

WHERE INNOVATION WORKS

2021 SUPPLIER EXCELLENCE SURVEY RESULTS

KILROY

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 third annual report providing us insight into environmental, social and governance (ESG) impacts in our supply chain.

In 2019 we surveyed our Critical Tier 1 operational suppliers those for whom a disruption would immediately impact our day-to-day operations. This category consisted of our Engineering, Janitorial, Security, Landscaping and Parking suppliers.

Last year, we surveyed our Critical Tier 1 development suppliers, those for whom a disruption would immediately impact our new development operations. We determined that our Architectural, General Contractors and Engineering suppliers fall into this Critical Tier 1 category. We sent our Supplier Survey to all Critical Tier 1 development suppliers in 2020 and analyzed and published the results, the first time a North America REIT had done so.

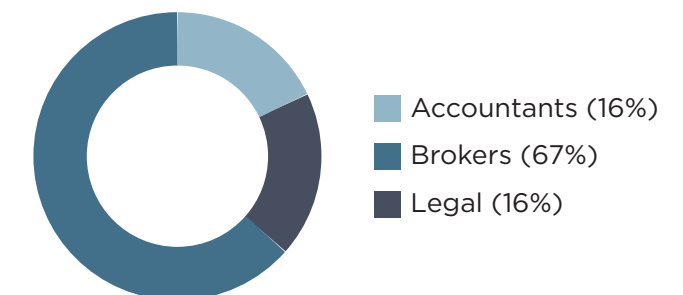
This year, we expanded this work into our transactional activities. We identified our Critical Tier 1 transactional suppliers as our Accountants, Brokers and Legal teams. We then surveyed these suppliers on their ESG practices, and those results are contained in this report. Each critical Tier 1 supplier 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 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 2020 and 2019 results, indicate that our transactional suppliers have made more progress on achieving environmental than social goals. Helping suppliers improve both social and environmental performance will be a priority in 2022.

We look forward to expanding this important work in 2022 and beyond.

2021 Supplier Excellence Survey Respondents

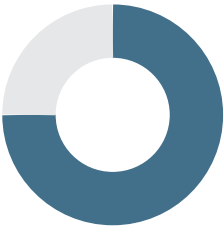
Total Transactional Suppliers: 14
Response rate: 86%



Corporate Responsibility, Ethics & Human Rights

66.67%

of Kilroy’s vendors publish an Environmental Social Governance (ESG) Report



■ Yes ■ No

Does you company **publicly support respecting human rights** as defined by the United Nations Declaration of Human rights?

75% does



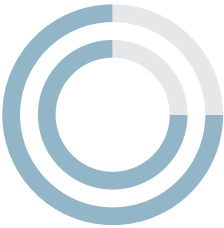
■ Yes ■ No

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

66.67% does

75%

of Kilroy’s vendors has a grievance mechanism to allow stakeholders to communicate issues with the company



■ Yes ■ No

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

75% has



■ Yes ■ No

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

75% does

and 100% of them comply with all applicable federal, state and local laws and regulations

41.67%

of Kilroy’s vendors has a Responsible Sourcing Program or is working on developing one



■ Yes ■ No

Do you **track the demographics** of your suppliers?

33.33% does

Only **ONE** vendor has been named in a lawsuit for ethics or human rights violations within the last 12 months.

Quality Management

50% of Kilroy's vendors has a Quality Management System (QMS)



■ Yes ■ No

Does your company have **QA/QC validation and verification?**

41.67% does



■ Yes ■ No

Does you company **evaluate/measure customer satisfaction?**

75% does

Environmental Sustainability

66.67% of Kilroy's vendors has an Environmental Sustainability program



■ Yes ■ No

Does your company have an **Environmental Management System?**

41.67% does



■ Yes ■ No

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?

8.33% has



■ Yes ■ No

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

50% does

Supply Chain Risk Management

50%

of Kilroy vendors have a supply chain risk management plan

75%

of Kilroy vendors have a list of approved suppliers and/or contractors

25%

of Kilroy vendors a corrective action process in place for their suppliers and/or contractors



■ Yes ■ No

Do you have a formal/auditable process for supplier and/or contractor approvals that provide materials within your own offices?

66.67% does



■ Yes ■ No

Do you have a formal/auditable process for handling, storing, packaging, delivery and disposal of materials?

25% does



■ Yes ■ No

Do you have a formal/auditable process to review and approve purchasing documents for accuracy and correct specifications before release?

66.67% does

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