

2020 SUPPLIER EXCELLENCE SURVEY RESULTS

Introduction

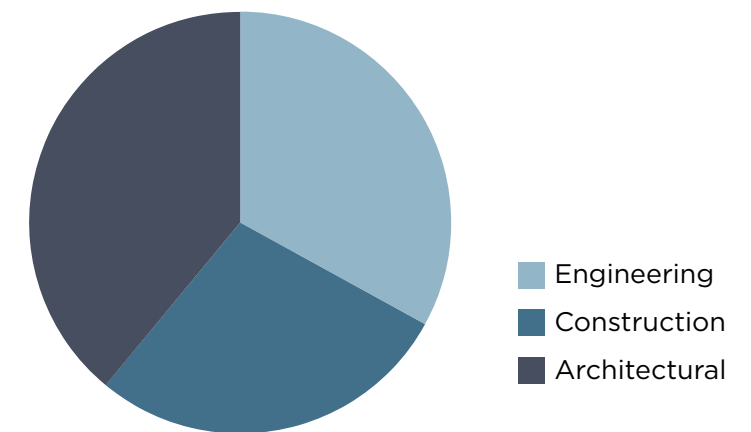
At Kilroy Realty Corporation, we recognize that much of the environmental footprint of our operations lies in our supply chain. This spans all of the services and products we procure to construct and operate our buildings and the services and products that those suppliers in turn procure. This report is our second annual report providing us insight into environmental, social and governance (ESG) impacts in our supply chain.

Last year, we surveyed our Critical Tier 1 operational suppliers, those for whom a disruption would immediately impact our day-to-day operations. We determined that our Engineering, Janitorial, Security, Landscaping and Parking suppliers fall into this Critical Tier 1 category. We sent our Supplier Survey to all critical Tier 1 suppliers in 2019 and analyzed and published the results, the first time a North American REIT had done so.

This year, we expanded this work into our development activities. We identified our Critical Tier 1 development suppliers as our Architects, Engineers and General Contractors. We then surveyed these suppliers on their ESG practices, and those results are contained in this report. Each critical Tier 1 supplier has been given a personalized report of these results with specific recommendations for improvement, and in this way we hope to influence environmental and social outcomes in our supply

2020 Supplier Excellence Survey Respondents

Total Critical Tier 1 suppliers: 18
Response rate: 78%

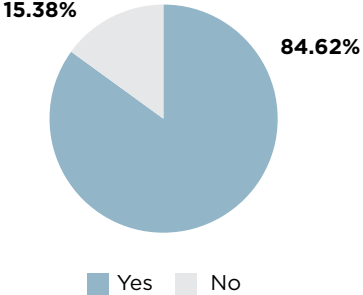


chain. By surveying our suppliers and providing them feedback for improvement, we hope to influence environmental and social outcomes in our supply chain.

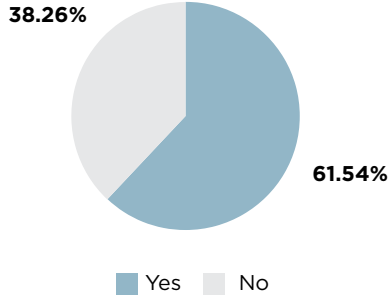
These results, in contrast with our 2019 results, indicate that our development suppliers have made more progress on achieving environmental than social goals. Helping suppliers improve both social and environmental performance will be a priority in 2021. We look forward to expanding this important work in 2021 and beyond.

Environmental Sustainability

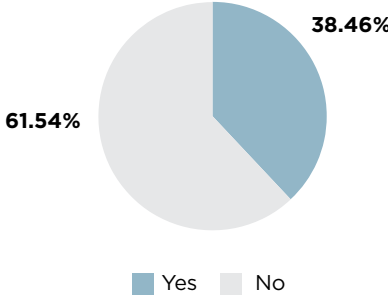
Does your company have an Environmental Sustainability program?



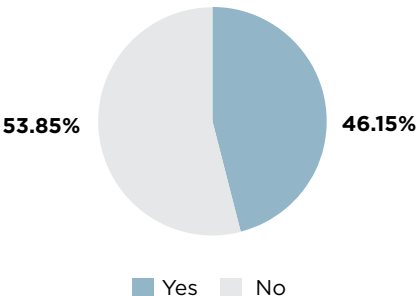
Does your company monitor greenhouse gas emissions?



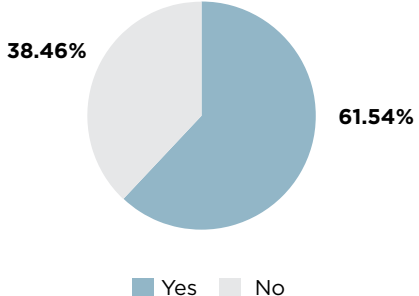
Does your company monitor water usage?



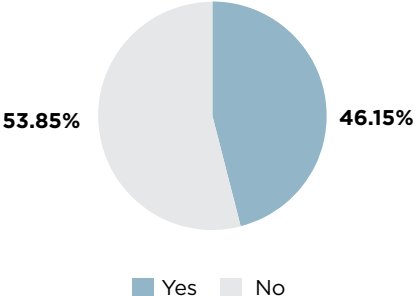
Does your company monitor renewable energy usage?



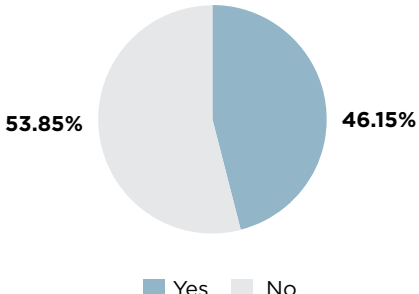
Does your company have environmental targets or working on developing targets for workspaces and/or properties leased by your company?



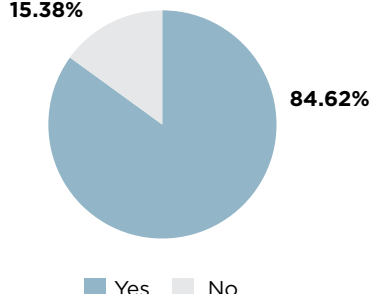
Has your company set energy reduction targets?



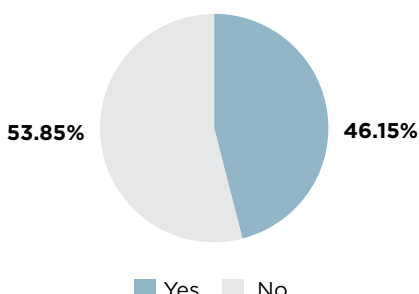
Does your company monitor waste and where it goes?



Does your company monitor energy usage?

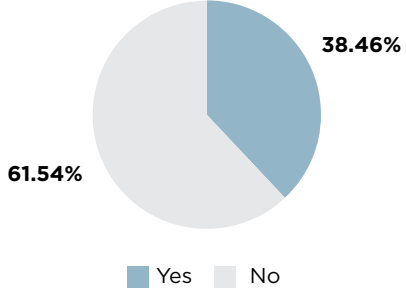


Has your company set renewable energy targets?

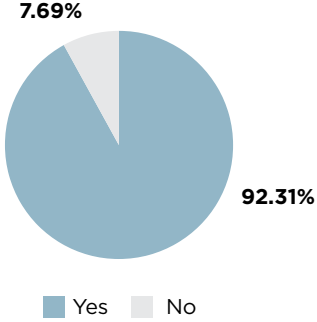


Environmental Sustainability, continued

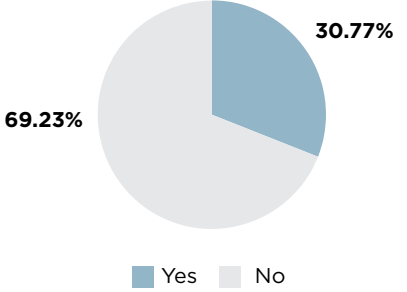
Has your company set targets around reducing landfill waste?



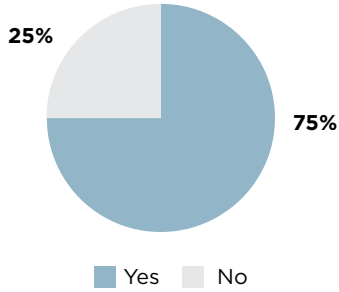
Does your company provide products or service offerings with sustainability certifications or credentials?



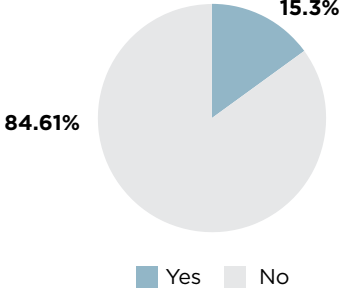
Does your company have an Environmental Management System?



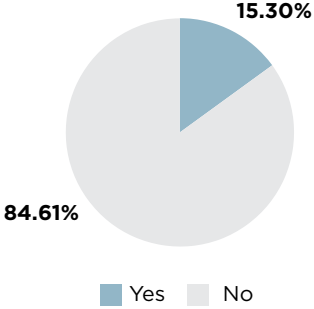
Is your company's EMS registered/accredited to a system standard such as ISO 14001?



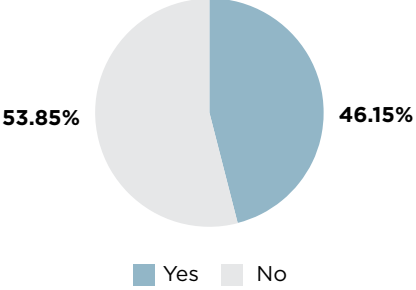
Does your company monitor compliance with local environmental regulations?



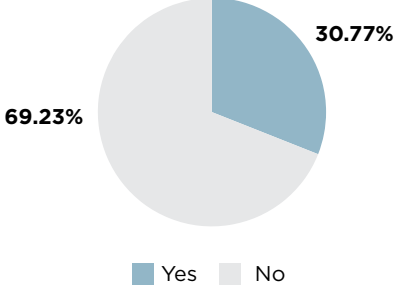
Does the Environmental Management System monitor compliance to local environmental regulations?



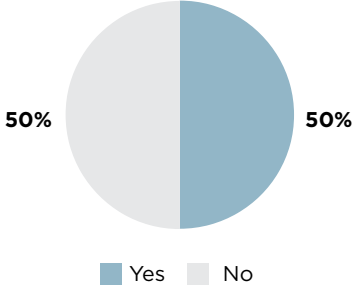
Has your company set greenhouse gas emissions targets?



Has your company set water reduction targets?

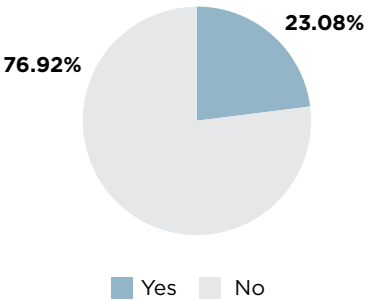


Does your company conduct environmental risk assessments?

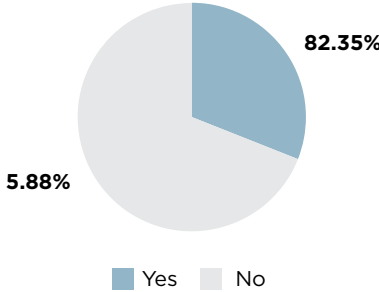


Corporate Responsibility, Ethics, and Human Rights

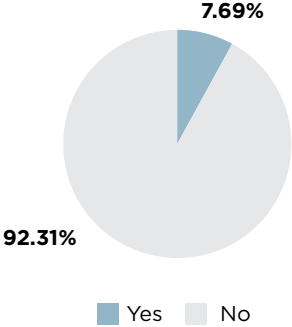
Does your company publish an Environmental Social Governance (ESG) Report and/or have ESG information available online?



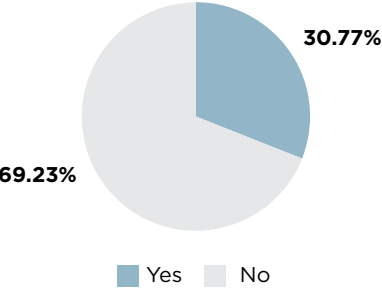
Does your company request your suppliers to support the respect of human rights as defined by the United Nations Universal Declaration of Human Rights?



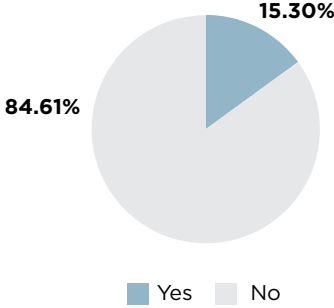
Has your company been names in a lawsuit for ethics or human rights violations within the last 12 months?



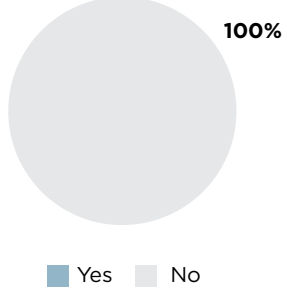
Does your company have a Responsible Sourcing Program or is it working on developing one?



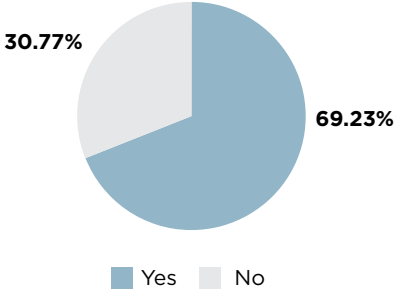
What is your company's % of suppliers that publicly support respecting human rights as defined by the United Nations Universal Declaration of Human Rights?



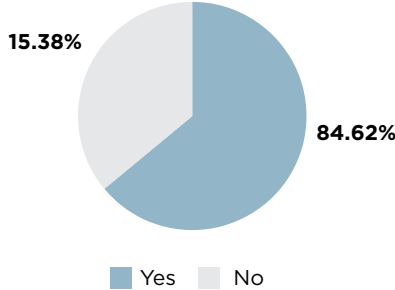
Has your company received any violations or fines for failure to comply with applicable federal, state and local environmental laws within the past 12 months?



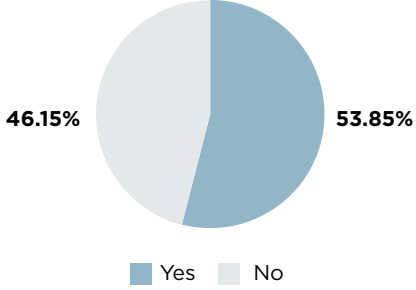
Has your company read and adopted Kilroy's Vendor Code of Conduct?



Does your company publicly support respecting human rights as defined by the United Nations Universal Declaration of Human Rights?

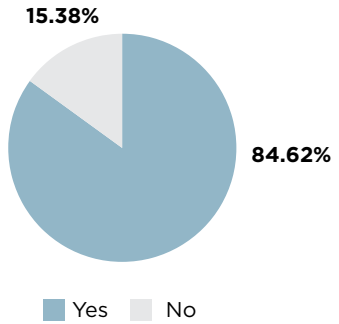


Does your company have a publicly stated Business Ethics and Code of Conduct?

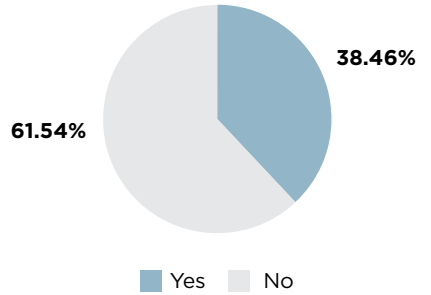


Quality Management

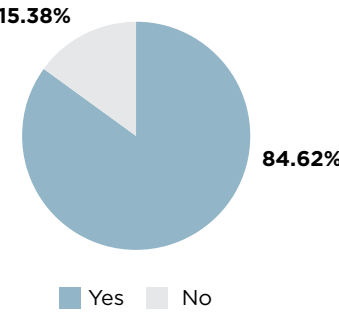
Does your company have a Quality Management System (QMS)?



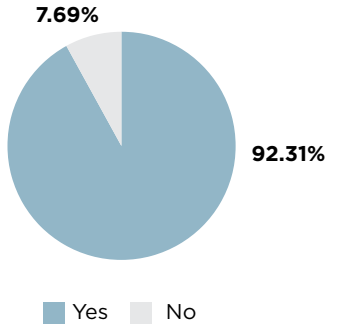
If your company has a QMS, is it registered/ accredited to a quality system standard such as ISO 9001?



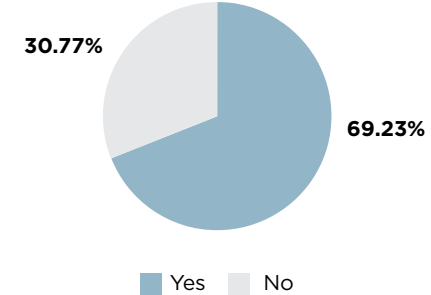
Does your company have quality assurance and quality control?



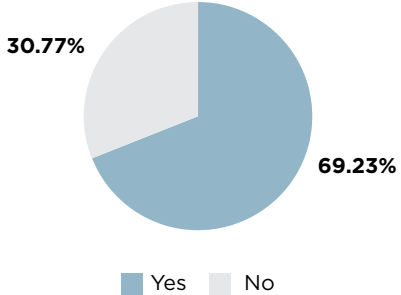
Does your company have employee training to the commitment and quality assurance processes?



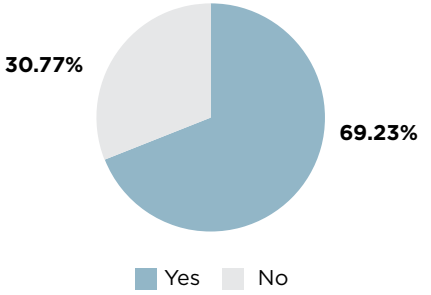
Does your company have performance monitoring?



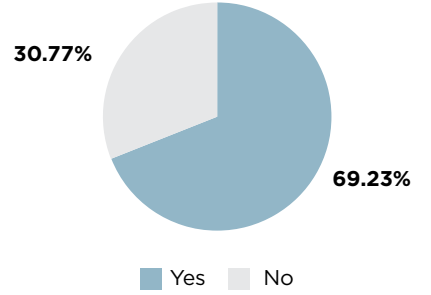
Does your company maintain accurate and complete records of all documentation essential to Kilroy business practices?



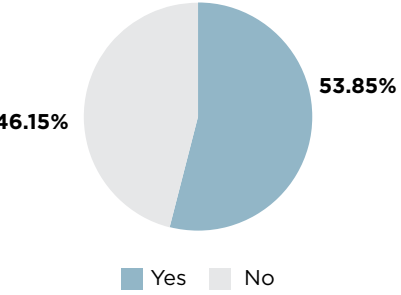
Does your company have QA/QC validation and verification?



Does your company have a documented quality policy?

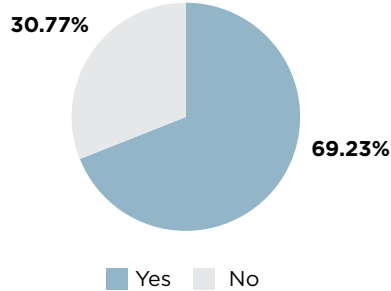


Does your company retain master copies on file as a quality record?

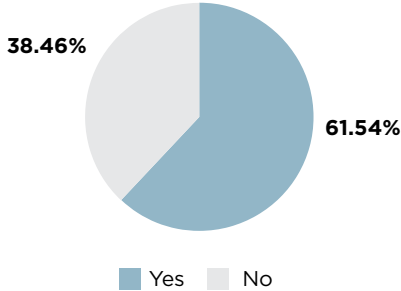


Quality Management, continued

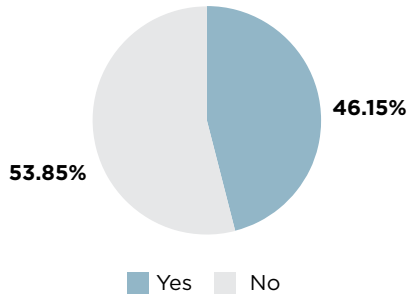
In the past year has your company had quality issues?



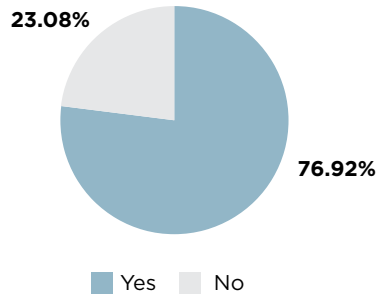
Does your company have a grievance mechanism to allow stakeholders to communicate issues with the company?



In the past year has your company had products or services disruptions?

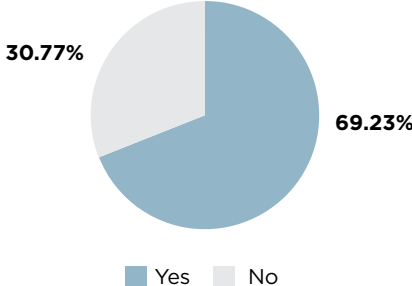


Does your company evaluate/measure customer satisfaction?

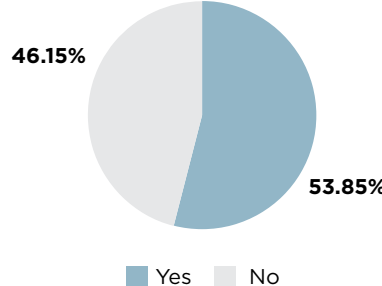


Purchasing Program

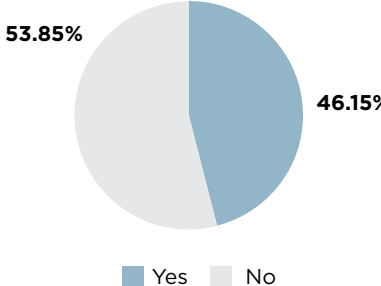
Does your company have a list of approved suppliers and/or contractors?



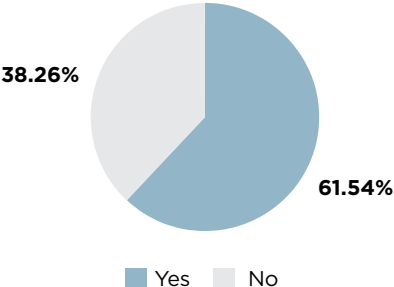
Does your company have a corrective action in place for your suppliers and/or contractors?



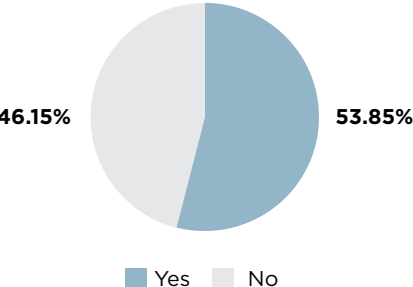
Does your company have a formal/auditable process to review and approve purchasing documents for accuracy and correct specifications before release?



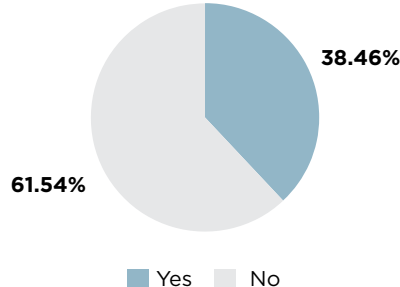
Does your company have formal/auditable processes for handling, storing, packaging, delivery and disposal of materials?



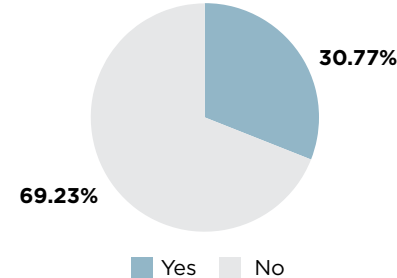
Does your company have a document retention schedule?



Does your company have a formal/auditable process for supplier and/or contractors approvals?



Does your company have a supply chain risk management plan?



Recommendations

We are constantly trying to improve our environmental and social programs based on feedback from investors, tenants, industry groups, nonprofits and more. We believe this feedback is essential for us to improve our environmental and social performance.

Based on your responses to our survey and the overall responses we received, we would like to make a high level recommendation on an initiative your company could undertake to improve its sustainability performance. This is a recommendation only.

Thank you for your participation in our first Supplier Excellence Survey!

K I L R O Y