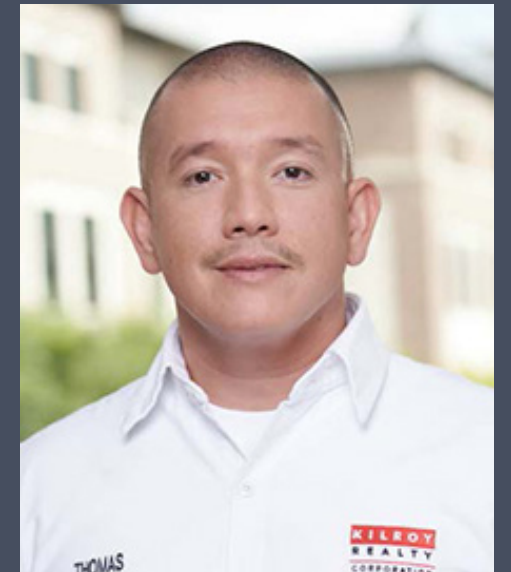


2019 INNOVATION LAB PLUG LOAD PROJECT WITH KEEWI, INC

ENERGY SPOTLIGHT

THOMAS DUNN

Thomas Dunn, one of our chief engineers in our San Diego portfolio, took on a record 13 lighting projects in 2019, including two large garages and stairwells in 11 additional buildings. These projects are estimated to save over 300,000 kwh and \$72,500 annually. Thomas was successful in accomplishing these projects through proactive lighting audits and leveraging past experience to execute the projects quickly with minimum tenant disruption.



KILROY CENTER DEL MAR - DEL MAR, SAN DIEGO, CA

2019 ENERGY PERFORMANCE

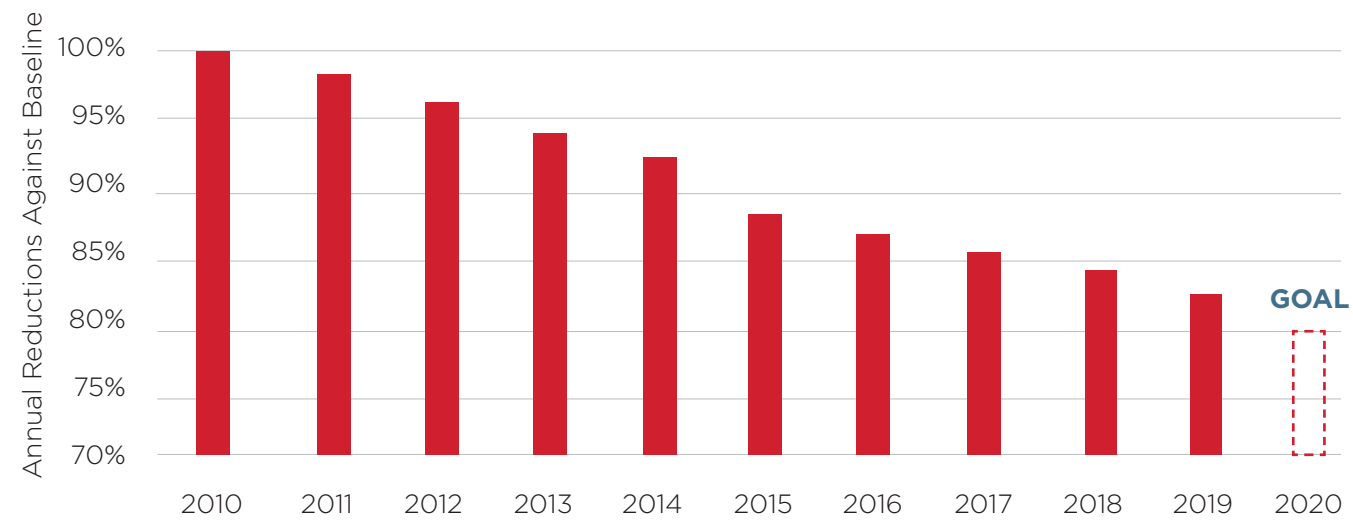
1.8% ↓ LIKE FOR LIKE ENERGY REDUCTION FROM 2018

277,177 MWH
2019 ABSOLUTE CONSUMPTION

2.2% ↓ FROM RENEWABLE RESOURCES

310,592 MWH
2018 ABSOLUTE CONSUMPTION

NORMALIZED ENERGY CONSUMPTION AGAINST 2010 BASELINE*

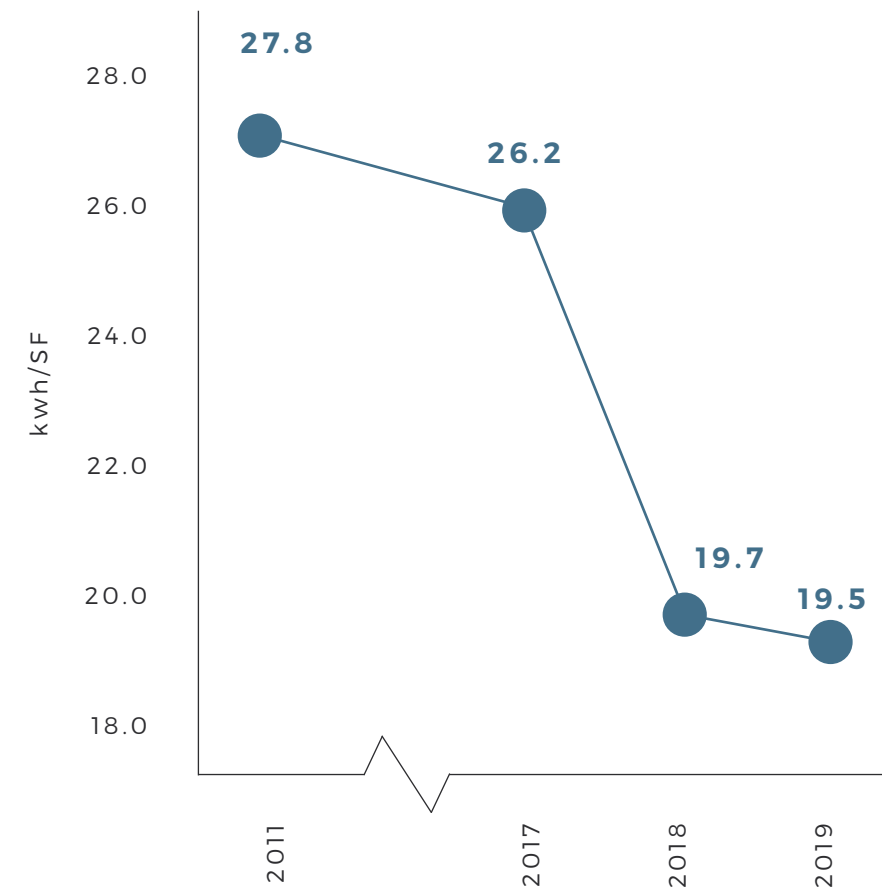


*Energy usage is calculated on a like-for-like basis each year. Buildings are excluded from the like for like portfolio if they were bought or sold within the current or previous reporting period, or stabilized in the reporting period.

19.5 kWh/SF
2019 ENERGY INTENSITY

30% ↓ REDUCTION IN ENERGY INTENSITY SINCE 2011

ENERGY INTENSITY REDUCTION*



*Intensity figures are calculated based on LFL performance and square footage as reported in our sustainability disclosures in the reporting year, except for where data has been restated

For full carbon data, please see page 147