

A photograph of a modern building with a glass facade and a courtyard. In the foreground, there is a large, abstract sculpture made of dark, reflective material. The building has a glass facade with a wooden slat screen on the upper levels. The courtyard is filled with green plants and a large, abstract sculpture. The sky is blue with some clouds. The text "2021 Sustainability Report" is overlaid on the bottom left of the image.

2021 Sustainability Report

KILROY



ACHIEVED CARBON NEUTRAL OPERATIONS

2020-2021

ENERGY STAR

Partner of the Year 2014-2021
Sustained Excellence 2016-2021

GRESB

#1 in the Americas, Listed 2021
Global Sector Leader, Listed Office Development 2020-2021
5-Star Rating 2015-2021

NAREIT

Leader in the Light Award, Office Sector 2014-2021
Most Innovative 2018, 2020

DOW JONES SUSTAINABILITY WORLD INDEX

Member 2017-2021

GREEN LEASE LEADER

Leader 2014-2021
Gold Level 2018-2021

BLOOMBERG GENDER EQUALITY INDEX

Member 2020-2022

S&P SUSTAINABILITY YEARBOOK

Member 2018-2022

NEWSWEEK

America's Most Responsible Companies 2020-2022

BEST IN BUILDING HEALTH

Fitwel Excellence Award, Most Certifications of All-Time, 2019-2022

CALVERT RESEARCH & MANAGEMENT'S TOP 10 MOST SUSTAINABLE US REITS

#1 Most Sustainable REIT 2020-2022



U.S. EPA GREEN POWER PARTNERSHIP

In 2021, Kilroy proudly joined the U.S. EPA's Green Power Partnership and concurrently debuted on the National Top 100 List of the largest green power users from the GPP (Kilroy ranked at No. 77 as of 12/31/21). In 2020, Kilroy used nearly 177 million kilowatt-hours (kWh) of green power annually, which represented 69 percent of its operations' total power needs. Kilroy's choice to use green power helps advance the voluntary market for green power, as well as accelerate the development of renewable energy sources.

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This Sustainability Report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements are based on our current expectations, beliefs and assumptions, and are not guarantees of future performance. Forward-looking statements are generally identified through the inclusion of words such as “believe,” “expect,” “goals” and “target” or similar statements or variations of such terms and other similar expressions. Numerous factors could cause actual future performance, results and events to differ materially from those indicated in the forward-looking statements, including, among others: global market and general economic conditions and their effect on our liquidity and financial condition and those of our tenants; adverse economic or real estate conditions generally, and specifically, in the States of California, Texas and Washington; risks associated with our investment in real estate assets, which are illiquid, and with trends in the real estate industry; defaults on or non-renewal of leases by tenants; any significant downturn in tenants’ businesses; our ability to re-lease property at or above current market rates; costs to comply with government regulations, including environmental remediation; the availability of cash for distribution and debt service and exposure to risk of default under debt obligations; increases in interest rates and our ability to manage interest rate exposure; the availability of financing on attractive terms or at all, which may adversely impact our future interest expense and our ability to pursue development, redevelopment and acquisition opportunities and refinance existing debt; a decline in real estate asset valuations, which may limit our ability to dispose of assets at attractive prices or obtain or maintain debt financing, and which may result in write-offs or impairment charges; significant competition, which may decrease the occupancy and rental rates of properties; potential losses that may not be covered by insurance; the ability to successfully complete acquisitions and dispositions on announced terms; the ability to successfully operate acquired, developed and redeveloped properties; the ability to successfully complete development and redevelopment projects on schedule and within budgeted amounts; delays or refusals in obtaining all necessary zoning, land use and other required entitlements, governmental permits and authorizations for our development and redevelopment properties; increases in anticipated capital expenditures, tenant improvement and/or leasing costs; defaults on leases for land on which some of our properties are located; adverse changes to, or enactment or implementations of, tax laws or other applicable laws, regulations or legislation, as well as business and consumer reactions to such changes; risks associated with joint venture investments, including our lack of sole decision-making authority, our reliance on co-venturers’ financial condition and disputes between us and our co-venturers; environmental uncertainties and risks related to natural disasters; our ability to maintain our status as a REIT; and uncertainties regarding the impact of the COVID-19 pandemic, and restrictions intended to prevent its spread, on our business and the economy generally. These factors are not exhaustive and additional factors could adversely affect our business and financial performance. For a discussion of additional factors that could materially adversely affect our business and financial performance, see the factors included under the caption “Risk Factors” in our most recent annual report on Form 10-K and subsequent reports on Forms 10-Q and 8-K. All forward-looking statements are based on currently available information, and speak only as of the dates on which they are made. We assume no obligation to update any forward-looking statement that becomes untrue because of subsequent events, new information or otherwise, except to the extent we are required to do so in connection with our ongoing requirements under federal securities laws.

ON THE COVER: 333 Dexter - Seattle, WA // LEED Gold



FLOWER MART - SAN FRANCISCO, CA // TARGETING LEED PLATINUM

01 Introduction

- A Letter from our CEO
- Corporate Overview
- 2021 Key Performance Indicators
- Vision, Strategy, Program

A Letter from Our CEO

This year marks the 11th year of our annual sustainability report. It is remarkable to see how the importance of sustainability has increased to our stakeholders over the last decade. Sustainability, health, and wellness are integral to our tenants, employees, community leaders, investors, design and engineering firms, and partners.

Reflecting on 2021, as a company, country, and global community, we continued to face many uncertainties with the ongoing pandemic. We remain deeply grateful for healthcare heroes, front-line workers, and the scientific community. Additionally, I have the utmost appreciation for the creativity and resiliency of our employees and partners, who continue to make our work environments a great place for community and collaboration today and into the future.

We remain deeply committed to the health and safety of our tenants and employees. As part of this dedication, we achieved the WELL Health-Safety Rating for every directly managed asset this past year. The WELL Health-Safety Rating is a third-party assessment of the operational practices and building policies that have been put in place to help ensure the health of our building occupants. We proudly display the WELL Health-Safety seal on our rated properties to let building occupants and visitors know that we have implemented evidence-based strategies around operational policies, maintenance protocols, and emergency plans.

Furthermore, we are proud that we maintained our pledge to carbon-neutral operations for a second year. We accomplished this through an ongoing focus on energy efficiency at our properties, strategic deployment of on-site and off-site renewables, and the purchase of renewable energy certificates and carbon offsets which are retired on our behalf. The urgency to address climate change is greater than ever, and we remain focused on demonstrating leadership within our sector on the path toward decarbonization of the built environment.



Our efforts continue to earn us global recognition from leading organizations, including in 2021:

- Global Real Estate Sustainability Benchmark (GRESB), the industry's most rigorous standard for sustainability performance, named us the 1st Listed Leader in the Americas across all asset classes for the performance of our stabilized portfolio
- We joined the U.S. Environmental Protection Agency's Green Power Partnership and debuted on the National Top 100 List of the largest green power users
- We maintained our Dow Jones Sustainability World Index (DJSI) position. This global index benchmarks the sustainability performance of leading (best 10%) companies based on environmental, social, and economic performance
- National Association of Real Estate Investment Trust (NAREIT) awarded us its Leader in the Light award for the eighth consecutive year
- We won our seventh ENERGY STAR Partner of the Year Sustained Excellence award

We have made great strides in our journey to enhance our company's environmental performance and positive social contributions and we are committed to increasing the scope and ambition of our efforts. To spearhead our initiatives, I am pleased to welcome Sarah King to Kilroy as our new Senior Vice President, Sustainability. Sarah comes to Kilroy with a wealth of knowledge and experience, and I look forward to working closely with her as we advance our sustainability programs that are vital to our business.

The content of this report is a testament to the breadth and depth of our commitment to sustainability. It is truly a team effort worth celebrating.

John Kilroy

Chairman of the Board and Chief Executive Officer

Corporate Overview

Kilroy Realty Corporation (NYSE: KRC, the “company”, “Kilroy”) is a leading U.S. landlord and developer, with operations in San Diego, Greater Los Angeles, the San Francisco Bay Area, the Pacific Northwest and Austin, Texas. The company has earned global recognition for sustainability, building operations, innovation and design. As pioneers and innovators in the creation of a more sustainable real estate industry, the company’s approach to modern business environments helps drive creativity and productivity for some of the world’s leading technology, entertainment, life science and business services companies.

The company is a publicly traded real estate investment trust (“REIT”) and member of the S&P MidCap 400 Index with more than seven decades of experience developing, acquiring and managing office, life science and mixed-use projects.

As of December 31, 2021, Kilroy’s stabilized portfolio¹ totaled approximately 15.5 million square feet of primarily office and life science space that was 91.9% occupied and 93.9% leased. The company also had more than 1,000 residential units in Hollywood and San Diego, which had a quarterly average occupancy of 88.9%. In addition, the company had one 96,000 square foot in-process life science redevelopment project with total estimated redevelopment costs of \$40.0 million and five in-process development projects with an estimated total investment of \$2.2 billion, totaling approximately 2.6 million square feet of office and life science space. The in-process development and redevelopment office and life science space was 46% leased.

¹ Our stabilized portfolio includes all of our properties with the exception of development and redevelopment properties currently committed for construction, under construction, or in the tenant improvement phase, undeveloped land and real estate assets held for sale. We define redevelopment properties as those properties for which we expect to spend significant development and construction costs on the existing or acquired buildings pursuant to a formal plan, the intended result of which is a higher economic return on the property. We define properties in the tenant improvement phase as office and life science properties that we are developing or redeveloping where the project has reached cold shell condition and is ready for tenant improvements, which may require additional major base building construction before being placed in service.

PACIFIC NORTHWEST

±4M sq. ft.

SAN FRANCISCO BAY AREA

±10M sq. ft.

GREATER LOS ANGELES

±4M sq. ft.

SAN DIEGO

±4M sq. ft.

AUSTIN

±1M sq. ft.

NOTE: SQUARE FOOTAGES REFER TO Q4 2021 SUPPLEMENTAL DATA (STABILIZED OFFICE, IN-PROCESS DEVELOPMENT AND REDEVELOPMENT, AND FUTURE DEVELOPMENT PIPELINE).

2021 Key Performance Indicators

The data below shows our 2021 performance on key performance indicators, in absolute terms and compared with 2020. Both 2020 and 2021 saw reduced occupancy at many properties as a result of the COVID-19 pandemic. More detailed data and performance information can be found later in the report about our GHG Emissions (page 36), Energy (page 48), Water (page 56), and Waste (page 60).

EMISSIONS

Carbon Neutral Operations*

Year 2

100% of Scope 1 and 2 emissions offset through RECs and verified carbon offsets

Absolute Emissions	
Scope 1	3,710 Tonnes
Scope 2 (Location-based)	19,378 Tonnes
Scope 2 (Market-based)	0 Tonnes
Scope 3 (Downstream Leased Assets)	32,005 Tonnes
Total Emissions	55,093 Tonnes

ENERGY

8.3%

↑ Like For Like Energy Increase From 2020

Absolute Energy Consumption	
	266,330 MWh

WATER

2.3%

↓ Like For Like Water Reduction From 2020

Absolute Water Consumption	
	171,707 Kgals

WASTE

12.5%

↓ Diversion Rate Decrease From 2020

Waste Diversion	
Total Waste	5,947 Tonnes
Recycling	1,112 Tonnes
Compost	541 Tonnes

*See page 32 for more detail around our carbon neutral operations claim

LEED CERTIFICATIONS



FITWEL CERTIFICATIONS



ENERGY STAR CERTIFICATIONS

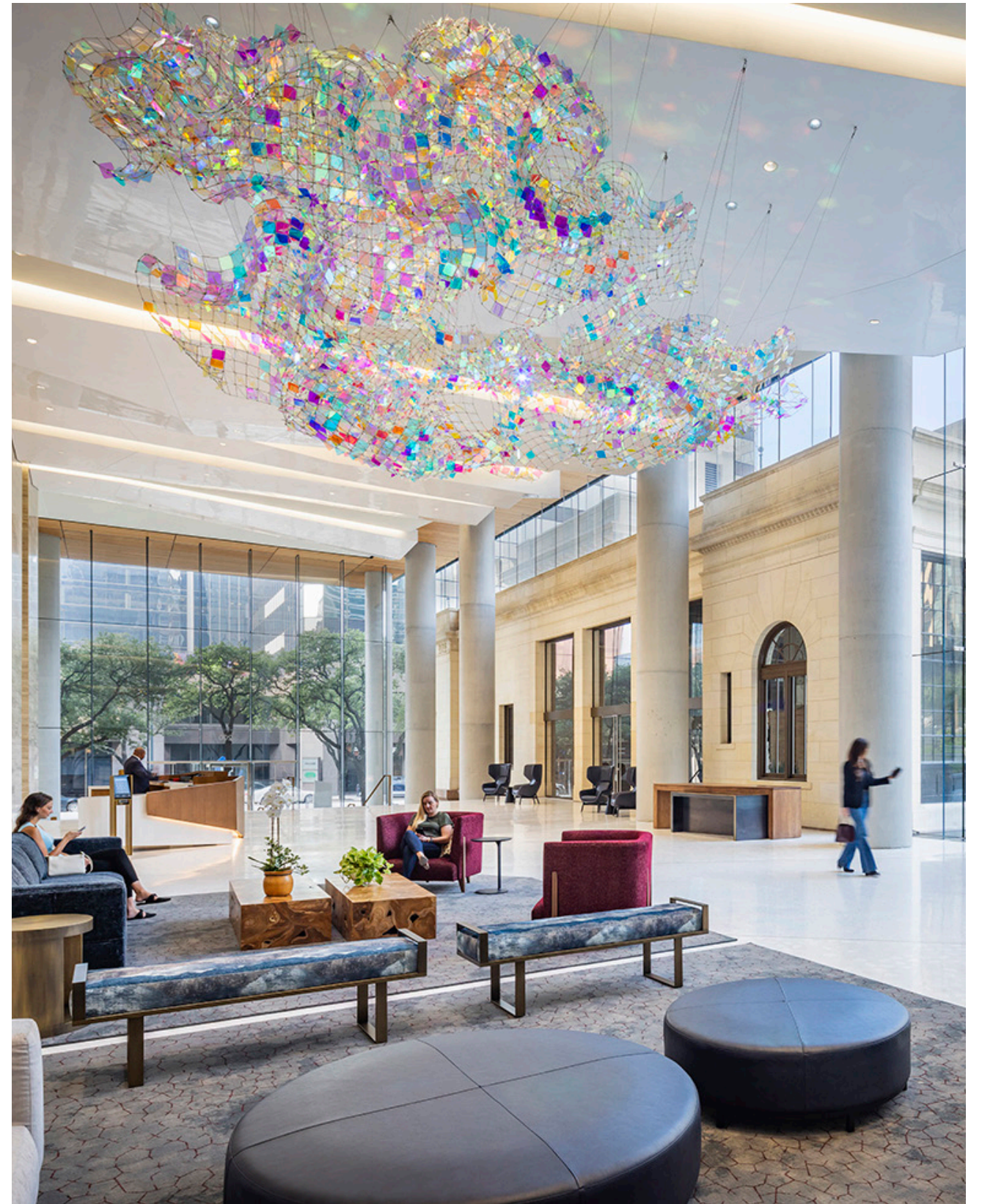


WELL HEALTH-SAFETY RATING



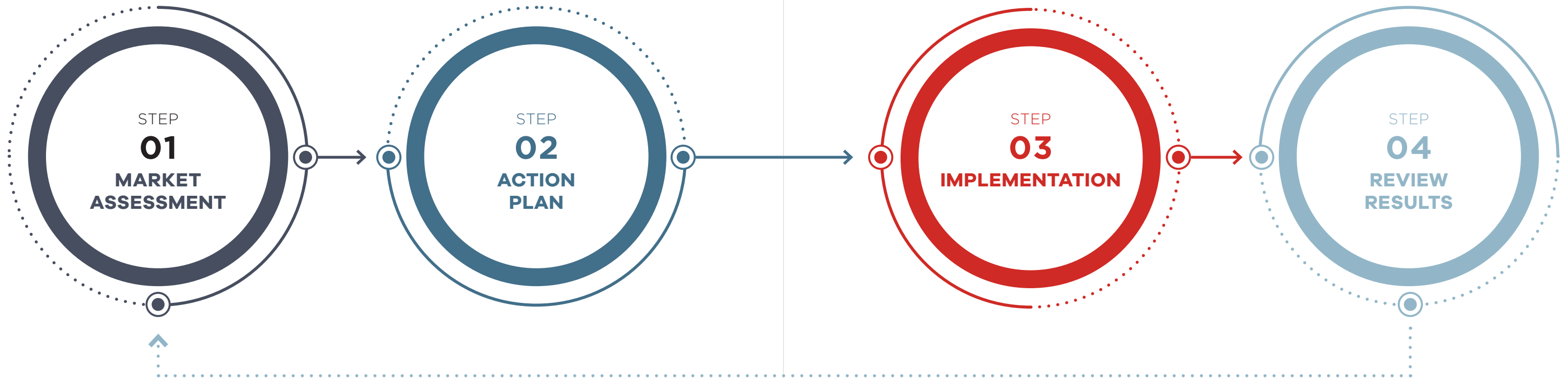
Vision, Strategy, Program

Our vision is a resilient portfolio that minimizes environmental and social impacts related to the development and operation of our buildings while maximizing the health and productivity of our tenants, employees, and communities as well as our financial returns.



INDEED TOWER - AUSTIN, TX // LEED PLATINUM, FITWEL

SUSTAINABILITY STRATEGY



Learn about ESG best practices and new opportunities

- Attend Educational Events
- Network with Peers
- Review Trade Publications
- Participate in Sustainability Committees
- Benchmark Portfolio and Development Operations

Determine which projects to pursue and gather resources for implementation

- Set Objectives
- Define Technical Solutions Both Small and Large Scale
- Analyze Environmental and Financial Benefits
- Update Policies in the Environmental Management System (aligned with the Plan-Do-Check-Act stages of the ISO14001 EMS standard)
- Create Budget
- Build Consensus with Internal and External Stakeholders

Implement projects

- Energy and Water Efficiency Investments
- Operational Improvements
- Electric Vehicle Charging Station Installations
- Obtain Environmental and Health Certifications
- Apply for Recognition
- Workforce Development Training

Analyze quantitative and qualitative results to inform further project phases and directions

- Annual Asset Management Sustainability Kickoff Meetings
- Measurement and Verification for Efficiency Projects, Troubleshoot Issues to Ensure Success
- Recover Costs through Green Leasing
- Benchmark Portfolio and Development Operation
- Reporting, Disclosure, and Communications

SUSTAINABILITY PROGRAMS

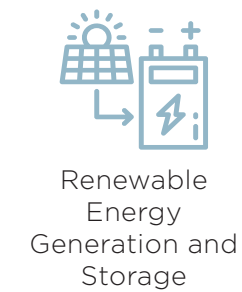
Our Sustainability Programs align with the [United Nations Sustainable Development Goals](#) (UN SDGs). The UN created the SDGs to serve as the blueprint to achieve a better and more sustainable future for all. They address the global challenges we face, including poverty, inequality, climate change, environmental degradation, peace, and justice.



Environmental

Vision: Aggressively minimizing our environmental footprint

Programs:



Social

Vision: Promote the wellness of our employees, tenants, partners, and communities

Programs:



Governance

Vision: Maintain best-in-class ESG (Environmental, Social, and Governance) leadership and transparency

Programs:



02 Climate Change Governance & Performance

- TCFD Index
- Risks & Opportunities
- Scenarios
- Climate Change Risk Management
- Carbon Neutral Operations Achievement
- Scope 3 Strategies
- 2021 Emissions Performance



SKYLINE TOWER - BELLEVUE, WA // LEED PLATINUM, ENERGY STAR, FITWEL, WELL HEALTH-SAFETY

Climate Change Governance

We identify climate change as a risk to our business and an opportunity for long-term value creation and a key driver in long-term strategic business decisions. These risks may span transitional, physical, and social risks, as detailed below. We became a supporter of the Task Force for Climate-Related Financial Disclosures (TCFD) in 2018, and our discussion of our climate change risks and opportunities follows that framework. We have chosen the TCFD framework because we believe it is the most robust climate change disclosure framework available and will help us define the climate change impacts that will be material to our business. We are proud that our climate & sustainability programs ranked us first in the GRESB Assessment for North American Office in 2019, 2020, and 2021, indicating that we have a strong foundation from which to further grow our climate change resilience programs. Our TCFD index can be found on page 25.

Climate-related risks and opportunities are governed by the Board through the Corporate Social Responsibility and Sustainability Committee. In 2018, the Committee endorsed the TCFD recommendations and tasked management with assessing and reporting against our climate-related risk. The management team that will be executing those tasks includes representatives from sustainability, risk management, security, asset management and engineering.



ON VINE - LOS ANGELES, CA // LEED GOLD



TCFD INDEX

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RISKS AND OPPORTUNITIES

In 2020, we began modeling our physical climate change risk using The Climate Service’s Climanomics® software platform, which reports risks and opportunities related to climate change in financial terms to empower decision-making and is aligned with the TCFD framework. To assess physical risks for our portfolio, we use a business-as-usual scenario that assumes that there is no global action on climate change and global temperatures warm by more than 4.2-5.4 degrees C, known as IPCC Representative Concentration Pathway (RCP) 8.5. Using this scenario allows us to be conservative when analyzing physical and social risks to our business caused by climate change. To assess risks to our business due to transitional factors such as increased regulation, we use a scenario that assumes widespread global action on climate change in which global temperatures do not warm above 2 degrees C. This scenario is known as RCP 4.5.

SCENARIO ONE: BUSINESS-AS-USUAL
Global temperatures warm by more than 3° C (RCP 8.5)

We use this scenario to assess physical and social risks and opportunities for our business.

PHYSICAL AND SOCIAL RISKS	
SHORT TERM (PRESENT-2030)	<ul style="list-style-type: none">— Poor air quality caused by wildfire (no physical wildfire risk to our assets)— Localized loss of power— Increased costs for proactive physical risk prevention measures— Potential for social unrest
MEDIUM TERM (2030-2040)	<ul style="list-style-type: none">— Flood risk in vulnerable areas— Increase in extreme temperatures causes increases in building cooling loads and operating and maintenance costs— Slight increase in drought exposure risk— Increased construction costs— Increased insurance premiums— High temperatures and poor air quality make some of our markets, like Southern California, less attractive for tenants and employees— Demographic changes resulting from climate change make it more difficult to source the labor needed to develop and operate our properties
LONG TERM (2040-BEYOND)	<ul style="list-style-type: none">— Potential costly damage from coastal urban flooding leads to high flood mitigation costs— Increase in extreme temperatures and/or ongoing poor air quality caused by wildfires requires building HVAC retrofits— Widespread population migration caused by climate change potentially shifts our tenant and labor base— Slight increase in risk of water scarcity

PHYSICAL AND SOCIAL OPPORTUNITIES	
SHORT TERM (PRESENT-2030)	<ul style="list-style-type: none">— Health programs and employee satisfaction in our proactive environmental stewardship benefits our workforce management, resulting in lower costs from turnover
MEDIUM TERM (2030-2040)	<ul style="list-style-type: none">— A focus on innovation throughout all aspects of real estate, from construction to operations, attracts talent to our industry and improves environmental and social outcomes throughout our supply chain
LONG TERM (2040-BEYOND)	<ul style="list-style-type: none">— Our longstanding commitment to and investment in our communities makes them more resilient and stable relative to other markets

SCENARIO TWO: GLOBAL CLIMATE ACTION
Global temperatures do not warm by more than 2° C (RCP 4.5)

We use this scenario to assess transitional risks and opportunities for our business.

TRANSITIONAL RISKS	
SHORT TERM (PRESENT-2030)	<ul style="list-style-type: none">— Enhanced emissions-reporting obligations— Anticipated rising costs for energy due to grid decarbonization results in increased operating costs at our properties, especially during peak demand— Implementation of city and state legislation (e.g. all-electric and/or net-zero requirements for new developments) aimed at steeply reducing built environment's carbon emissions changes project economics— Carbon legislation in other parts of the economy increases costs for certain materials
MEDIUM TERM (2030-2040)	<ul style="list-style-type: none">— Increased capital costs around investing in new technologies to reduce the carbon footprint of our buildings— Potential legislation requires retrofit of mixed-fuel buildings to all-electric— Sourcing materials for our buildings becomes increasingly expensive, potential disruptions to the supply chains of our building materials— Limited reputation or litigation risk
LONG TERM (2040-BEYOND)	<ul style="list-style-type: none">— Real estate industry regulated by carbon pricing— Large investments in new carbon-focused technology required

TRANSITIONAL OPPORTUNITIES	
SHORT TERM (PRESENT-2030)	<ul style="list-style-type: none">— Increased revenues and carbon credits from EV charging stations— Increased tenant demand for sustainable buildings— Reduced energy and water consumption lessens operating costs— Increased revenues through installation of additional onsite renewable power, expanded battery storage and energy efficiency— Increased confidence from stakeholders, including winning faster support for our development projects from local communities and municipalities
MEDIUM TERM (2030-2040)	<ul style="list-style-type: none">— Our buildings are perceived as more resilient and therefore receive increased rents— Reduced insurance premiums relative to our peers— Buildings with prestigious sustainability certifications increase in value— Opportunities to secure public sector incentives to improve the sustainability performance of our portfolio— Opportunities arising from diversification of financial assets, such as through potential additional green bond offerings
LONG TERM (2040-BEYOND)	<ul style="list-style-type: none">— Reputational benefits resulting in increased demand for our properties and higher market valuations— Our recognition as a global leader in climate change mitigation and sustainability ensures we are looked on favorably by the impact investment community

CLIMATE CHANGE RISK MANAGEMENT IN ACTION

We manage climate change risks and opportunities at each stage of the building cycle:

ACQUISITIONS	<p>We focus on managing climate change risk during the acquisition phase by incorporating physical climate change modeled average annual loss analyses using the Climonomics® platform into the due diligence process. Also, we evaluate building resiliency, energy and water consumption, building safety and materials, social impacts on the local community, certifications, environmental regulations, and risk of disasters such as earthquakes and flooding. In addition to the climate modeled average annual loss assessment, this can involve Phase I environmental studies, structural evaluations, and property condition reports.</p>
DEVELOPMENT	<p>We use a range of mitigation strategies to cope with potential sea level rise and other climate-related impacts. This includes putting important equipment on risers or relocating it from basements entirely, as well as raising the ground plane of certain development projects in line with year 2100 sea level rise projections. We have longstanding expertise in planning for seismic events by incorporating seismic gas shutoff valves, increased sprinkler seismic bracing, and locking sprinkler valves in the open position for relevant projects.</p>
OPERATIONS	<p>In 2019, we ensured that all of our buildings have Emergency Response Plans (ERPs) that outline a building’s response to particular emergency scenarios that contemplate extreme weather due to climate change, and in 2020, we updated the ERPs to incorporate the climate change modeled average annual loss data. We also use a mobile-enabled system to quickly communicate to employees and tenants in the event of an emergency. In addition, we conduct energy risk assessments through ASHRAE Level II energy audits and retro-commissioning studies at priority assets.</p>



MENLO CORPORATE CENTER - MENLO PARK, CA // ENERGY STAR, WELL HEALTH-SAFETY

CARBON NEUTRAL OPERATIONS ACHIEVEMENT

In 2020, we fulfilled the goal that Kilroy CEO John Kilroy announced at the 2018 Global Climate Action Summit: that we would achieve carbon neutral operations, otherwise known as Scope 1 and Scope 2 carbon neutrality, by year end 2020. We are proud to have maintained carbon neutral operations through 2021. We focus on the strategies on the next page to achieve carbon neutral operations.

Through these programs, we reached carbon neutral operations, otherwise known as Scope 1 (direct emissions from on-site combustion of natural gas) and Scope 2 market-based (indirect emissions from on-site consumption of electricity, including off-site work) carbon neutrality for 2020 and 2021. As we work towards our Science Based Target¹ (31% reduction by 2030 and 72% reduction by 2050 across Scopes 1, 2, and 3), we are now expanding our focus to on our Scope 3 emissions; more information on pages 34-35. Our third-party assurance provider, DNV, has conducted assurance of our carbon neutral operations declaration and alignment with PAS 2060 Carbon Neutrality Standard.

Kilroy was among the first wave of real estate companies to align in 2020 with the Urban Land Institute (ULI) Net Zero Goal, which aims to reduce the operational control emissions of its Greenprint members' collective buildings under operational control to net zero by the year 2050. We see this ULI net zero carbon operations goal, which focuses on Scope 1 and 2 emissions under landlord control, as aligning with our achievement of carbon neutral operations. More details about the ULI Greenprint goal can be found at: uli.org/netzerogoal.



¹ Science Based Targets is a collaboration between the Carbon Disclosure Project, the United Nations Global Compact, the World Resources Institute and the World Wide Fund for Nature, which independently assesses and approves the carbon reduction goals of companies.



SCOPE 3 STRATEGIES

While we continue to drive Scope 1 & 2 reductions and maintain carbon neutral operations, we are expanding our focus to include reducing our Scope 3 emissions. We are using the following strategies:



INVENTORY

In 2021, we began efforts to create a robust inventory of our Scope 3 emissions, which will help us optimize our Scope 3 reduction strategy. This work will continue in 2022.



REDUCE EMBODIED CARBON

Since 2019 we have been benchmarking the embodied carbon emissions associated with our development projects, including our 2100 Kettner, Kilroy Oyster Point, and 9455 Towne Centre projects, 333 Dexter, and Netflix on Vine. We utilize the Embodied Carbon in Construction Calculator (EC3) tool developed by the Carbon Leadership Forum. This exercise taught us that while concrete, structural steel and insulation have some of the highest embodied carbon of any construction materials, they also have the most options of viable sustainable replacements that can contribute to a large reduction in embodied carbon throughout the entire life cycle of the building.

We are using this data we gained from this work to reduce the embodied carbon of our future development pipeline, with the goal of reducing the embodied carbon of our construction materials 30% by 2030, and 50% by 2050.



MANAGE TENANT EMISSIONS

We work with our tenants to help them reduce their emissions through undertaking efficiency projects on triple net buildings, installing renewables on triple net buildings, and helping tenants procure 100% renewable power from our utilities. Full disclosure of our emissions related to tenant energy consumption can be found on page 158.



SHIFT TRANSPORTATION

Through increasing our network of EV charging stations, providing extensive alternative transportation options, and locating our properties close to local amenities (more information on page 115), we will reduce carbon emissions associated with tenant and employee transportation.

2021 EMISSIONS PERFORMANCE

GOALS:

- Maintain Carbon Neutral Operations in 2021
- Reduce Scope 1, 2, and 3 emissions 31% by 2030 and 72% by 2050 from a 2017 base year (Science Based Target validated in 2018)

We follow the WRI/WBCSD GHG Protocol to develop our Scope 1 and 2 emissions inventory. We report both location-based and market-based Scope 2 emissions. Our reported emissions are independently verified by DNV. We report on Scope 3 emissions associated with downstream leased assets, a material category for Kilroy as a building owner. In future years, we will work toward including additional Scope 3 categories in our reporting.

EMISSIONS

21% ↓

Like For Like Emissions Reduction in Scope 1, 2, and 3* From 2017

2021 Absolute Emissions	
Scope 1	3,710 Tonnes
Scope 2 (location-based)	19,378 Tonnes
Scope 2 (market-based)	0 Tonnes
Scope 3 (Downstream Leased Assets)	32,005 Tonnes
Total Emissions	55,093 Tonnes
RECs Retired (2021)	197,545 MWh (equivalent to 42,628 Tonnes CO2e, offsetting all electricity used at directly and indirectly managed assets in 2021)
Verified Carbon Offsets Retired (2021)	3,710Tonnes

*Emissions are 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.

SCOPE 1, 2, AND 3 EMISSIONS



0 KG CO2E/SF

2021 Emissions Intensity*



GOAL ACHIEVED

For the second year in a row, Kilroy achieved carbon neutral operations through a combination of energy efficiency, on-site renewables, off-site renewables, renewable energy credits, and verified carbon offsets. More information about this achievement on page 32.

*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 156.





02 Environmental




- Environmental Objectives
- Existing Buildings
- New Development



SOLAR PANELS INSTALLED ON ALL GARAGES AT KILROY OYSTER POINT // TARGETING LEED GOLD

ENVIRONMENTAL OBJECTIVES

UN SDG	OBJECTIVES	PROGRESS
13 CLIMATE ACTION 	Maintain carbon neutral operations in 2021	We maintained carbon neutral operations 2021 after first achieving it in 2020 <div>ACHIEVED</div>
12 RESPONSIBLE CONSUMPTION & PRODUCTION 	Achieve an 20% on-site reduction from 2015 energy levels by year-end 2025	Our 2021 data shows a 17% increase in energy consumption vs our 2015 baseline year. This increase is attributed to an overall growth in our portfolio size, including several new life science assets. We are seeking opportunities to improve the performance of our portfolio to drive energy consumption down as our portfolio grows <div>UNDERWAY</div>
12 RESPONSIBLE CONSUMPTION & PRODUCTION 	Reduce on-site water use 20% from 2015 baseline levels by year-end 2025	We achieved a 17% reduction in on-site water use in 2021 data vs 2015 <div>UNDERWAY</div>
09 INDUSTRY, INNOVATION, & INFRASTRUCTURE 	Achieve ENERGY STAR certification for 75% of eligible existing office buildings and 100% of eligible residential buildings by year-end 2021	We have achieved ENERGY STAR certification for 100% of the eligible residential buildings and 79% of the eligible existing office and life science buildings <div>ACHIEVED</div>

UN SDG	OBJECTIVES	PROGRESS
12 RESPONSIBLE CONSUMPTION & PRODUCTION 	Achieve a recycling annual diversion rate of at least 50% in the existing portfolio by year-end 2025	We achieved a 27.8% diversion rate in 2021, a decrease from 2020. Occupancy changes due to COVID-19 have impacted building waste significantly, reducing our absolute waste but also reducing our landfill diversion <div>UNDERWAY</div>
13 CLIMATE ACTION 	Reduce Scope 1, 2, and 3 emissions 31% by 2030 and 72% by 2050 from a 2017 base year (Science Based Target, validated in 2018)	As of 2021, we have achieved a 21% reduction in Scope 1, 2, and 3 emissions (like for like) from a 2017 base year <div>UNDERWAY</div>
11 SUSTAINABLE CITIES AND COMMUNITIES 	All ground-up construction will pursue LEED Gold certification or better, and all major renovations will pursue LEED Silver certification or better	9455 Towne Center Drive and Indeed Tower earned LEED Platinum certification in 2021. Other projects in our development pipeline include pursuing LEED Gold or LEED Platinum (see page 74 for more details) <div>ON TRACK</div>



350 MISSION - SAN FRANCISCO, CA // LEED PLATINUM, ENERGY STAR, FITWEL

Existing Buildings

- Environmental Certifications
- Energy
- Tenant Engagement
- Water
- Waste
- Biodiversity
- Green Cleaning
- Green Leasing



ENERGY STAR CERTIFICATION

SEATTLE

1,940,690 SF

SAN FRANCISCO BAY AREA

4,069,904 SF

GREATER LOS ANGELES

3,379,928 SF

SAN DIEGO

2,333,326 SF

TOTAL CERTIFIED SF

10,683,085

TOTAL % PORTFOLIO CERTIFIED

79%

[Full list of ENERGY STAR certifications](#) as of 12/31/21 is available at our website.



LEED CERTIFICATION

SEATTLE

2,717,242 SF

SAN FRANCISCO BAY AREA

4,673,914 SF

GREATER LOS ANGELES

2,813,228 SF

SAN DIEGO

858,481 SF

AUSTIN

734,000 SF

TOTAL CERTIFIED SF

11,796,865

TOTAL % PORTFOLIO CERTIFIED

73%

[Full list of LEED certifications](#) as of 12/31/21 is available at our website.



26TH STREET - SANTA MONICA, CA // TARGETING LEED PLATINUM

EXISTING BUILDINGS CASE STUDY

AERO LONG BEACH

Located in sunny Southern California, Aero Long Beach is a Class A+ seven-building office campus comprising almost 1,000,000 rentable square feet. This award-winning campus consistently demonstrates energy and water reductions while promoting health and wellness for its tenants and the community.

Environmental Performance

Since being developed in 1988, Aero Long Beach has undergone substantial energy efficiency projects. In most recent years, the campus has performed HVAC upgrades, duct sealing, reflective roof coating installation and extensive LED lighting retrofits. A sophisticated data analytics software program allows the on-site engineers to measure and verify the projects' energy savings. This base building all-electric portfolio includes multiple solar arrays, battery storage systems and EV charging stations; serving as the embodiment of our efforts to transition to low carbon operations.

With over 50 acres of extensive landscaping and turf, water reduction has also been a primary focus. In 2015, we installed WeatherMatic® smart irrigation controllers and a wireless weather station, resulting in 10% of irrigation water usage reduction annually. Drought tolerant landscaping and removal of a large water feature in 2021 contributed to greater water savings.

This ongoing commitment to sustainability has resulted in 35% energy reduction and 16% water reduction over the last six years. 52% of campus achieved LEED certification at the Gold level and four of six eligible properties are ENERGY STAR® certified.

Vibrant Communities

In 2021, Aero Long Beach underwent extensive redesign and rebranding to create a more vibrant community that supports the well-being of its occupants and visitors. Amenities include an open-air communal gathering space, state-of-the-art indoor/outdoor gym, grab-and-go café promoting healthy food options, and a reservable conference room. The first beehive was installed in 2020 and two more hives will be added in 2022. Workshops and tours of the hives are organized for our tenants to raise awareness of supporting a healthy bee population. Public art was also added to further enrich the vibe of the campus.

Occupant Health

Indoor environmental quality is also a top priority at Aero Long Beach. The campus has implemented a green cleaning standard since 2012 and the custodial staff completed the Infectious Disease Certification Program in 2021 to further support its commitment to the health and safety of the building occupants. Rigorous HVAC preventative maintenance, indoor quality testing, and low VOC materials in its building standards earned Aero Long Beach the WELL health-safety rating seal.

Aero Long Beach was awarded BOMA International TOBY Award for mid-rise suburban office in 2016.



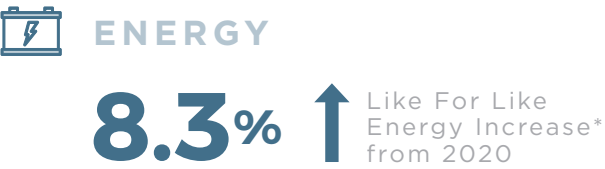
AERO LONG BEACH - LONG BEACH, CA // LEED GOLD, ENERGY STAR, WELL HEALTH-SAFETY

2021 ENERGY PERFORMANCE

GOAL:

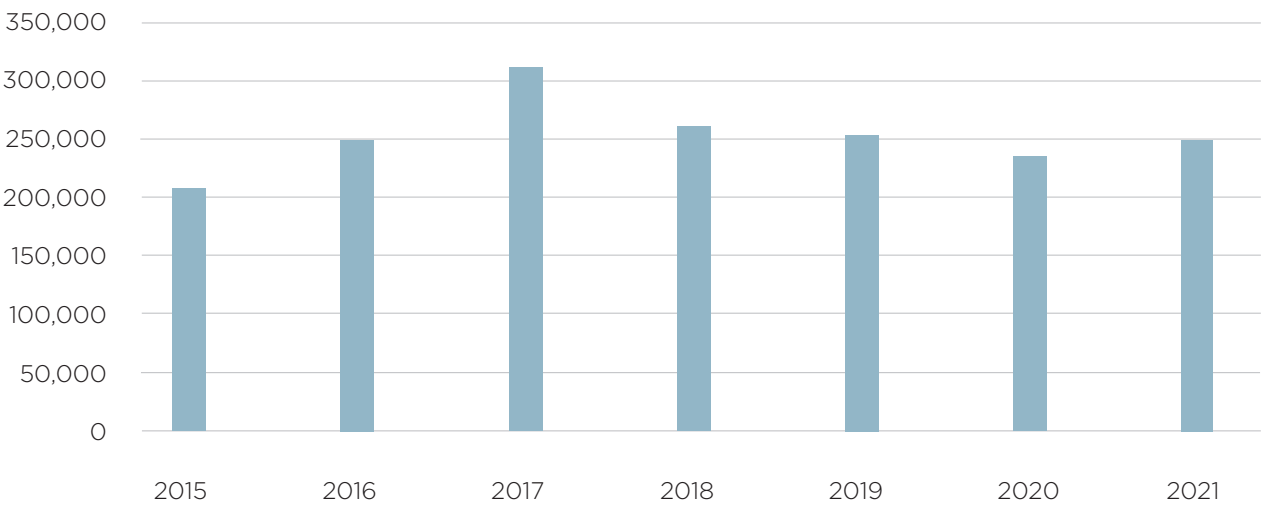
- Achieve a 20% on-site reduction from 2015 energy levels by year-end 2025

In 2021, we saw a 3.5% increase in absolute energy consumption from 2020 levels, and a 8.3% increase in like-for-like energy consumption vs 2020, a reflection of a growing number of tenants returning to office either at full or limited capacity. Compared to our baseline year of 2015, we have seen a 17% increase in total like-for-like energy consumption, attributable to a growth in the overall portfolio including the completion of several life science assets during that time period. In the coming years, we will increase efforts to identify and pursue opportunities to improve the energy efficiency of new and existing assets in order to decrease our energy use while growing our portfolio.



	Total Portfolio Absolute Energy Consumption (MWh)	Total Portfolio Like for Like Energy Consumption (MWh)
2021	266,330	252,221
2020	257,113	232,841

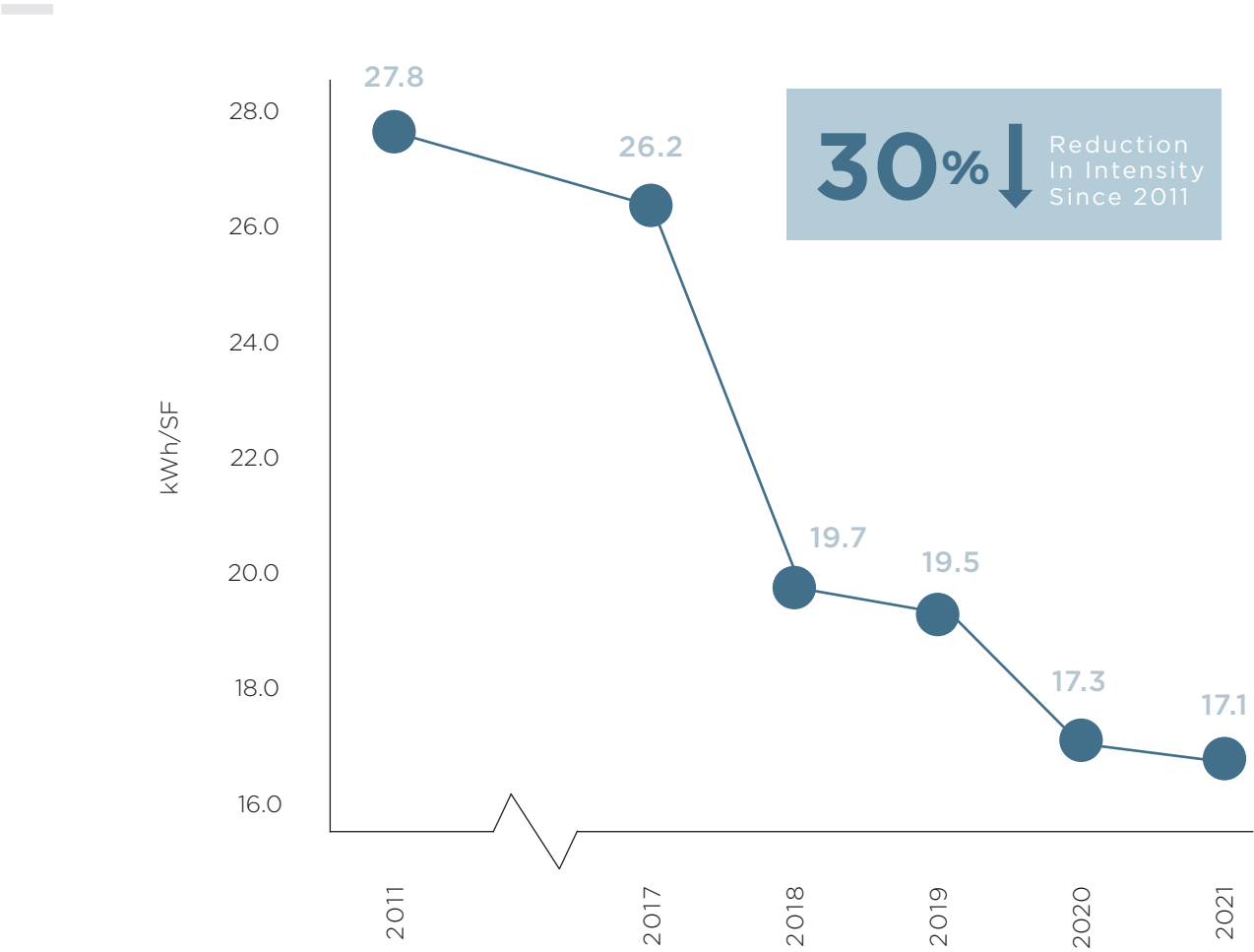
ENERGY PERFORMANCE TOTAL PORTFOLIO (MWH, LIKE FOR LIKE)



*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.



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 energy data, please see page 158.

OVERALL ENERGY PERFORMANCE

1. LIGHTING

2. SOLAR

3. WINDOW FILM



We have 9 operating battery storage projects, which total 4.3 MW in capacity.

We conduct annual portfolio-wide inspections of our existing building systems and strategically perform retrocommissioning and ASHRAE audits as needed.

In 2021, we completed HVAC projects in 1.5 million square feet of our portfolio. Projects included sealing ductwork, motor upgrades, equipment replacement, and pneumatic to DDC upgrades. Total savings are conservatively estimated to be over 1,281 MWh.

20% 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. For example, the state of California believes it can cut emissions from buildings in half through electrification of the real estate sector.

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 solutions that can assist with the transition to a lower-carbon economy, and improves our brand. We launched the [Kilroy Innovation Lab](#) five years ago to formalize the process for implementing sustainability pilots and 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 Net Zero Accelerator, and Elemental Excelerator are our technology partners.

In 2021, we engaged with multiple prospective partners offering HVAC optimization tools, but due to low occupancy of many buildings, opted to wait to pursue these pilots until occupancy increases. Looking ahead to future years, the sustainability team is exploring opportunities to engage a broader set of Kilroy colleagues—including engineering, operations, IT, and risk management—in the evaluation and selection of innovation partners.

The innovation lab has received very positive media coverage, including a feature in REIT magazine, which stated, “Kilroy’s innovation lab has helped to raise the profile of its sustainability efforts among important stakeholders, including tenants, investors, and employees.”

ENERGY SPOTLIGHT

REGIONAL CHIEFS

In 2021, a newly created position of Regional Chief of Engineering was named in each of our west coast markets. This new structure enables a portfolio view of each region and better best practices sharing between regions. Our four “Regional Chiefs”, Mark Davis in the Pacific Northwest, Pat Lum in San Francisco, Gary Perez in Los Angeles, and Thomas Dunn in San Diego convene for monthly calls, where they are joined by key members of the Operations, Asset Management, and Sustainability teams. As we look ahead to 2022, we anticipate that the Regional Chiefs will attend conferences and trade shows together to learn more about advancements in the field of building operations and sustainability.

As our Kilroy portfolio grows and we continue to increase our ambitions around the sustainability performance of our buildings, the Regional Chiefs play a key role in ensuring that we are effective in identifying and prioritizing efficiency upgrades and innovative pilot projects to reduce GHG emissions, energy use, water use, and waste. Kilroy benefits from each of these individual’s deep understanding of the assets in their region and the depth of experience with engineering and building operations they bring to our efforts to improve our sustainability performance at the portfolio scale.



Mark Davis
Pacific Northwest



Pat Lum
San Francisco



Gary Perez
Los Angeles



Thomas Dunn
San Diego

TENANT ENGAGEMENT

We recognize that our tenants have significant impact on the environmental performance of our buildings, so we partner with our tenants on a wide variety of sustainability programs.

GREEN LEASE + BUILDING STANDARDS
Beginning of Occupancy

METHOD Incorporate ESG language in leases and our building standards

STATUS 100% of new leases contain ESG language and sustainability and development teams partner to keep building design standards up to date

SOLAR
Once Per Installation

METHOD Enter into solar agreements on behalf of tenants who cannot do so themselves

STATUS Six of our twelve installations are of this type

BUILDING-SPECIFIC INFORMATION
Always Available, Updated Annually

METHOD Dedicated property website

STATUS 100% of property websites have a page dedicated to building-specific sustainability information

ENERGY, WATER, AND WASTE
EFFICIENCY, MATERIALS
TRANSPARENCY
On Demand

METHOD Collaboration of specific efficiency projects

STATUS The sustainability representatives of several tenants work directly with our sustainability team on projects like obtaining environmental and health certifications such as LEED and Fitwel for Commercial Interiors

TENANT APPRECIATION EVENTS
Annually

METHOD Lobby displays and activities

STATUS Regional adoption but no company-wide policy

HEALTH
Continuous

METHOD On-site amenities, events, competitions, collaboration on Fitwel certifications, and more; additional info on page 106

STATUS Every building has a program focused on tenant health

RECOGNITION
Annually

METHOD Pursue ENERGY STAR certifications in buildings where tenants pay some or all utilities

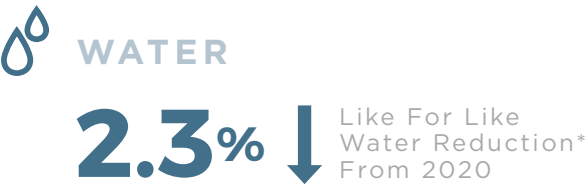
STATUS Achieved 11 ENERGY STAR certifications of this type in 2021

As of December 31, 2021
66% of our top 15 tenants
had either set or achieved
a carbon neutrality goal.

2021 WATER PERFORMANCE

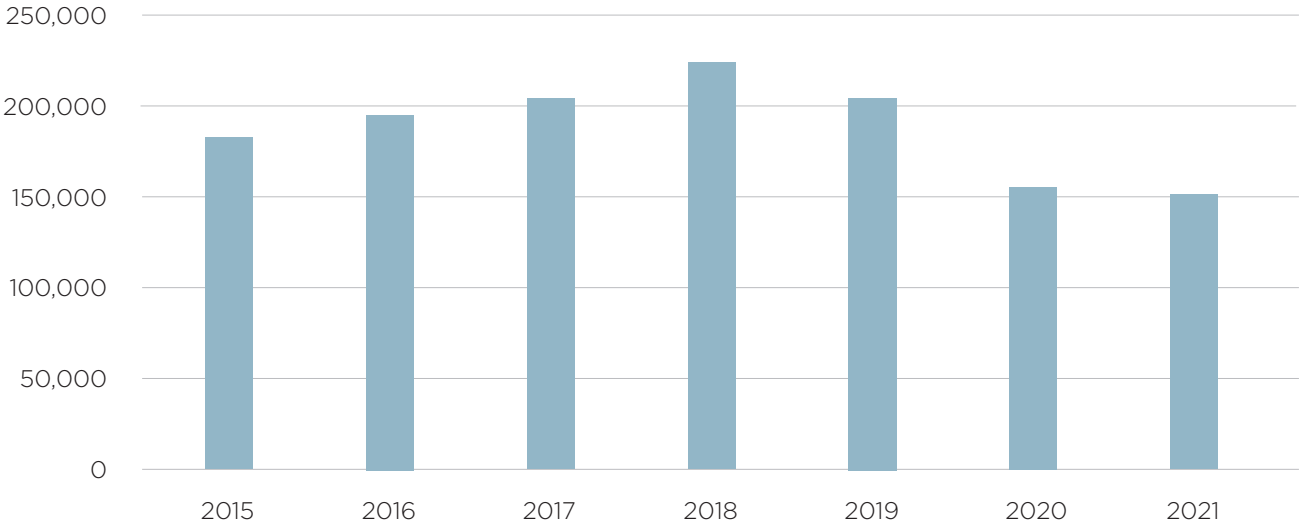
- GOAL:
- Reduce on-site water use 20% from 2015 levels by year-end 2025

We are currently tracking a 17% on-site water use reduction from 2015 levels. In 2021, we saw a 1.7% decrease in absolute water consumption from 2020 levels, and a 2.3% increase in like-for-like water consumption vs 2020.



	Total Portfolio Absolute Water Consumption (Kgal)	Total Portfolio Like for Like Water Consumption (Kgal)
2021	171,107	152,616
2020	173,879	156,223

WATER CONSUMPTION OVER TIME (KGAL, LIKE FOR LIKE)



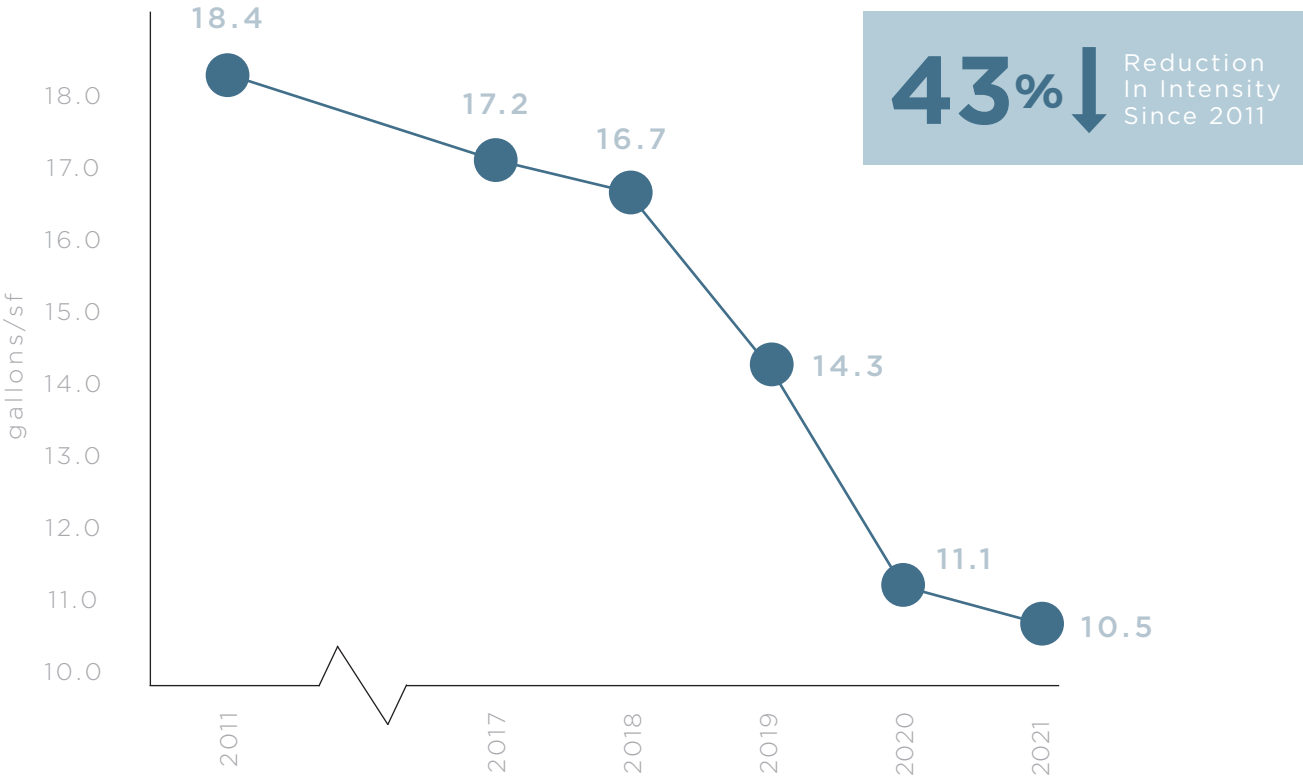
*Buildings are excluded from the like-for-like portfolio if they were bought or sold within the current or previous reporting period, or stabilized in the reporting period.

10.5 GAL/SF
2020 Water Intensity



3,578,000 GAL
of Reclaimed Water

WATER 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 water data, please see page 159.

Primarily because of continued low-occupancy caused by the COVID-19 pandemic and successful efficiency projects, our water use decreased 2.31% from 2020 levels.

We completed irrigation upgrades in 4 buildings in 2021 across 1.5 million square feet or 10% of our portfolio. Upgrades include smart meters that only water vegetated areas when needed, as opposed to a set schedule and conversion to drip irrigation.

We completed process water upgrades in 2021, such as chiller treatments and sand filters that reduce blowdowns.

We saved over 3.5 million gallons of potable water in 2021 via our reclaimed water infrastructure, a 27% increase from 2020.

We specified extremely low flow 1.1 gpf toilets in addition to hybrid waterless urinals in our development projects.

350 Mission, 333 Brannan, and Indeed Tower use captured rainwater for toilet flushing and/or irrigation.

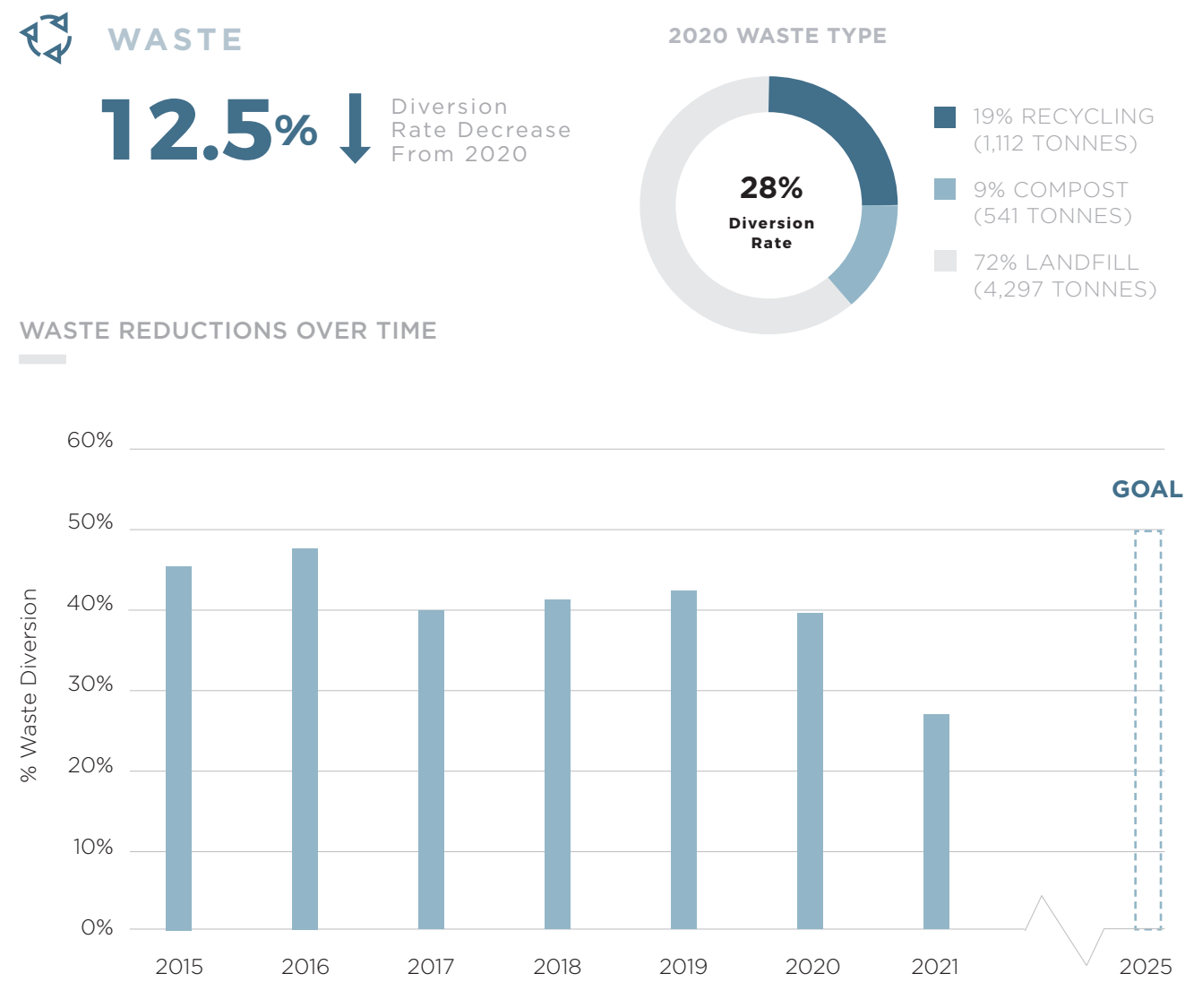
All of our water, other than captured and reused rainwater, is sourced from municipal systems.

2021 WASTE PERFORMANCE

GOAL:

- Achieve a recycling annual diversion rate of at least 50% in the existing portfolio by year-end 2025

At year-end 2021, we had achieved a 28% diversion rate for waste from our directly and indirectly managed properties. Occupancy changes due to COVID-19 have impacted building waste significantly, reducing our absolute waste but also reducing our landfill diversion. As more tenants return to our buildings, we will seek out opportunities to educate and encourage tenants to recycle and compost appropriate waste.



For full waste data, please see page 160.



All of our waste data is benchmarked in ENERGY STAR Portfolio Manager's WasteTracker tool.

Many of our buildings conduct or host e-waste events to ensure safe and effective recycling of electronic waste. We hosted 6 e-waste events in 2021.

TRUE is a Zero Waste Certification system from USGBC that enables facilities to define, pursue and achieve zero waste goals, cut their carbon footprint and support public health. We are targeting TRUE certification the Gold level at 701 & 837 N. 34th Street in Seattle.



1. POLLINATOR-FRIENDLY PLANTS

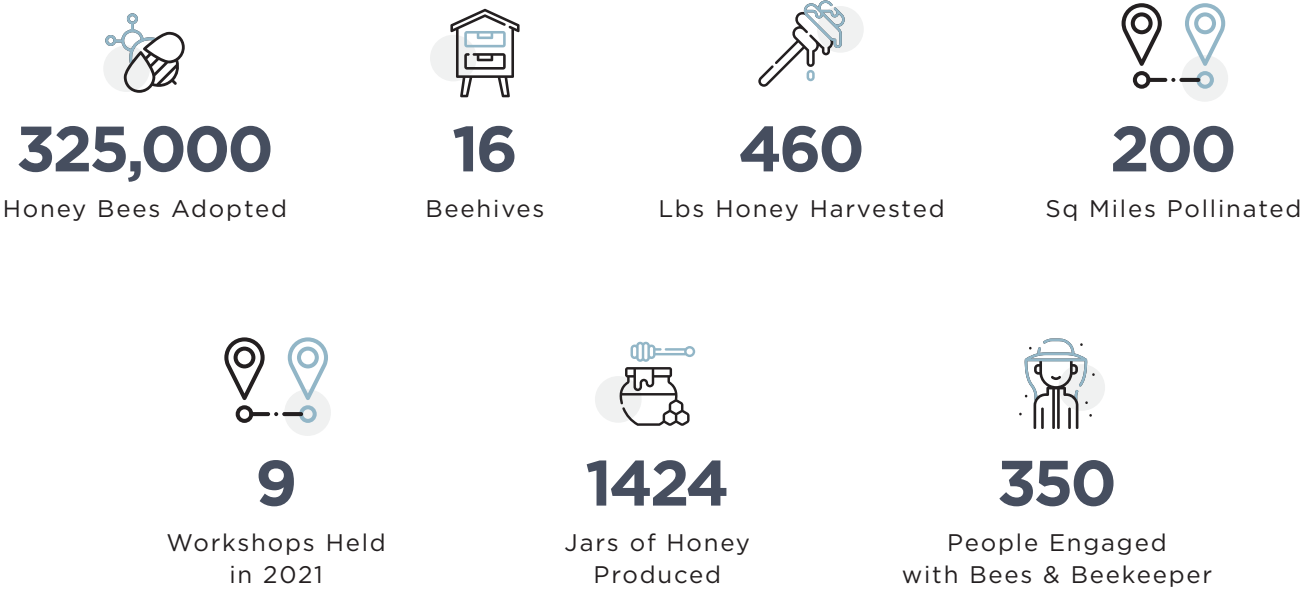
2. BEEHIVES

3. BIRD SPECIES PROTECTION

4. INTEGRATED PEST MANAGEMENT

To minimize pest problems and exposure to pesticides for people, animals and plants, we have an integrated pest management program aligned with LEED for Existing Buildings v4 and v4.1.

HONEY BEE INITIATIVE



WHERE ARE OUR BEES?

PACIFIC NORTHWEST

Key Center

SAN FRANCISCO BAY AREA

100 First St

360 3rd St

201 3rd St

303 2nd St

Menlo Corporate Center

100 Hooper



GREATER LOS ANGELES

Columbia Square

1633 26th St

Aero Long Beach

909/999 N Pacific Coast Highway

2240/2250/2260 E. Imperial Hwy



SAN DIEGO

Kilroy Sabre Springs



POLLINATOR-FRIENDLY PLANTS IN THE
KILROY DEVELOPMENT PORTFOLIO

PROPERTY	TYPE
Kilroy Oyster Point II	California Buckeye (Aesculus californica) Blueblossom (Ceanothus thyrsiflorus) Silver Lupine (Lupinus albifrons) Purple Sage (salvia leucophylla) Yarrow (Achillea millefolium) Catlin’s Giant (Ajuga reptans) Calscape (Verbena lilacina ‘De La Mina’) Yellow Wild Indigo (Baptisia sphaerocarpa ‘Screamin’ Yellow’) Henderson’s Checkermallow (Sidalcea hendersonii) Upright Prairie Cone Flower (Ratibida columnifera ‘Mexican Hat’) Blue Field Gilia (Gilia capitata) Coast Aster (Aster chilensis `Purple Haze`) Beach Strawberry (Fragaria chiloensis) California poppy (Eschscholzia californica)
9514 Towne Centre	Marina Strawberry Tree (Arbutus unedo ‘Marina’) Encephalartos Specimens Brisbane Box (Lophostemon confertus) California Sycamore (Platanus racemosa) Southern Live Oak (Quercus virginiana) Olive Tree (Olea europaea) Majestic Beauty Indian Hawthorne (Raphiolepis x ‘Montic’) Lemonade Berry (Rhus integrifolia)

*Native

PROPERTY	TYPE
12340 EL Camino (redevelopment)	Eastern Redbud (Cercis canadensis ‘Forest Pansy’) Southern Live Oak (Quercus virginiana) Blue Elf Aloe (Aloe ‘Blue Elf’) Cynthia Giddy Aloe (Aloe ‘Cynthia Giddy’) Dwarf Mat Rush (Lomandra longifolia ‘Breeze’) Guinea Gold Vine (Hibbertia scandens) Coffeeberry (Rhamnus californica ‘Eve Case’) Dwarf Yeddo Hawthorn (Raphiolepis Umbellata ‘Minor’) Santa Barbara Sage (Salvia ‘Santa Barbara’) Autumn Moor Grass (Sesleria autumnalis) Coast Rosemary (Westringia ‘Blue Gem’)



POLLINATOR-FRIENDLY PLANTS AT MARINA GATHERING - KILROY OYSTER POINT, SAN FRANCISCO, CA
// TARGETING LEED GOLD

GREEN CLEANING

We continue to use the high-performance green cleaning program that was verified via the LEED for Existing Buildings Prototype and WELL certification process. All cleaning products we use meet the relevant LEED environmental standard, either GreenSeal or the California Volatile Organic Compound (VOC) limit. Our vacuums achieve the Carpet and Rug Institute Seal of Approval, and we use microfiber cloths and rags to capture additional dirt to improve air quality. Our enhanced cleaning procedures further minimize the impacts on the environment and occupant health. Many of our janitors have graduated from the Green Janitor Education Program, further supporting our green cleaning efforts. A new cohort of janitors at our Aero Long Beach campus began training in Q4 of 2021.

GREEN LEASING

Green Leases underscore the value of the tenant-landlord relationship that is critical to elevating the health and environmental performance of our buildings.

We continue to demonstrate a commitment to green leasing. In 2021, we earned our fifth Green Lease Leaders award, and fourth recognition at the Gold Level. We earned the award in the Team Transaction category, our fourth time winning in this category, with our tenant Riot Games at Kilroy's Tribeca West building in West Los Angeles. The Team Transaction category required our brokers, the tenant brokers, and both legal teams to collaborate on the award, and it demonstrates that green leasing requires many parties to work together to execute a green lease.





SANTA FE SUMMIT - SAN DIEGO, CA // TARGETING LEED PLATINUM

New Development

HIGHLIGHTS

- In 2021, we had an impressive array of development projects underway, all targeting LEED Gold or Platinum and spanning across all markets in which we operate except Austin.
- All projects that completed construction in 2021 earned their targeted certifications. 9455 Towne Centre earned LEED Platinum. Our newly acquired Indeed Tower achieved LEED v4 Platinum under the Core & Shell rating, making it the second-largest LEED v4 Core & Shell project in the United States and fifth largest in the world.
- At year end 2021, 73% of our stabilized portfolio had achieved LEED certification, and we have an additional six development projects across 3 million square feet, registered for certification.
- As an owner and developer, the safety of our project sites is of paramount importance to us. In 2021, and in all prior reporting years, we had zero fatalities. In 2021 we had 2 injuries across 2.6 million square feet of active construction.

NEW DEVELOPMENT AT KILROY

SEATTLE

SIXO

TARGETING LEED GOLD

SAN FRANCISCO BAY AREA

KILROY OYSTER POINT PHASE 1

TARGETING LEED GOLD

KILROY OYSTER POINT PHASE II

TARGETING LEED GOLD

KILROY OYSTER POINT PHASE III & IV

TARGETING LEED GOLD

FLOWER MART

TARGETING LEED PLATINUM

GREATER LOS ANGELES

1633 26TH STREET*

TARGETING LEED PLATINUM

SAN DIEGO

2100 KETTNER

TARGETING LEED PLATINUM

SANTA FE SUMMIT

TARGETING LEED GOLD

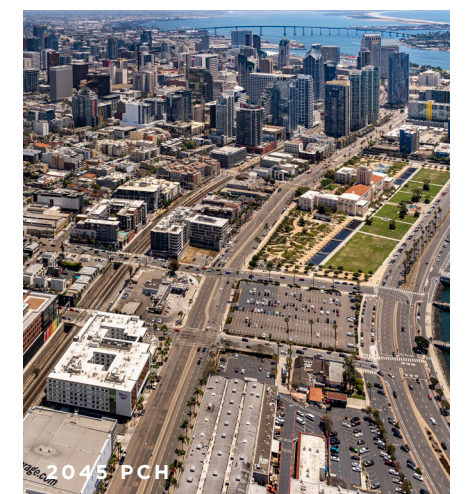
9415 TOWNE CENTRE DRIVE

TARGETING LEED GOLD

2045 PCH

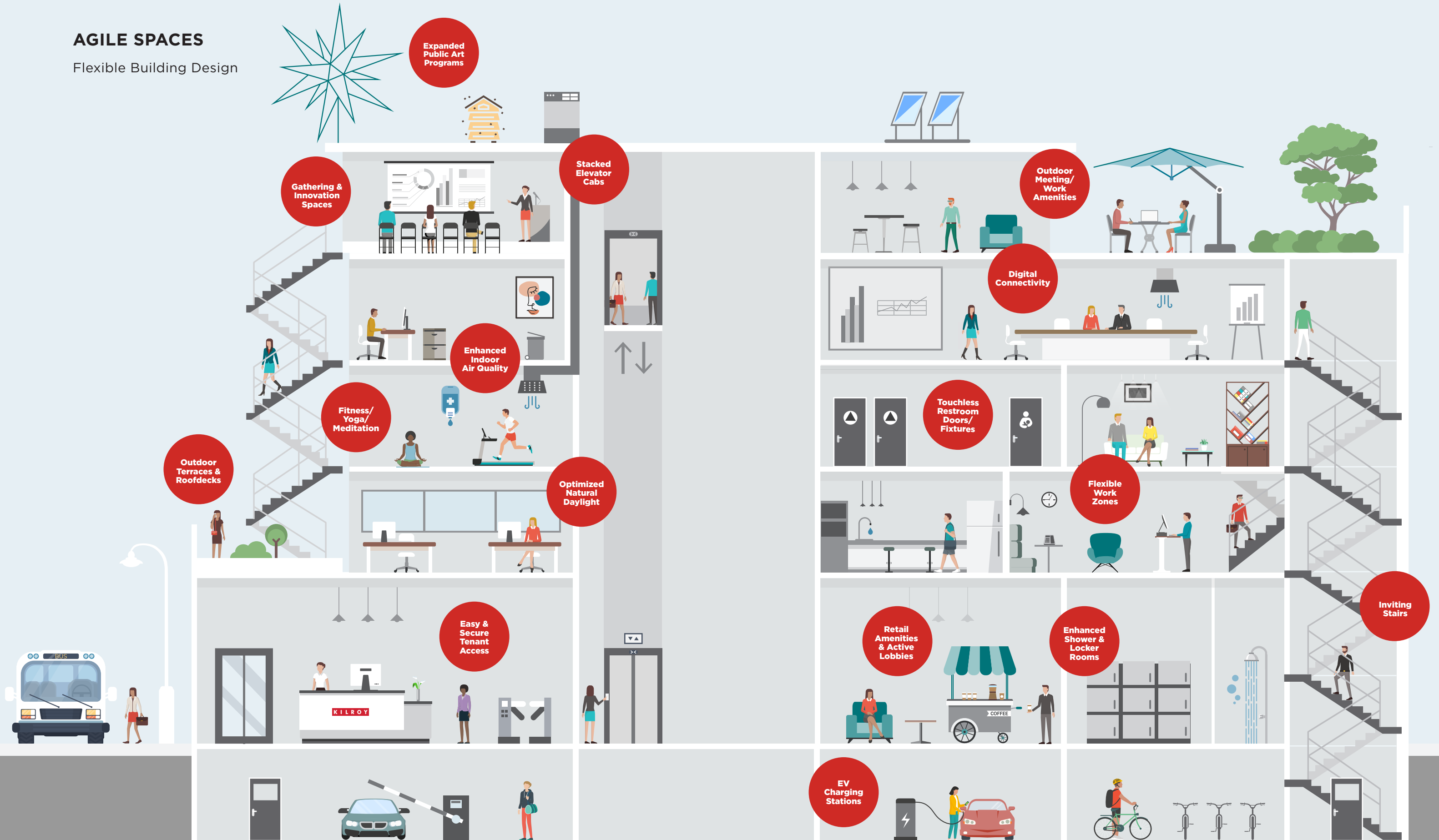
TARGETING LEED GOLD

*Redevelopment pending formal approval



AGILE SPACES

Flexible Building Design



NEW DEVELOPMENT CASE STUDY

KILROY OYSTER POINT PHASE 2

Kilroy Oyster Point Phase II is a five-building, approximately 875,000 square foot, ground-up development designed to be a destination for progress and discovery in South San Francisco and targeting LEED Gold Core & Shell under v4. The project will consist of three office and laboratory buildings, the North and South Amenity buildings, and a parking structure. Its cutting-edge design offers an energizing environment with amenities that support wellness, sustainability, and productivity.

The project is designed to achieve an approximately 20% reduction in energy consumption from a standard life science building by incorporating on-site renewables, LED lighting, plug load management, a reflective roof, and highly efficient HVAC equipment. The on-site renewable installation is a 580 kW solar PV array located on the parking garage roof. This array is expected to generate 5% of the total expected energy use of the building. The remainder of the project's Scope 1 and Scope 2 emissions will be offset through our off-site solar power purchase agreement (more information on page 33) and VER-certified carbon offsets, allowing the building to achieve carbon-neutral operations.

Targeting future Scope 3 emissions reductions, Kilroy Oyster Point Phase II is located within a half-mile of a ferry has connectivity to area bike lines. The project will also feature electric vehicle charging stations and provides preferred parking for low-emitting vehicles.

Health was also a key focus for the design team. Health features include increased outside air ventilation, MERV 13 filters at all air handling units, a sitewide nonsmoking policy, a mechanical design emphasizing thermal comfort, and low-emitting materials. Building occupants have a direct line of sight to the outdoor environment in 90% of the regularly occupied spaces, and activated stairwells also provide an opportunity for physical activity while reducing crowding at elevators.

Kilroy Oyster Point Phase I's sitework and landscape also promote sustainability. Designing for resilience, the project team used year 2100 projections of potential sea-level rise to determine the ground plane height. Over 32% of the project site is vegetated open space that incorporates pollinator-friendly plants, allowing occupants a connection to nature. In addition, the irrigation system was designed to reduce outdoor water consumption by 57% by incorporating native plants and smart irrigation. The project also reduced indoor water consumption by 54% in the amenities buildings and 46% in the office/lab buildings by installing low-flow, water-efficient plumbing fixtures.

Finally, the project aligns with our goals to reduce embodied carbon in construction. Kilroy Oyster Point Phase II embodied carbon has been benchmarked using the EC3 tool. The project will reduce its embodied carbon by 18% by selecting carbon-intensive structural materials such as concrete, steel and metal that are regionally sourced and recycled.



KILROY OYSTER POINT, PHASE 2 - SOUTH SAN FRANCISCO, CA // TARGETING LEED GOLD

RESPONSIBLE LAND USE

We recognize that our buildings have the potential to either benefit or detract from their local communities. To navigate these concerns, we created an in-house land use team in 2011. That team helps us create buildings that complement and benefit their neighborhoods. For example, at our anticipated future 1633 26th St redevelopment project, we have designed the building frontage to embrace the existing vibrant food truck community on one side of the property. Our SIXO project in Seattle is working with the City and community stakeholders on plans to improve the public open space adjacent to the site in order to create a more active and vibrant pedestrian area. Additionally, the SIXO project will restore and bring new life to an historic building as part of the project. In addition, we implement local community engagement and environmental impact assessment programs in all of our development projects.

- All development projects involve an assessment of the existing environmental conditions.
- Where needed, we create an Environmental impact Report (EIR). EIRs are disclosed publicly as part of the entitlement process.
- We proactively engage local communities as part of our development process using a variety of forums, from town hall meetings to charrettes to open houses to websites that solicit feedback. The goal of these programs is to ensure that our development projects meet the needs of the local community.
- During construction, community members that have noise, traffic or pollution concerns are encouraged to bring those concerns to the relevant asset management or construction teams; in rare instances community members have contacted the appropriate city official to investigate a noise issue.

- For large development projects, a community hotline is prominently displayed on signs on active corners of the project site to provide community members information and an avenue to address concerns, such as noise. These signs also display the high-level construction activity schedule. Concerns brought to us via the hotline are addressed within 48 hours by the general contractor, and concerns that cannot be resolved by the general contractor are brought to the relevant Kilroy Realty construction team manager.
- Brownfield locations tend to be in attractive, dense urban areas so we embrace brownfield development, while some of our peers avoid brownfield sites because of remediation costs. Kilroy Oyster Point, located on a former contaminated manufacturing site, has required especially demanding remediation efforts.



MURAL ADDED TO EXISTING HISTORIC BUILDING AT FUTURE SIXO SITE TO BRING ART TO THE NEIGHBORHOOD DURING OUR PROJECT DESIGN AND ENTITLEMENT PROCESS.
SIXO - SEATTLE, WA // TARGETING LEED GOLD









ALLEN ELEMENTARY SCHOOL VOLUNTEER EVENT IN SAN FRANCISCO, CA

03 Social

- Social Objectives
- Belong, Connect, Progress
- Gender & Diversity
- Community
- Employee Spotlight
- Healthy Buildings
- Supply Chain
- Vendor Code of Conduct

SOCIAL OBJECTIVES

UN SDG	OBJECTIVES	PROGRESS
12 RESPONSIBLE PRODUCTION & CONSUMPTION 	Ongoing engagement with Tier 1 suppliers on social and environmental practices	<p>We have initiated engagement with Tier 1 operational, development, and transactional suppliers and in 2022 we plan to convene a group of Kilroy colleagues from operations, construction/development, and legal to establish a regular cadence of engagement with key suppliers going forward</p> <p>IN PROGRESS</p>
03 GOOD HEALTH & WELL-BEING 	Maintain Fitwel certifications for 40% of our portfolio	<p>As of year-end 2021, 37% of our portfolio had achieved Fitwel certification. We are proud that for the fourth year in a row, we received a Best in Building Health Award from Fitwel for the Most Certifications of All Time</p> <p>ALMOST COMPLETE</p>
03 GOOD HEALTH & WELL-BEING 	Enhance employee satisfaction and involvement	<p>We conduct an annual employee survey as a way to solicit feedback from employees on satisfaction and engagement. More information on page 92</p> <p>ON TRACK</p>

UN SDG	OBJECTIVES	PROGRESS
08 DECENT WORK & ECONOMIC GROWTH 	Continue to develop employee talent	<p>In February 2022, we announced 47 promotions across all teams and all levels which represented just under 20% of our workforce. This reflects ongoing engagement, training, and development with employees in the years prior.</p> <p>ON TRACK</p>
11 SUSTAINABLE CITIES AND COMMUNITIES 	Engage our communities through service events	<p>Each of our regions engaged in community service events in 2021. More information on page 100</p> <p>ON TRACK</p>
11 SUSTAINABLE CITIES AND COMMUNITIES 	Engage our communities through strategic philanthropic giving	<p>We continued our longstanding support of several organizations and expanded to include some new organizations. More information on page 102</p> <p>ON TRACK</p>



KATELYN HOWAY, KILROY LA REGION

We founded Kilroy to build communities to connect perspectives, cultures, and individuals from around the world. We know that healthy, thriving communities are our most powerful asset. As a developer, we have a unique opportunity to engage with our cities, schools, neighborhoods and workplaces to help our communities flourish. With community connectivity being one of our core values, we believe that our built environment should support that.

Kilroy is committed to cultivating a company culture that makes a positive difference in its employees' lives by supporting the whole person, celebrating our differences and unique backgrounds, promoting employee health and wellness, and dedicating ourselves to being a responsible corporate citizen with our community service and philanthropic efforts.

Over the past year our Kilroy Culture Crew and our Human Resources team crew focused communications and programming within the three pillars that define Kilroy's culture—**Belong, Progress, and Connect.**



Belong focuses on our commitment to recruiting and developing a diverse workforce and promoting an inclusive culture.

During 2021, we focused on expanding our Diversity, Equity and Inclusion (“DE&I”) efforts, which historically has included requiring all employees to participate in unconscious bias training, to provide more programming and education around the importance of maintaining a culture of diversity and inclusion. Throughout the year we sent communications and hosted events to acknowledge and highlight heritage months, holidays, and other cultural events. The goal of these actions was to share tools, resources and programming to help educate our employees about diverse historical events, recognize achievements of diverse individuals, and celebrate all cultures.

In 2021, we also offered virtual workshops, lunch and learns and fireside chats with guest speakers focusing on inclusion and the importance of understanding how a person’s background influences how they see the world and show up in the workplace. We also used our Kilroy book club as an opportunity to celebrate diverse authors.

We believe our racial and gender diversity within our employee base is the direct result of our proactive efforts over many years to create an inclusive culture, and through these expanded DE&I efforts we further commit to continuing to foster equality in our workforce.

EQUAL OPPORTUNITY

We are an equal opportunity employer that recruits, hires, trains, and promotes personnel for all areas of employment without regard to race, color, religious creed (including religious dress and grooming practices), sex (including pregnancy, childbirth, breastfeeding or related medical conditions), sexual orientation, gender, gender identity, gender expression, national origin (including language use

restrictions), ancestry, age (40 or over), physical or mental disability (including HIV and AIDS), medical condition (cancer and genetic characteristics), genetic information, Family and Medical Care leave Status, California Rights Act leave Status, denial of Family and Medical Care leave, military or veteran status, or marital status, or any other status protected by federal, state or local laws.

The U.S. Equal Employment Opportunity Commission (EEOC) requires employers to disclose an EEO-1 report on an annual basis. Kilroy’s 2021 EEO-1 report can be found in the Appendix (page 161) of this report.

NON-DISCRIMINATION POLICY

Kilroy does not unlawfully discriminate on the basis of any of the Protected Categories. This policy of equal employment opportunity and non-discrimination applies to all areas of employment including, but not limited to, recruiting, hiring, placement, promotion, demotion, training, termination, layoff, transfer, leave of absence, compensation, benefits, use of facilities, and company-sponsored employee activities. We take all reasonable steps necessary to prevent such discriminatory conduct from occurring in the workplace and to promptly correct any such conduct.

BLOOMBERG GENDER EQUALITY INDEX

We were selected for inclusion in the 2022 Bloomberg Gender-Equality Index (GEI) for the third year in a row. For 2022, the GEI index is comprised of 418 companies headquartered across 45 countries and regions and it aims to track the performance of public companies committed to transparency in gender-data reporting.

The firms included in this year’s index, such as ours, scored at or above a global threshold established by Bloomberg and reflects our commitment to gender diversity.

“We’re honored to be once again recognized on the Bloomberg Gender-Equality Index as we continue to focus on fostering an equitable workplace for our expanding team and portfolio. As we’ve continued to grow, it’s been a top priority to develop and refine our policies and programs on an ongoing basis, ensuring all our employees are receiving equal opportunity and treatment in the organization.”

- Heidi Roth, EVP, Chief Administrative Officer



Progress is our commitment to providing opportunities for our employees to grow with purpose by offering various training and education programs and supporting their advancement within the Company.

TRAINING AND EDUCATION

In 2021, we offered several training and education opportunities to our employees across all teams and regions including in person workshops, virtual workshops, lunch and learns, and on-line webinars. Topics included:

- Negotiation skills training
- Managing up/managing down
- Supervisor review of policies and expectations
- Interview technique Training
- Health and wellness with a focus on mindfulness & resiliency
- DE&I topics as discussed above
- Environmental sustainability training such as waste management, green building certifications and energy efficiency, and training

We also encourage employees to attend industry specific and trade association conferences and webinars either in person or virtually that provide more specific training to their areas of expertise (i.e. Asset Management, Accounting, Construction Services and Development, IT, Legal, Human Resources, DE&I, Sustainability).

53% of employees received some level of training and education in 2021 and on average received 3 hours of sustainability training and 28 hours of other training in 2021.

MANDATORY WORKPLACE BEHAVIOR TRAINING

Every two years, Kilroy employees receive mandatory training on appropriate workplace behavior including the prevention of sexual harassment and abusive conduct, and unconscious bias. All new hires including new supervisory employees also receive this mandatory training within six (6) months of their initial hire or promotion to their supervisory position, as applicable.

Kilroy also provides training to all employees regarding its equal employment opportunity, anti-discrimination and anti-harassment policies.

EDUCATION REIMBURSEMENT

We consider individual requests for job-related tuition reimbursement from employees who have completed at least one year of continuous service. We will reimburse the employee for their related expenses including travel, registration and testing fees, workbooks, lodging and meals not included in the registration fees. Employees are encouraged to take advantage of this program at different stages of their career trajectory.

We also specifically reimburse any interested employees in sustainability education and credentialing.

1:1 COACHING

Over the past two years we have significantly expanded one-on-one coaching opportunities for employees across the organization using both an on-line virtual platform and personalized leadership and/or targeted skill development coaching.

PARENTAL LEAVE COACHING

We also offer an optional on-on-one coaching benefit with a parental leave coach to support expectant parents through the three key phases of transition – pre-leave, during parental leave, and upon return to work. We believe this benefit has particularly contributed to the retention and success of working mothers at Kilroy.

PERFORMANCE AND CAREER DEVELOPMENT REVIEWS

Generally, all employees participate in an annual performance review with their supervisor during the first quarter of each calendar year. The purpose of the annual review is to evaluate the employees’ current level of performance, to identify progress made by the employee since the last review, and to establish goals for the upcoming year. Additional periodic performance reviews and counseling may also be given as required or requested.

EMPLOYEE SATISFACTION SURVEY

As part of our commitment to support our employee base and understand their needs, in November 2021 we conducted our annual employee satisfaction survey. Over 70% of employees participated, providing valuable feedback. The survey highlighted that our employees feel positively connected to their teams, and believe that they are treated with respect by their co-workers and direct supervisor. Based on the feedback shared we are focused on increased training opportunities and educational programming in 2022, and improving communication across the organization.

PROMOTIONS

To illustrate our commitment to employee growth, in 2021 we were pleased to promote 42 employees, or just over 17% of our workforce.



ROB CHAMBERS AND KATLYN QUINN, KILROY SAN DIEGO REGION



Connect provides connection points through social, wellness, and philanthropic programming.

SOCIAL CONNECTION

During 2021, the Kilroy Culture Crew thoughtfully coordinated several regional events to bring our employees together socially, including regular social hours to celebrate birthdays, Company anniversaries, and holidays. In 2021, we were also excited to bring back our regional summer picnics for employees and their families, and regional holiday happy hours to end the year and celebrate the season and our collective accomplishments in 2021.

EMPLOYEE HEALTH & WELLNESS

The health and wellness of our employees is of central importance to our culture. Our programs for 2021 are highlighted below.

We offered comprehensive Group Health benefits to all eligible employees which for 2021 included the following:

Value-added programs provided by our medical benefits provider include:

- Two Medical Plan options including a PPO utilizing ASA Network
- Teladoc
- Prenatal program and breast pump
- Mail order pharmacy
- Chiropractic care
- Acupuncture
- Weight management, healthy eating and exercise
- (In)fertility treatment

- LabCard / Quest Diagnostics
- Wellness portal
- Mobile app
- Dental PPO
- Hearing and vision
 - > Value-add discounts on hearing healthcare and LASIK
 - > Savings on brand-name hearing aids
- Group life insurance: life, AD&D and LTD (employer paid)
 - > Voluntary term life & AD&D buy-up options
 - > UNUM travel assist
 - > UNUM life planning provided
- FSA - health and dependent care (to set aside pre-tax income for healthcare and daycare costs)
- Mental Health - provided a collection of available resources and practical tools for employees to utilize improve their mental health and increase resiliency

PARENTAL LEAVE BENEFITS

Kilroy is firmly committed to supporting its employees in welcoming a child into their families. We are proud to offer paid leave benefits to employees in connection with the birth of a child, the adoption or foster care placement of a child with an employee, and disabilities related to pregnancy.

Enhanced employer-paid maternity and paternity benefits beyond state requirements:

- Maternity - Paid Disability Leave: Up to 4 months, Baby Bonding Leave: Up to 12 weeks, Kilroy Salary Continuation of up to 12-weeks
- Paternity - Baby Bonding Leave: Up to 12 weeks, Kilroy Salary Continuation
- Private lactation accommodations
- Fertility services, including egg freezing

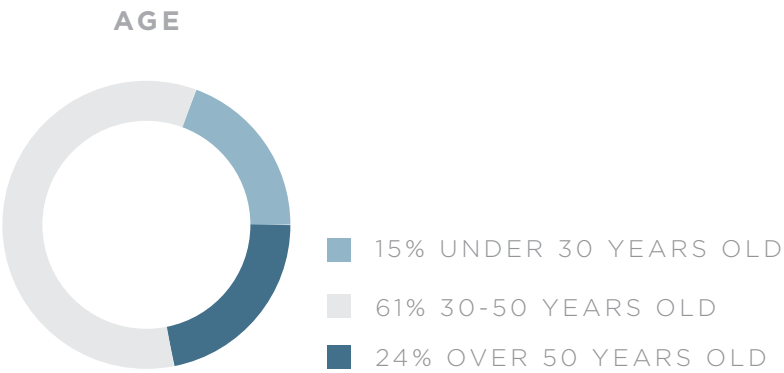
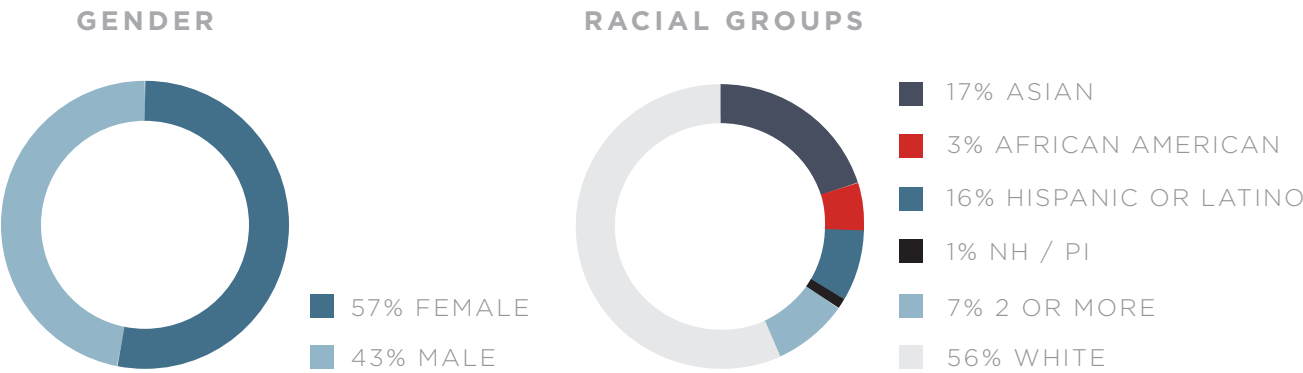
SUPPLEMENTAL BENEFITS

We also have a robust offering of additional benefits including:

- Enhanced Employee Assistance Program, with services to assist with:
 - > Work/life services
 - > Childcare and/or eldercare referrals
 - > Adoption, fertility and egg-freezing services
 - > Personal relationship issues
 - > Health Information
 - > Fitness and exercise
 - > Legal consultations and licensed attorneys
 - > Financial planning assistance
 - > Stress management
 - > Weight management
 - > Mental illness
 - > Grief and loss
 - > Career development
 - > Alcohol/drug dependency
 - > Smoking cessation/nicotine replacement therapy
 - > Wellness coaching and online self-help programs, resources and tools
 - > Overall lifestyle improvement and support for chronic conditions
 - > Parenting tips to parents
- Commuter benefit with WageWorks encourages public and alternative transportation
- Mandatory CPR/AED/first-aid training for key teams/positions every other year
- Easily accessible automatic external defibrillators
- Discount shopping program (LifeMart)
- Discounted gym memberships
- Complimentary fitness and yoga classes
- Standing desks and other ergonomic desk requirements
- Healthy snacks and lunches in every office

GENDER AND DIVERSITY

ENTIRE COMPANY (244 EMPLOYEES)



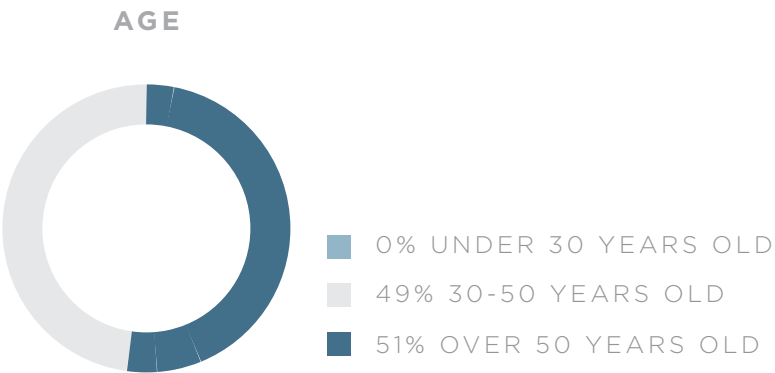
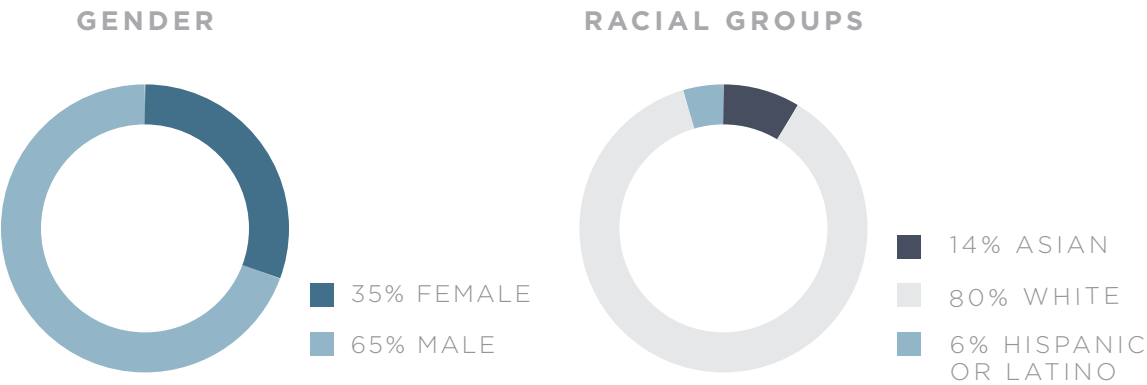
DIVERSITY AT KILROY

61%⁽¹⁾
FEMALE
PROMOTIONS

61%⁽²⁾
FEMALE
HIRES

44%⁽³⁾
MULTICULTURAL
EMPLOYEES

GOVERNING BODY (51 EMPLOYEES, VP & ABOVE)

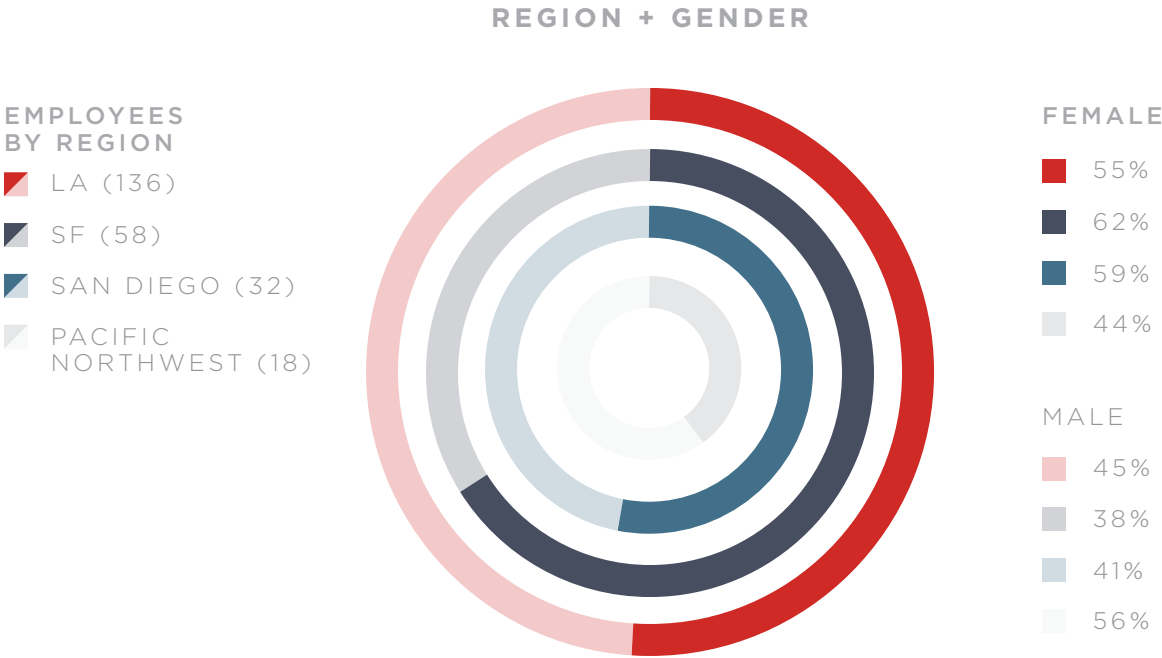
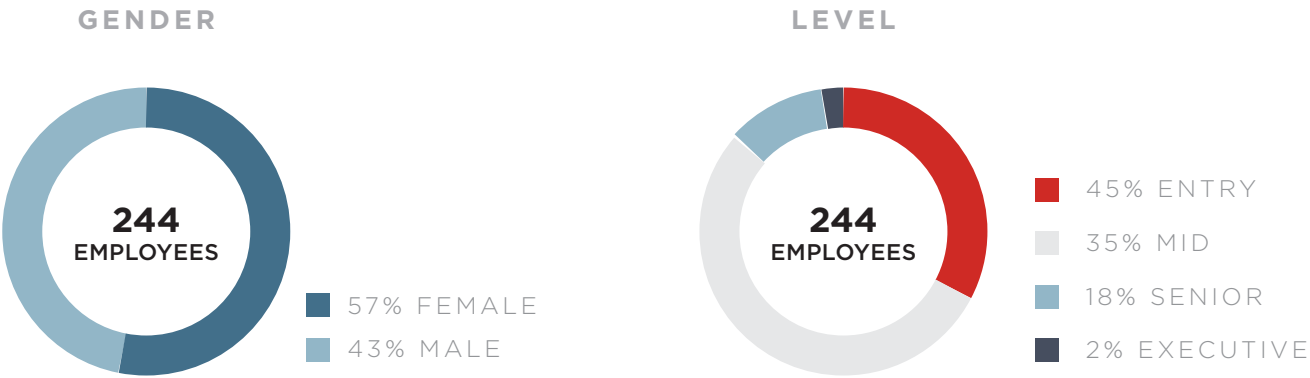


72%⁽⁴⁾
FEMALE
RETENTION

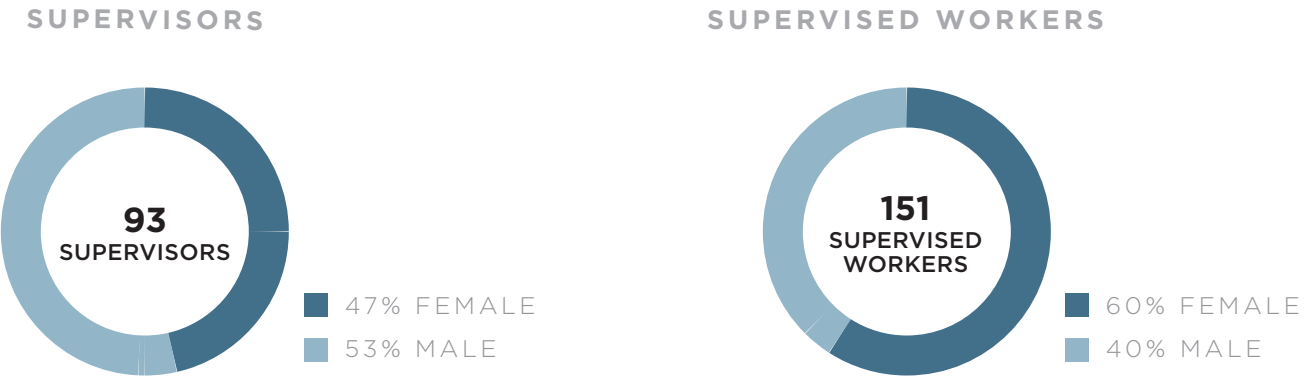
81%⁽⁵⁾
MALE
RETENTION

(1) 23/38 2021 promotions
(2) 31/51 2021 new hires
(3) 108/244 2021 employees
(4) 138 at end of 2021 – 31 new in 2021 / 149 at end of 2020
(5) 106 at end of 2021 – 20 new in 2021 / 103 at end of 2020

TOTAL WORKFORCE



SUPERVISION



Within the scope of this report, there is no substantial portion of our work that is performed by workers who are legally recognized as self-employed, or by individuals other than employees or supervised workers, including employees and supervised employees of contractors. We are not reporting on the work performed by third party vendors and contractors in the construction and operation of our buildings. We have had no significant variations in employment numbers. We have two part-time employees; all other employees work full-time. 1% of our total employees are covered by collective bargaining agreements.

Community

EMPLOYEE VOLUNTEERISM

Our employee volunteerism and philanthropy programs are also a core element of our culture and have two fundamental areas of focus: Strong Communities and Healthy Planet. Those concepts inspire our volunteerism and philanthropy initiatives.

In 2021, we were grateful to be able to return to offering in person volunteer opportunities, specifically bringing back our Kilroy Week of Service. During this week employees were encouraged to participate in a variety of regionally coordinated volunteer efforts. Employees volunteered over 250 hours supporting 14 organizations including:

1. Hands On Seattle and Bay Area

- Benefiting: local children's hospital and low-income families
- Donated: handmade stuffed animals, herb gardens, and filled holiday stockings

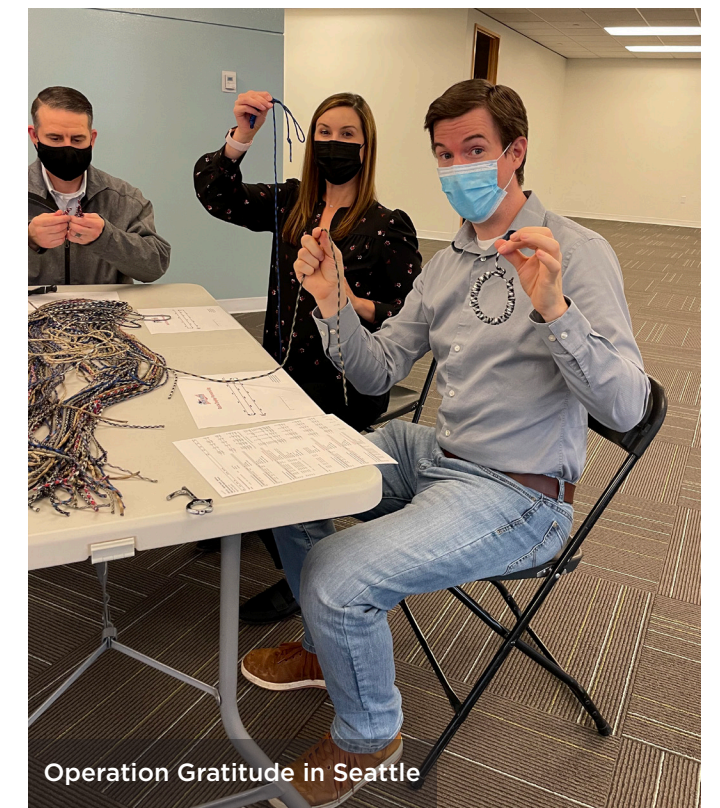
2. Operation Gratitude

- Benefiting: veterans
- Made & donated: survival bracelets and wellness kits

Overall, throughout 2021 employees volunteered over 400 hours supporting over 25 charities and organizations in the communities in which we work and live.

3. Tree People

- Purpose: habitat restoration on LA River Greenway Trail



PHILANTHROPY

We also provide financial support to charitable organizations focused on Strong Communities and Healthy Planet. Our philanthropic philosophy is to provide unrestricted grants to allow the organizations we believe in to execute their programs most efficiently. Additionally, in 2021 we extended our Matching Gifts Program through which the company matches employee donations made to qualified organizations with the opportunity for employees to earn up to a \$1,500 match. The Company supported over 85 organizations in making charitable donations in 2021 including:

NAACP Environmental and Climate Justice

For several years we have not just funded but participated in the NAACP’s Centering Equity in the Sustainable Building Sector initiative, in addition to providing financial assistance to support their critical racial justice efforts. This program was created to address the disproportional impact that climate change has on low-income communities and communities of color by advocating for three main objectives: reduce harmful emissions, advance energy efficiency and clean energy, and strengthen community resilience and livability. The NAACP’s mission strongly aligns with our approach to sustainable building and community engagement, and we are proud to support their efforts. In 2021, we made a \$10,000 donation to the organization to help sustain their essential work.

Hollaback!

To help champion a safer and more equitable world following the increase in violence and hate crimes during 2021 we pledged \$10,000 to Hollaback!, a people-powered movement with the mission to end harassment in all forms by harnessing the power of everyday people to take action against harassment by building awareness and teaching the 5 ‘D’s’ of bystander intervention. We also used this donation as an opportunity to reaffirm our commitment to equal treatment for all people, and to share the tools and resources that Hollaback! offers to educate our own workforce.

Kilroy Environmental Scholarship at Loyola Marymount University

In recognition of John B. Kilroy, Sr.’s unique and longstanding role as chairman of Kilroy Realty, we established the Kilroy Scholarship at Loyola Marymount University (LMU). Established in 2013 with a gift of \$100,000 each year for 10 years, the Kilroy Scholarship supports undergraduate students in the Frank R. Seaver College of Science and Engineering who are pursuing a degree in Environmental Science.

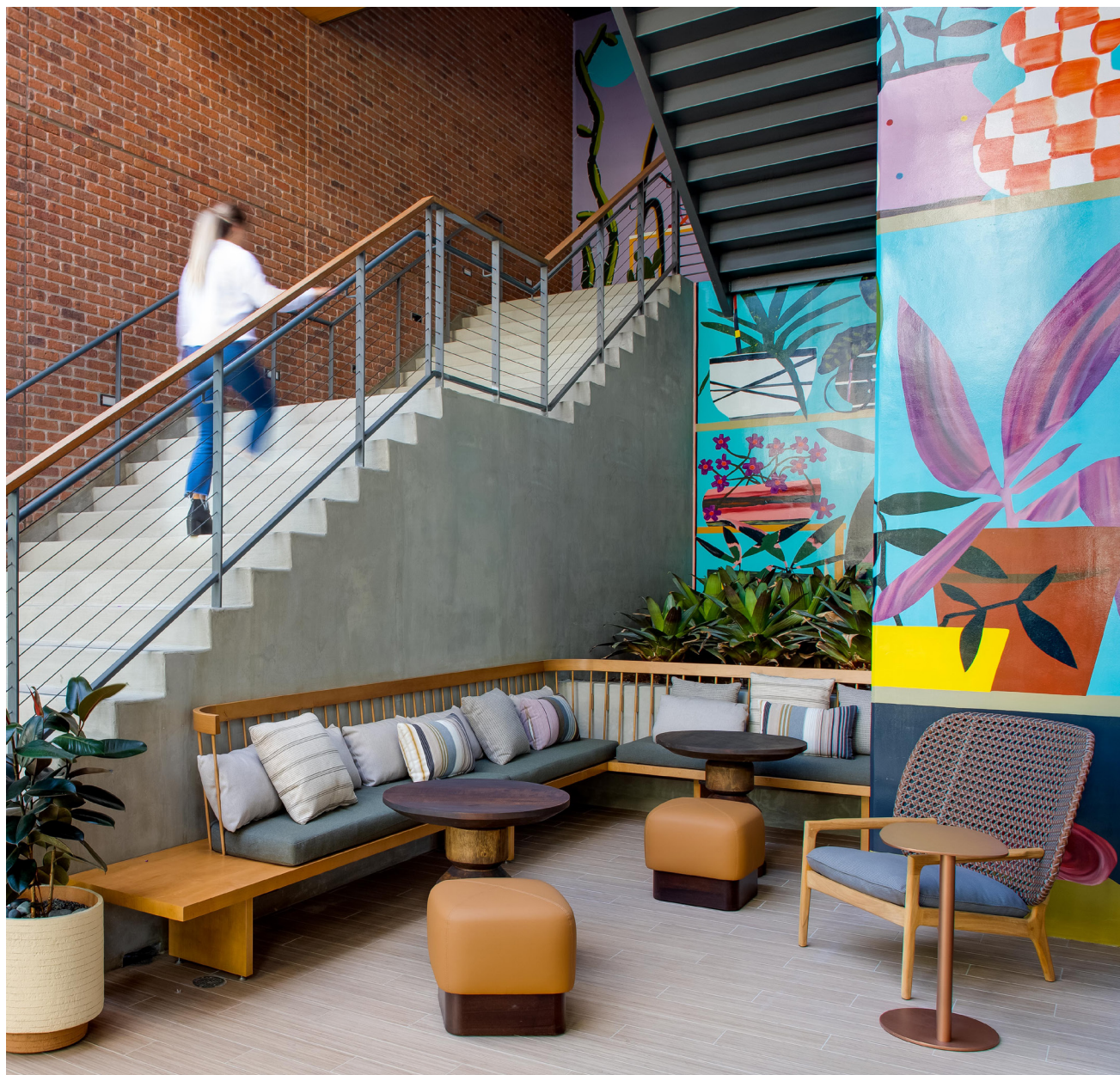
EMPLOYEE SPOTLIGHT

NINA PRASAD

Nina Prasad joined Kilroy in 2019 as a member of the Legal team. Over the past several years, she has become a frequent and valued partner of the Sustainability team. Nina provides key support in our efforts to expand our on-site solar installations via power purchase agreements, collaborates with the Sustainability team and others on strategic supplier engagement and effective implementation of our Preferred Vendor Conduct Policy, and assists on a number of other items related to our efforts to improve the environmental performance of our buildings and operations.

Nina is a member of the Kilroy Culture Crew, helping to increase employee engagement and connection through community building activities like volunteering and book clubs. She has also contributed programming ideas to support our larger Kilroy team to advance diversity, equity & inclusion efforts. In the past year she made a smooth transition back to work after maternity leave, and is now part of a community of Kilroy colleagues who are working parents. Nina recently received a well-deserved promotion to Vice President, Real Estate Counsel. We are fortunate to have Nina as part of the Kilroy team.

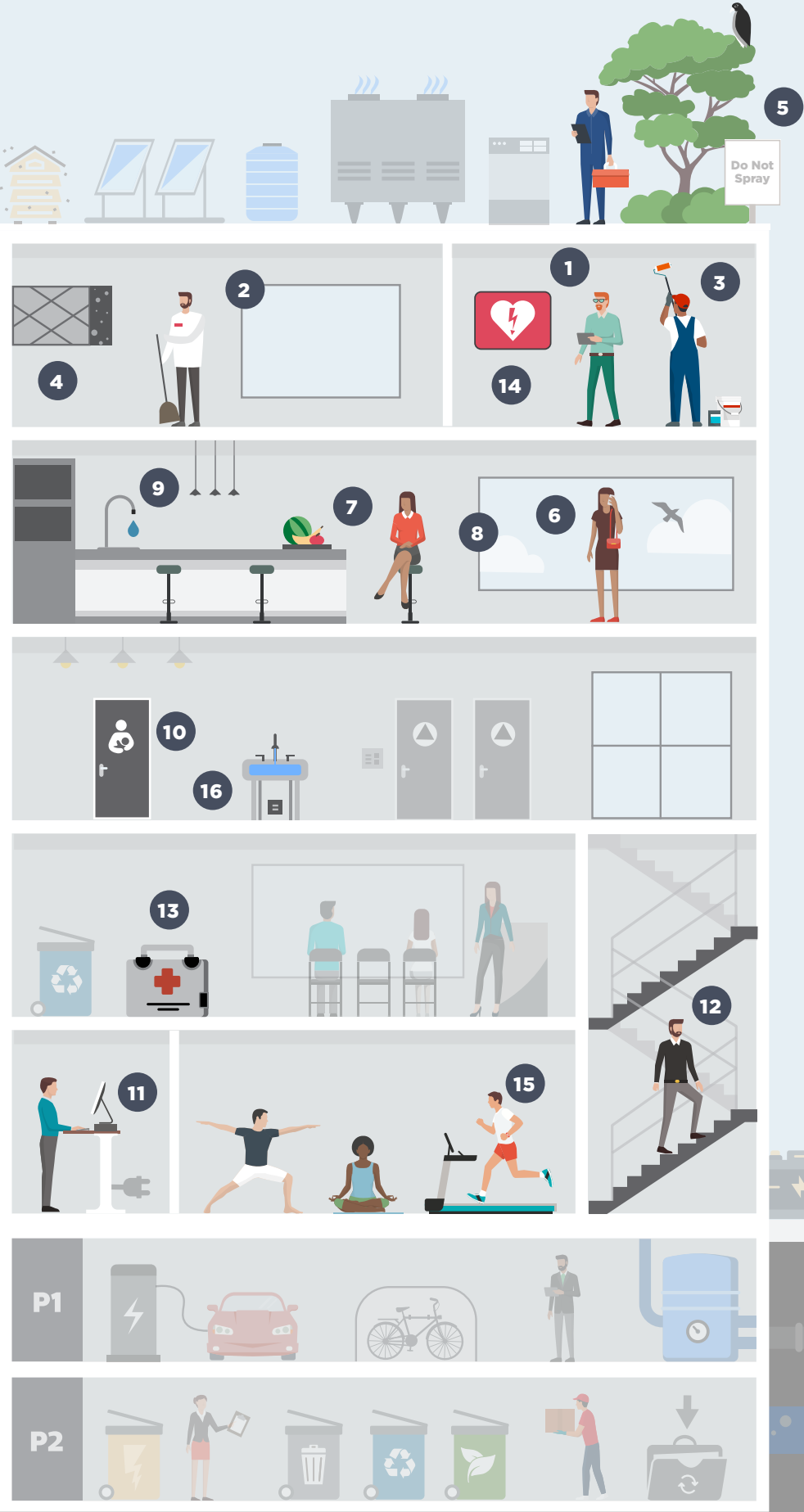




2100 KETTNER - SAN DIEGO, CA // TARGETING LEED PLATINUM, WELL PLATINUM, HEALTH-SAFETY RATING

Healthy Buildings

- Health & Wellness Tour
- Healthy Buildings Spotlight
- Building Health Certifications
- Transit Tour



HEALTH AND WELLNESS TOUR

1. INDOOR AIR QUALITY (IAQ) TESTING

To verify the quality of our indoor air, we conducted indoor air quality testing in 5,434,264 square feet across 24 buildings in 2021, or 32% of our portfolio. All buildings received certificates verifying their performance and compliance with CDC and WHO viral mitigation guidelines. In 2021, we began piloting IAQ sensors at 2 projects. These sensors continuously monitor humidity, thermal comfort, and CO2 and VOC levels in building common areas.

2. GREEN CLEANING

See page 70.

3. LOW EMITTING MATERIALS

Our building standards prohibit the use of high VOC adhesives, sealants, paints, and coatings as well as products containing added urea formaldehyde. In 2021, all projects met this standard.

4. MERV FILTERS

The average MERV rating in our portfolio is 12.1.

5. RESTORATIVE ROOF GARDENS

Landscape amenities can improve mental health and reduce stress.

6. DAYLIGHT AND VIEWS

Access to daylight and views may improve mental and physical health, as well as performance in the workspace.

7. HEALTHY SNACKS

Access to healthy food and beverages can increase wellbeing, as well as decrease obesity and related diseases.

8. BREAK AREAS

The ability to take a break away from the workstation can increase the likelihood of eating healthier foods and increase productivity.

9. ACCESS TO WATER

Readily accessible drinking water may decrease consumption of sugar-sweetened beverages.

10. MOTHER'S ROOMS

A dedicated lactation room can increase productivity, decrease health claims, and reduce absenteeism for sick children.

11. ACTIVE WORKSTATIONS

Active workstations may decrease sedentary time and increase physical activity.

12. ACTIVE STAIRWELLS

Taking two flights of stairs a day can help prevent most typical adult weight gain.

13. COMPREHENSIVE EMERGENCY PREPAREDNESS PROGRAMS

Our emergency preparedness programs increase employee and tenant safety during emergency situations.

14. AEDS

Readily accessible and tested AED can increase response time for negative cardiac events.

15. FITNESS

Fitness centers and areas can increase employee well-being and decrease absenteeism due to sickness.

16. LEAK DETECTION

Our leak detection procedures help prevent mold growth.

HEALTHY BUILDINGS SPOTLIGHT

WELL HEALTH-SAFETY RATING

The WELL Health-Safety Rating for Facility Operations and Management is a performance-based system for measuring, verifying and monitoring features of the built environment that impact the health, safety, and wellbeing of our partners. We are proud that our entire full-service gross portfolio earned the WELL Health-Safety Rating in 2021. We achieved this distinguished recognition on the following six health-safety themes:

- Cleaning and Sanitization Procedures
- Emergency Preparedness Programs
- Health Service Resources
- Air & Water Quality Management
- Stakeholder Engagement & Communication
- Innovation

Kilroy chose to partner with A SustainAble Production (ASAP), a woman owned, full-service global ESG, sustainability and wellness consulting firm. ASAP is a global expert and leader in bringing sustainability & wellness to the built environment at scale. As Kilroy's WELL Portfolio Consultant overseeing the WELL Health-Safety Ratings, Portfolio Benchmarking and WELL Re/Certifications, ASAP supported Kilroy in successfully benchmarking and contributing to Kilroy's ESG goals for GRESB.



MONIQUE DIEGO, KILROY EMPLOYEE AT KEY CENTER

FITWEL

We ended 2021 with 22 Fitwel certifications, including one recertification and four new certifications at 3130 Wilshire Blvd, The Sunset Office Tower, West 8th Street and Indeed Towers. This is the greatest number of certifications of all time, for which the Center for Active Design awarded us the Fitwel Excellence Award as part of its best in building Health Awards for the fourth year in a row. We will continue to focus on incorporating active design features into all of our projects, both development and existing, to increase our Fitwel portfolio further.



SUNSET MEDIA CENTER - HOLLYWOOD, LOS ANGELES, CA // LEED GOLD, ENERGY STAR, FITWEL

FITWEL CERTIFICATIONS

SEATTLE

KEY CENTER

490,738 SF

SKYLINE TOWER

428,557 SF

401 TERRY

174,530 SF

WEST 8TH

539,226 SF

SAN FRANCISCO BAY AREA

350 MISSION

455,340 SF

360 THIRD ST

429,796 SF

333 BRANNAN

185,602 SF

201 THIRD ST

346,538 SF

100 FIRST ST

480,457 SF

CROSSING 900

347,269 SF

GREATER LOS ANGELES

COLUMBIA SQUARE

6121 W SUNSET - 93,418 SF

1525 N GOWER - 9,610 SF

1500 N EL CENTRO - 113,447 SF

12100 W. OLYMPIC

152,048 SF

12200 W. OLYMPIC

150,832 SF

SUNSET MEDIA CENTER

323,920 SF

TRIBECA WEST

151,029 SF

501 SANTA MONICA

76,803 SF

SAN DIEGO

ONE PASEO - FITWEL FOR COMMUNITIES

23.6 ACRES

AUSTIN

INDEED TOWER

734,000 SF

Total Fitwel Certified - 6,122,217 SF
% Portfolio Fitwel Certified - 37%

FITWEL SPOTLIGHT

SUNSET OFFICE TOWER

The Sunset Office Tower, a 78,000 square foot Class A office building located in the heart of West Hollywood off the world-famous Sunset Strip, achieved its first Fitwel Certification in 2021. The project promotes occupant health and wellness through an array of active design features, rigorous indoor air quality management, and a robust health and wellness program. Tenants and visitors alike enjoy close proximity to public transportation, green spaces, and communal gathering places that serve as a welcome respite for relaxation and rejuvenation.

The project incorporates several amenities that support an active lifestyle including secured bike racks, lockers and showers, and occupant access to stairwells. The expansive smoke- and tobacco-free courtyard provides abundant shaded seating and several healthy food options making The Sunset a true embodiment of the WeHo culture.



THE SUNSET - LOS ANGELES, CA // LEED GOLD, ENERGY STAR, FITWEL

We provide a commuter benefit to our employees to subsidize the cost of public transit to encourage employees to take public transit to work.



SUPPLY CHAIN

We recognize that much of the environmental footprint of our business 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 and customers in turn procure.

In 2019 we surveyed critical Tier 1 operational suppliers (e.g. engineering, janitorial, landscaping, and parking), in 2020 we surveyed Tier 1 development suppliers (e.g. architects, engineers, general contractors), and in 2021 we surveyed Tier 1 transactional suppliers (e.g. accountants, brokers, and legal consultants). For each group, we ask questions related to their practices related to corporate responsibility, ethics, human rights, quality management, environmental sustainability, and supply chain risk management. By surveying our suppliers and providing them with feedback for improvement, we hope to influence environmental and social outcomes in our supply chain.

Looking ahead, we aim to increase our engagement with our suppliers and customers on ESG matters, both to better understand the impact of our value chains, as well as to influence progress upstream and downstream from our operations. In the coming years, the Sustainability team will work closely with Risk Management and Legal to identify a broader set of suppliers and customers whom we will survey regularly, and which suppliers we will prioritize for more in-depth engagement.

Full survey report can be found at:
https://kilroyrealty.com/wp-content/uploads/2021/11/211026_Kilroy_Sustainability_Supplier-Excellence-Survey-Results.pdf

VENDOR CODE OF CONDUCT

As part of operating a successful real estate development and management company we rely on outsourcing services and business processes to optimize value and complement the in-house teams we have in place. Through both our Company Code of Conduct and our Preferred Vendor Conduct Policy, we seek to elevate the visibility and importance of ESG commitment in operations, workforce relations, and environmental practices. Our Preferred Vendor Code of Conduct can be found on our website: <https://kilroyrealty.com/sustainability/>.

04 Governance

- Board of Directors ESG Oversight
- Policies
- Green Bond
- Stakeholder Engagement



TRIBECA WEST - LOS ANGELES, CA // LEED GOLD, ENERGY STAR, FITWEL

Board of Directors ESG Oversight

CORPORATE SOCIAL RESPONSIBILITY & SUSTAINABILITY

COMMITTEE

Our Board of Directors established a Corporate Social Responsibility and Sustainability Committee in 2018. Their charter charges them with oversight of environmental and social issues at Kilroy, including climate change. Its role is to oversee and advance our corporate social responsibility and sustainability initiatives in recognition that community engagement and sustainable operations benefit all of our stakeholders and are key to preserving our value and credibility. The committee provides both input on social and environmental issues based on committee members' broad market experience as well as provide strategic guidance around employee initiatives in these areas. Jolie Hunt serves as chair of the committee, which is also comprised of Peter Stoneberg and our CEO, John Kilroy. An internal Kilroy team that spans sustainability, legal, human resources, administration, and marketing meets regularly to discuss initiatives and progress around social and environmental issues, and the Senior Vice President, Sustainability, Senior Vice President Corporate Counsel and Executive Vice President, Chief Administrative Officer report to the board CSR&S Committee multiple times a year.



Jolie
Hunt



Peter
Stoneberg



John
Kilroy

Biographies for the CSR&S Committee members can be found on pages 14, 16, and 20 of our 2021 proxy statement available here: <https://investors.kilroyrealty.com/investors/financial-reports/sec-filings/default.aspx>

ESG IN EXECUTIVE COMPENSATION

An ESG-focused metric is included in our annual cash incentive measurement framework, with a 20% weighting within the overall framework for determining cash bonus payouts for our executive management team. Accordingly, when determining the annual cash bonus payout levels for our executives, the Executive Compensation Committee of our Board of Directors considers our achievement of certain sustainability and ESG-related initiatives, with 2021 goals that included achieving minimum LEED certifications on all new office and life science developments, maintaining carbon neutral operations, maintaining our GRESB 5-star rating, and providing enhanced training on and maintaining high levels of transparency into our DE&I efforts.

More information on our executive compensation program can be found in our proxy statement: <https://d18rnOp25nwr6d.cloudfront.net/CIK-0001025996/dfb30ac1-7068-41a2-b9d2-46cdb4040805.pdf>



SANTA FE SUMMIT - SAN DIEGO, CA // TARGETING LEED GOLD

Policies

1. SUSTAINABLE SITES POLICY
Effective April 19, 2010

2. BIODIVERSITY AND HABITAT POLICY
Effective May 5, 2016

3. SOLID WASTE MANAGEMENT POLICY
Effective July 7, 2013

4. CONSTRUCTION WASTE POLICY
Effective August 2, 2010

5. REFRIGERANT MANAGEMENT POLICY
Effective July 7, 2013

6. GREENHOUSE GAS (GHG) MANAGEMENT POLICY
Effective April 17, 2013

7. CLIMATE CHANGE POLICY
Effective August 2, 2010

8. ENERGY POLICY
Effective April 17, 2013

9. ENERGY MANAGEMENT POLICY
Effective April 17, 2013

10. INDOOR AIR QUALITY (IAQ) POLICY
Effective July 7, 2013

11. ENVIRONMENTAL TOBACCO SMOKE (ETS) CONTROL POLICY
Effective January 1, 1995

12. IAQ MANAGEMENT FOR FACILITY ALTERATIONS AND ADDITIONS POLICY
Effective July 7, 2013

13. INTEGRATED PEST MANAGEMENT (IPM) POLICY
Effective July 7, 2013

14. BUILDING EXTERIOR AND MAINTENANCE POLICY
Effective July 7, 2013
15. GREEN CLEANING POLICY
Effective January 12, 2011

16. HEALTH AND SAFETY POLICY
Effective July 7, 2013

17. CONSTRUCTION MATERIALS DESIGN CRITERIA AND BUILDING STANDARDS POLICY
Effective August 2, 2010

18. VENDOR CODE OF CONDUCT
Effective December 15, 2016

19. SUSTAINABLE PURCHASING POLICY
Effective July 7, 2013

20. BUILDING MATERIALS POLICY
Effective March 20, 2012

21. WATER MANAGEMENT POLICY
Effective July 2, 2014

22. PLUMBING FIXTURE REPLACEMENT POLICY
Effective July 2, 2014

23. CALIFORNIA DROUGHT POLICY
Effective January 21, 2014

24. RESILIENCE POLICY
Effective December 2, 2013

25. HUMAN RIGHTS POLICY
Effective December 15, 2016

26. PHILANTHROPY POLICY
Effective December 15, 2016

27. GREEN OFFICE POLICY
Effective September 23, 2019
- Full sustainability policy text can be found at: <https://kilroyrealty.com/sustainability/>

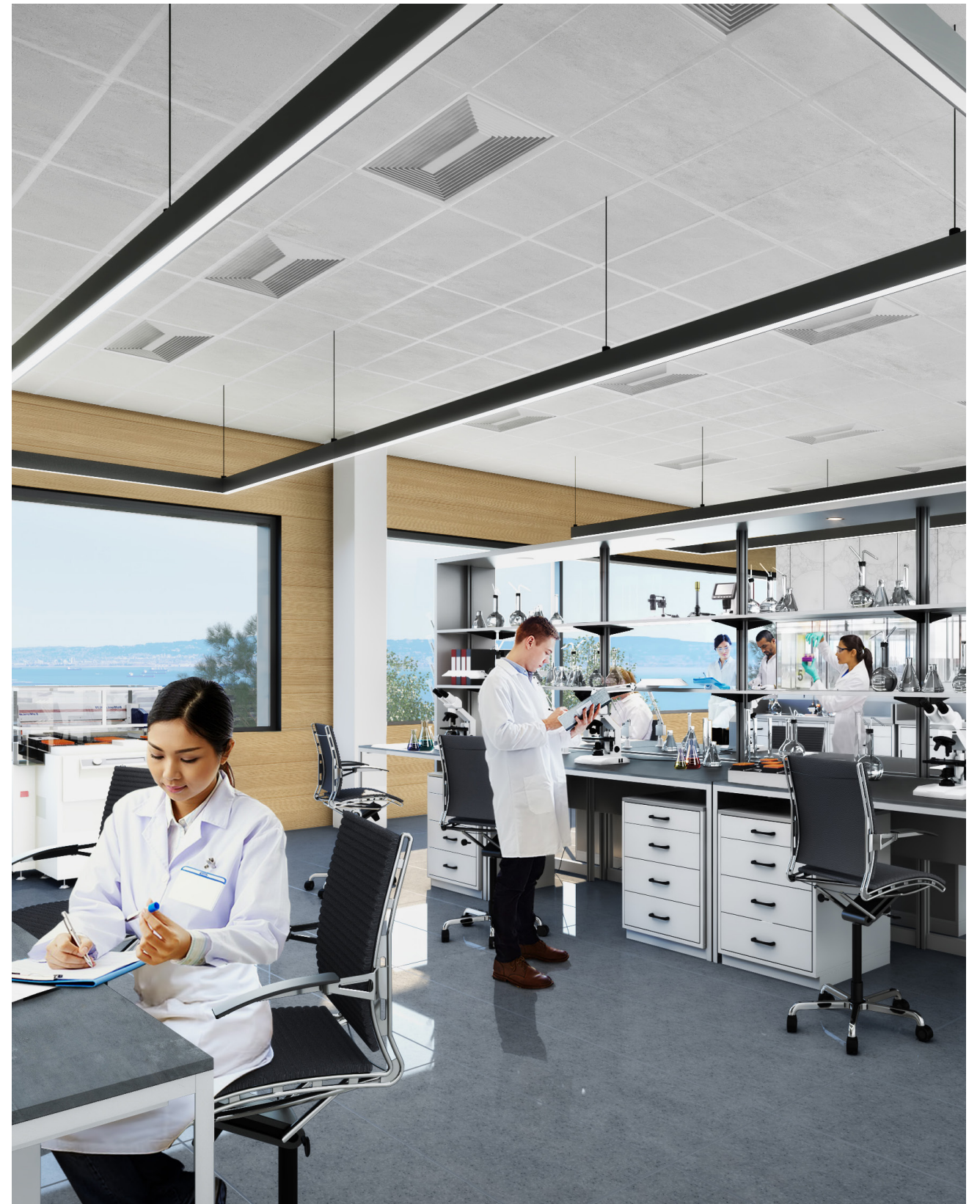
SUSTAINABILITY ACROSS KILROY

BOARD OF DIRECTORS CSR&S Committee, TCFD Oversight, ESG in Executive Compensation	SENIOR MGMT Report Assurance, Project Approval	FINANCE Green Bonds, Offsite PPA Structure
LEGAL Green Leases, Offsite PPA, Performance Contracting, Vendor Code of Conduct Implementation, Sustainability Disclosures in the Proxy Statement	ASSET MGMT AND OPERATIONS Tenant Engagement, Project Implementation, Creation of Sustainability Reporting	RISK MGMT Climate Change Factors in Standard Operating Procedure and Emergency Manuals, Project Approval
DEVELOPMENT Execution of Sustainability Strategy for Development Projects, Sustainability in Tenant Fit Out Standards	ACCOUNTING Sustainability Disclosures in 10-K	IT Controls Projects, IoT Deployments
ENGINEERING Implementation of Efficiency Projects	STANDARDS Sustainability Information on Tenant Portals	MARKETING Sustainability Information in Marketing Materials, External Communication, Annual Sustainability Report
SUSTAINABILITY Coordination and Execution of Sustainability Programs	HUMAN RESOURCES Training, Employee Engagement	GOV AFFAIRS Local Community Engagement

Green Bond

On October 7, 2021, we announced that our operating partnership, Kilroy Realty, L.P. priced an underwritten public offering of \$450 million aggregate principal amount of 2.650% senior notes due 2033 with a commitment to allocate the proceeds from these bonds to one or more Eligible Green Projects. This is our third green bond offering. We allocated the entirety of the proceeds to our Kilroy Oyster Point (Phase 1) development project. Kilroy Oyster Point Phase 1 (KOP1) is a 661,000 square foot office and life science project located in South San Francisco, and the project is pursuing LEED Gold certification.

This is the third green bond that Kilroy has issued. An external review provider (DNV Business Assurance USA, Inc) has reviewed our Green Financing Framework and our latest green bond issuance under the Framework. Their Second Party Opinion can be found on our website at: https://kilroyrealty.com/wp-content/uploads/2022/04/Kilroy_Green-Bond-Second-Party-Opinion_April-7-2022.pdf. Our Green Financing Framework can be found at: <https://kilroyrealty.com/wp-content/uploads/2021/06/kilroy-realty-corporation-green-bond-framework.pdf>



KILROY OYSTER POINT, PHASE 1 - SOUTH SAN FRANCISCO, CA // TARGETING LEED GOLD

Stakeholder Engagement Matrix

STAKEHOLDER GROUP	ENGAGEMENT APPROACH	MATERIAL ASPECTS AND TOPICS OF DISCUSSION
Employees	<ul style="list-style-type: none">— Annual kickoff calls with sustainability team— Employee satisfaction survey— Training programs and support— Annual performance reviews— Intranet site for internal communications— Whistleblower mechanism— Collaboration on projects and certifications— Regional Culture Club teambuilding events— Regional Culture Club service events— Employee wellness programs	Energy, Water, Effluents/Waste, Product and Service Labeling, Resilience, Awards, Training and Education, Health and Wellness, Diversity and Equal opportunity, Nondiscrimination
Tenants	<ul style="list-style-type: none">— (See Tenant Engagement Matrix on page 54)	Energy, Water, Waste, Resilience, Health & Wellness, Awards, Building Certifications, Carbon Neutral Operations, Community Engagement

STAKEHOLDER GROUP	ENGAGEMENT APPROACH	MATERIAL ASPECTS AND TOPICS OF DISCUSSION
Investors	<ul style="list-style-type: none">— TCFD/SASB-aligned disclosures in the Annual Financial Report filed with the SEC, the Proxy and the Sustainability Report— Dedicated investor disclosures— Quarterly earnings calls including Q&A with senior management— Dedicated investor relations team— Investor meetings and investor events— Questionnaires and surveys— Property tours— Green bond disclosures	Economic Performance, Anti-Corruption, Anti-Competitive Behavior, Product and Service Labeling, GRESB Participation, Transparency, Emissions, Governance, Energy, Water, Building Certifications, Community Relations, Resilience, Health and Wellness
Government	<ul style="list-style-type: none">— Advocacy related to specific development projects— Engagement with government representatives on sustainability issues— Working group/committee participation for the development of new legislation on local, state and federal level— Collaboration throughout the permitting process— Speaking at government-focused events— Participation in government-run sustainability programs	Materials, Emissions, Energy, Water, Public Policy, Transit-Oriented Development, Transparency, Barriers to Utility Data Access, Benchmarking Ordinances, Compliance, Environmental Grievance Mechanisms, Renewable Energy

Stakeholder Engagement Matrix

STAKEHOLDER GROUP	ENGAGEMENT APPROACH	MATERIAL ASPECTS AND TOPICS OF DISCUSSION
Brokers	<ul style="list-style-type: none">— Broker green leasing collaboration— Award application collaboration— Regional broker appreciation events— Attendance and hosting of various broker meetings— Panel discussions/webinars	Product and Service Labeling, Green Leasing, Utility Disclosure, Green Building Standards
NGOs	<ul style="list-style-type: none">— Leadership, membership and employee participation in NGO activities— Attendance at conferences and other industry events— Employee volunteerism— Corporate philanthropy— Strategic partnerships	Transparency, Product and Service Labeling, Energy, Water, Emissions, Effluents and Waste, Emissions, Smart Growth, District Energy Systems, Health and Wellness
Industry Associations	<ul style="list-style-type: none">— Active participation at conferences and meetings— Participation on committees such as NAREIT Real Estate Sustainability Council— Partnerships	Energy, Water, Transparency, Product and Service Labeling, Resilience, Reporting Frameworks, Health and Wellness

STAKEHOLDER GROUP	ENGAGEMENT APPROACH	MATERIAL ASPECTS AND TOPICS OF DISCUSSION
Contractors, Vendors, and Suppliers	<ul style="list-style-type: none">— Supplier Excellence Survey participation— Contract development and interaction throughout duration of service— One-on-one meetings and calls	Materials, Energy, Water, Procurement practices, Effluents and Waste, EV Charging Infrastructure, Transparency, Health and Wellness, Green Cleaning
Media	<ul style="list-style-type: none">— Press releases— Interviews with media regarding Kilroy operations and sustainability— Events around significant achievements, such as groundbreakings— Social media	Energy, Water, Transparency, Tenant/Broker/Investor Engagement, Health and Wellness
Communities	<ul style="list-style-type: none">— Interaction with communities throughout the development process, such as town hall meetings— Public space and amenities accessible to community members at many properties— Social media	Resilience, Energy, Water, Smart Growth, Transit, Economic Development

PARTNERSHIPS AND INDUSTRY ASSOCIATIONS



National

- ENERGY STAR Partner
- U.S. Green Building Council (USGBC) Corporate Gold Member
- NAREIT Real Estate Sustainability Council
- GRESB
- Center for Active Design Leadership Advisory Board Member
- Urban Land Institute (ULI) Greenprint member
- NAACP Centering Equity in the Sustainable Building Sector Working Group member

- Institute of Real Estate Management (IREM)
- International Facility Management Association (IFMA)
- National Association of Industrial and Office Properties (NAIOP)

Local

- U.S. Green Building Council Los Angeles Partner
- San Diego, San Francisco and Seattle 2030 Districts member
- BOMA San Diego, Los Angeles, San Francisco, Seattle
- ULI Los Angeles District Advisory Council



THE SUNSET TEAM CELEBRATES WINNING THE RETAIL CATEGORY AT THE 2021 TOBY AWARDS HOLLYWOOD, LOS ANGELES, CA // ENERGY STAR, TARGETING LEED GOLD

ETHICS

Obeying the law, both in letter and in spirit, is the foundation on which our ethical standards are built. Each employee has an obligation to comply with federal laws and the laws of the states, counties, and cities in which we have properties and operate our business. We will not tolerate any activity that violates any laws, rules or regulations applicable to us. This includes, without limitation, laws covering bribery and kickbacks, copyrights, trademarks and trade secrets, information privacy, insider trading, illegal political contributions, antitrust prohibitions, offering or receiving gratuities, environmental hazards, employment discrimination, harassment or retaliation, occupational health and safety, false or misleading financial information or misuse of corporate assets.

This policy is addressed in the Company’s Code of Business Conduct and Ethics (“The Code of Conduct”), which each employee is given upon their hiring, is available on our public website and internal intranet, and is additionally sent out once a year to all employees via email from our Senior Vice President, Corporate Counsel. Additionally, all employees of the Company certify and affirm that they have received, read and understood the terms of and have fully complied with the Code of Conduct on an annual basis. The Code of Conduct applies to our directors, officers, employees, agents and consultants, regardless of whether they work for the Company or for one of its affiliates, on a full or part-time basis (the “Company Parties”). Company Parties who become aware of noncompliance with our Code of Conduct are encouraged to make use of our Conduct Hotline if they do not feel comfortable bringing up the issue with a supervisor or Human Resources. Under the Code of Conduct, all Company Parties have a duty to report any known or suspected violations of the Code of Conduct to a representative of our company, who will investigate the Company Party’s concern and follow the applicable procedures set forth in the Code of Conduct to disclose the issue to the necessary party, including the Board of Directors or a committee thereof, as appropriate. If our representative does not satisfactorily address the issue or the Company Party does not feel comfortable discussing the matter with the representative, the Company Party is to report the matter to the Audit Committee of the Board of Directors through its anonymous and confidential Conduct Hotline.

We did not have any significant bribery, fraud or corruption issues in 2021 or in any prior reporting years. In addition, we had no legal actions for anticompetitive behavior, anti-trust, or monopoly practices in 2021 or any prior reporting years.

We subscribe to the precautionary principle, which we interpret by assuming that the construction and operation of our buildings has the potential to threaten the environment and the health of building occupants and those in our supply chain. We believe that environmental and health-focused building certifications help us avoid materials and practices that may cause these negative impacts, which is why all our new construction and eligible existing buildings pursue these certifications. In addition, we are constantly working to stay abreast of industry best practices in procurement and incorporating these practices into our projects.

CYBERSECURITY

We recognize the importance of investing to strengthen the cybersecurity posture of our networks, systems, and applications. Historically, when it comes to protecting our assets, physical security is usually the first thing that comes to mind. As the business world changes and with technology being a key part of our lives, protecting our assets on the cybersecurity front is crucial to our business. In a world where connectivity becomes more prevalent each and every day, the risk of potential cyberattacks and intrusions via malware, phishing, ransom-ware, and many other forms that could cause disruptions in our business operations increases. The general increase in volume and level of sophistication of potential cyber intrusions has grown over time. With the increased awareness of potential cyber risks and disruptions, we adopt a robust enterprise-wide cybersecurity program and strategy that encompasses security expertise, technical protections, monitoring solutions, cyber insurance and awareness training to mitigate risks and disruptions.

ENVIRONMENTAL GRIEVANCES

The concept of formal environmental grievance mechanisms as contemplated by GRI is not applicable to us as a REIT. However, we have procedures in place for responding to environmental incidents, and our focus on developing urban core brownfield sites requires us to have expertise in coordinating environmental remediation. Examples of environmental issues that can arise at an existing property include water intrusion, mold, air quality or water quality issues, leaking underground storage tanks or pipes, and the presence of asbestos-containing materials or lead-based paint. Examples of environmental issues that may at our urban development sites include contaminated soil, soil vapor, and groundwater, underground storage tanks, and encountering unknown structures and materials. We did not have any significant fines or non-monetary sanctions regarding environmental compliance in 2021. We had no significant spills in 2021. We had no grievances about environmental impacts filed, addressed and resolved through formal grievance mechanisms.

ENTITIES

No entity included in our consolidated financial statements (<https://investors.kilroyrealty.com/investors/financial-reports/annual-reports-proxy-statements/default.aspx>) is excluded from coverage in this sustainability report. We are headquartered in Los Angeles, California.

REPORTING PERIOD

The report covers all of our activities, all of which are located in the United States, during the calendar year 2019. We publish a corporate sustainability report on an annual basis. The last Kilroy corporate sustainability report was published in April 2021 and covered calendar year 2020. Since our last report, there have been no significant restatements. The external assurance report can be found on page 150. The external assurance provider has used the AA1000 Assurance Standard (08) as the basis of the assurance.

2021 Disclosure Scorecard



#1 Ranking in the Americas, Listed 2021
Global Sector Leader, Listed Development 2021
Disclosure Score: A



One of 9 American Real Estate Companies named to the Dow Jones Sustainability World Index



Listed on Bloomberg Gender-Equality Index



ISS Quality Score
Environmental: 1
Social: 3
Governance: 5
(Scale: 1-10, 1 is highest possible score)



Score: A



Score: B. Within the 33% highest scoring companies
Score: A - Supplier Engagement



05 Wrap Up

- Materiality
- Third Party Validation
- Conclusion
- Global Reporting Initiative

Materiality

To define our report content, we use GRI’s Principles for Defining Report Content. These help us identify the most relevant environmental, social, and governance impacts as they pertain to our business and stakeholders. This includes all information required for the GRI Standard: Core option as well as additional information relevant to our stakeholders. To accomplish this, the sustainability team updates our Materiality Matrix each year. In 2021, we determined that a substantial revision was not needed, and we updated our matrix based on input received during the previous year from external stakeholders (e.g. Architect, Consultant, NGO, Investor, General Contractor, Tenant, Industry Association), and solicited feedback from key internal stakeholders from Legal, Human Resources, Development & Construction, Operations, Marketing & Communications, Accounting, Risk Management, and Sustainability.

External Stakeholders

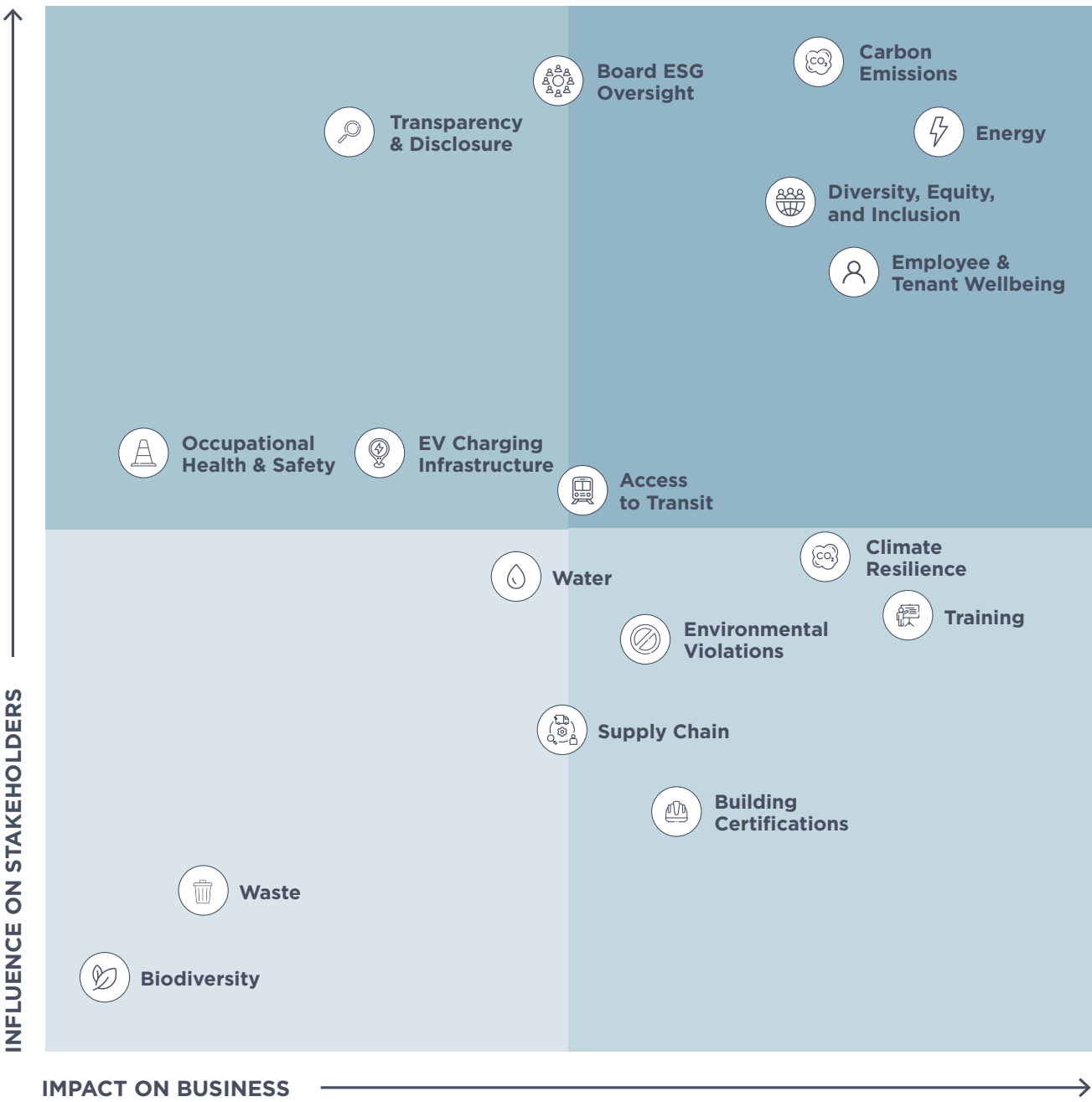
- Architect
- Competitor
- Consultant
- Engineer
- General Contractor
- Higher Education
- Industry Association: Real Estate
- Industry Association: Sustainability
- Investor
- Media
- NGO
- Product
- Ratings Organization
- Technology
- Tenant
- Utility

Internal Stakeholders

- Accounting
- Architecture
- Asset Management (all regions)
- Construction
- Corporate Services
- Development
- Engineering
- Finance
- Financial Reporting
- Human Resources
- Government Affairs
- IT
- Leasing
- Legal
- Marketing
- Operations
- Residential
- Retail
- Risk Management
- Tax

MATERIALITY MATRIX

2021 Materiality Topics



Third Party Validation

ASSURANCE & STANDARDS ALIGNMENT

- Kilroy Realty has sought third-party assurance of the company’s annual GRI-aligned Sustainability Report to confirm the quality and completeness of the disclosure for the ninth time this year.
- This is the fourth year that Kilroy Realty is using the GRI Standards: Core option guidelines for its report. For the previous six years we used the GRI G4 standards.
- This sustainability report has been externally assured by DNV Business Assurance USA, Inc. Their Independent Assurance Statement can be found on page 150. DNV is a third-party assurance provider, unaffiliated with us.
- DNV also performed a review of our Green Financing Framework and our latest green bond issuance. Their Second Party Opinion can be found at: https://kilroyrealty.com/wp-content/uploads/2022/04/Kilroy_Green-Bond-Second-Party-Opinion_April-7-2022.pdf
- To ensure that our reporting meets the highest standards for transparency, this report is externally audited in accordance with the AccountAbility 1000 Assurance Standard (AA1000AS 08).
- Our senior management team was involved in the external assurance process, which included interviews with senior management and representatives of several departments including the executive team, finance, risk management, sustainability, and government affairs.

Conclusion

Thank you for reading our eleventh annual Sustainability Report, which was prepared by Sarah King (Senior Vice President, Sustainability) and Vaishali Sampat (Director, Sustainability). We attest that the information contained in this report is accurate and addresses all aspects of our sustainability programs material to our stakeholders. Thank you to the following team members for their help in the preparation of this report:

Finland Alejo	Grace Hwang	Lauren Phillips
Doug Bettisworth	John Kilroy	Nina Prasad
Mark Davis	Shannon Knuth	Heidi Roth
Bianca	Theresa Lee	Scott Ritto
Doerschlag	Bayron Lopez	Jenna Sahn
Thomas Dunn	Pat Lum	Lauren Stadler
Keely Hale	Khanh Nguyen	Phil Tate
Pauline Hudson	Dawn Mariano	Elliott Trencher
Yolanda	Robert Palmer	Merryl Werber
Gonzalez	Gary Perez	Ana Wood

Special thanks to Allison Colberg and Christine Luong for their partnership in creating this report, and to the Code Green team for their support on data collection and management throughout the year.

We value your feedback and welcome any questions, comments, or suggestions on the report and our performance.

For any questions pertaining to this report, please contact the Kilroy sustainability team at sustainability@kilroyrealty.com or 310-481-8400.



Sarah King
SVP, Sustainability



Vaishali Sampat
Director, Sustainability

Global Reporting Initiative



GRI 102: GENERAL DISCLOSURES

GRI Standard	Disclosure	Externally Assured	Page #/Link
General Disclosures	102-1	Name of the organization	12
General Disclosures	102-2	Activities, brands, products, and services	12
General Disclosures	102-3	Location of headquarters	12
General Disclosures	102-4	Location of operations	134
General Disclosures	102-5	Ownership and legal form	12
General Disclosures	102-6	Markets served	12
General Disclosures	102-7	Scale of the organization	12
General Disclosures	102-8	Information on employees and other workers	96-99
General Disclosures	102-9	Supply chain	116
General Disclosures	102-10	Significant changes to the organization and its supply chain	116-117
General Disclosures	102-11	Precautionary Principle or approach	133
General Disclosures	102-12	External initiatives	126-130
General Disclosures	102-13	Membership of associations	130
General Disclosures	102-14	Statement from senior decision-maker	Yes10-11
General Disclosures	102-15	Key impacts, risks, and opportunities	24-29
General Disclosures	102-16	Values, principles, standards, and norms of behavior	122, 132-133

General Disclosures	102-18	Governance structure	See Proxy Statement
General Disclosures	102-40	List of stakeholder groups	126-129
General Disclosures	102-41	Collective bargaining agreements	99
General Disclosures	102-42	Identifying and selecting stakeholders	138
General Disclosures	102-43	Approach to stakeholder engagement	126-127
General Disclosures	102-44	Key topics and concerns raised	138-139
General Disclosures	102-45	Entities included in the consolidated financial statements	134
General Disclosures	102-46	Defining report content and topic Boundaries	138-139
General Disclosures	102-47	List of material topics	139
General Disclosures	102-48	Restatements of information	N/A - No Restatements
General Disclosures	102-49	Changes in reporting	N/A - No Significant Changes
General Disclosures	102-50	Reporting period	134
General Disclosures	102-51	Date of most recent report	134
General Disclosures	102-52	Reporting cycle	134
General Disclosures	102-53	Contact point for questions regarding the report	141
General Disclosures	102-54	Claims of reporting in accordance with the GRI Standards	140
General Disclosures	102-55	GRI content index	142-147
General Disclosures	102-56	External assurance	150-153



GRI 201: ECONOMIC PERFORMANCE

Economic Performance	103-1	Explanation of the material topics and its boundaries	Link
Economic Performance	103-2	The management approach and its components	Link
Economic Performance	103-3	Evaluation of the management approach	Link
Economic Performance	201-1	Direct economic value generated and distributed	Link
Economic Performance	201-2	Financial implications and other risks and opportunities due to climate change	25-29



GRI 205: ANTI-CORRUPTION, GRI: ANTI-COMPETITIVE BEHAVIOR

Anti-corruption	103-1	Explanation of the material topics and its boundaries	121
Anti-corruption	103-2	The management approach and its components	121
Anti-corruption	103-3	Evaluation of the management approach	121
Anti-corruption	205-2	Communication and training about anti-corruption policies and procedures	121
Anti-corruption	205-3	Confirmed incidents of corruption and actions taken	121
Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	121



GRI 302: ENERGY

Energy	103-1	Explanation of the material topics and its boundaries	Yes	164
Energy	103-2	The management approach and its components	Yes	50-54
Energy	103-3	Evaluation of the management approach	Yes	164
Energy	302-1	Energy consumption within the organization	Yes	164
Energy	302-4	Reduction of energy consumption	Yes	164



GRI 303: WATER AND EFFLUENTS

Water and Effluents	103-1	Explanation of the material topics and its boundaries	Yes	165
Water and Effluents	103-2	The management approach and its components	Yes	59-60
Water and Effluents	103-3	Evaluation of the management approach	Yes	165
Water and Effluents	303-3	Water withdrawal	Yes	165
Water and Effluents	303-5	Water consumption	Yes	165



GRI 304: BIODIVERSITY

Biodiversity	304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Yes	64-65
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**GRI 305: EMISSIONS**

Emissions	103-1	Explanation of the material topics and its boundaries	Yes	162-163
Emissions	103-2	The management approach and its components	Yes	36-37
Emissions	103-3	Evaluation of the management approach	Yes	25-29
Emissions	305-1	Direct (Scope 1) GHG emissions	Yes	162
Emissions	305-2	Energy indirect (Scope 2) GHG emissions	Yes	163
Emissions	305-5	Reduction of GHG emissions	Yes	162

**GRI 306: EFFLUENTS & WASTE**

Effluents and Waste	306-2	Waste by type and disposal method	Yes	166
Effluents and Waste	306-3	Significant spills		134
Environmental Compliance	307-1	Non-compliance with environmental laws and regulations		134

**GRI 404: TRAINING AND EDUCATION**

Training and Education	404-1	Average hours of training per year per employee		90
Training and Education	404-2	Programs for upgrading employee skills and transition assistance programs		90
Training and Education	404-3	Percentage of employees receiving regular performance and career development reviews		90

**GRI 405: DIVERSITY AND EQUAL OPPORTUNITY**

Diversity and Equal Opportunity	103-1	Explanation of the material topics and its boundaries		88-89
Diversity and Equal Opportunity	103-2	The management approach and its components		88-89
Diversity and Equal Opportunity	103-3	Evaluation of the management approach		96-99
Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees		96-99

**GRI 406: NON-DISCRIMINATION**

Non-discrimination	406-1	Incidents of discrimination and corrective actions taken		88-89
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**GRI 413: EMPLOYMENT**

Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs		80-81
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WESTLAKE TERRY - SEATTLE, WA // LEED GOLD, FITWEL

06 Appendix

- DNV Independent Assurance Statement
- Carbon Neutrality Statement
- Performance Tables
- EEO-1 Data Table



Independent Assurance Statement

DNV Business Assurance USA, Inc. (DNV) was commissioned by Kilroy Realty Corporation (KRC) to conduct independent assurance of its 2021 Sustainability Report (the Report), for the year ended 31 December 2021, as published on the company’s website at: <https://kilroyrealty.com/sustainability/>



Our Opinion: On the basis of the work undertaken, nothing came to our attention to suggest that the Report does not properly describe KRC’s adherence to the Principles described below. In terms of reliability of the performance data, nothing came to our attention to suggest that these data have not been properly collated from information reported at operational level, nor that the assumptions used were inappropriate. In our opinion, the Report provides sufficient information for readers to understand the company’s management approach to its most material issues and impacts.

Without affecting our assurance opinion, we also provide the following observations:

Stakeholder inclusiveness

The participation of stakeholders in developing and achieving an accountable and strategic response to sustainability.

KRC continues to demonstrate a strong commitment to stakeholder engagement around its sustainability goals. Informal and formal engagement methods, including questionnaires and surveys, have been used to understand the viewpoints of tenants, employees, suppliers, and investors, in addition to speaking at government-focused events and with government representatives on sustainability issues. 2021 marks the first year KRC engages Tier 1 transactional suppliers (e.g. accountants, brokers and legal consultants) in a survey, extending consultations to more parties involved and whose results are accessible through the report. The report along with the interviews with management bring out the processes KRC uses to identify and engage its key stakeholders. KRC’s increasing engagement of other groups and sustainability issues (such as the reduction of embodied carbon in construction materials), is also commendable.

Materiality

The process for determining the issues that are most relevant to an organization and its stakeholders.

In 2021, KRC determined that a substantial revision to their materiality matrix was not needed and instead updated the matrix based on input from the previous year from internal and external stakeholders, including architects, consultants, NGOs, investors, General Contractors, Tenants, Industry Association, as well as from KRC Legal, Human Resources, Development & Construction, Operations, Marketing & Communications, Accounting, Risk Management and Sustainability teams. KRC has a systematic process for integrating non-financial risks and opportunities into decision-making and reporting. The assessment process, including an overview of the stakeholder groups engaged, is described in the report.

Sustainability context

The presentation of the organization’s performance in the wider context of sustainability.

KRC’s continues to align with global frameworks including The Task Force on Climate-related Financial Disclosures (TCFD) and Sustainable Development Goals (SDGs). Furthermore, the information and data presented within the Report adequately reflect the strategy,

commitments, and activities carried out by the company in the reporting year. KRC presents its performance in a way that demonstrates its impacts and contributions in appropriate geographic contexts. Given KRC’s sector and operational impacts, we consider the disclosures within the Report to be suitable for its sustainability context.

Completeness

How much of all the information that has been identified as material to the organization and its stakeholders is reported.

The Report is comprehensive and provides insight on how the company is continuing to manage and monitor its most material issues appropriately during the reporting period. The report also includes reasonable estimates of significant future impacts when these are reasonably foreseeable. KRC has followed good practices in disclosing the impact of the significant events of 2021 on its operations and recognizes some of its most significant impacts in the supply chain. Through the interview process, we understand KRC is expanding it’s understanding and management of Labor Conditions and Human Rights risks in the supply chain and we recommend this be included in future disclosures.

Reliability and quality

The accuracy and comparability of information presented in the Report, as well as the quality of underlying data management systems.

Overall, we have confidence in the processes in place to ensure reasonable accuracy for the information presented in the Report and data management systems. Goals and performance data are presented objectively, with a clear, comprehensive, and balanced representation of 2021 performance.

Our review of the specified data presented in the report resulted in minimal technical errors being identified based on our sampling. These errors have been corrected for the final report.

Based on the processes and procedures conducted with a limited assurance, there is no evidence that the GHG assertions and environmental footprint data are not materially correct, are not a fair representation of GHG and environmental data and that information has not been prepared with the calculation method referenced.



Scope and approach

We performed our work using DNV’s assurance methodology VeriSustain™, which is based on our professional experience, international assurance best practice including the International Standard on Assurance Engagements 3000 (“ISAE 3000”), and the Global Reporting Initiative (“GRI”) Sustainability Reporting Guidelines.

We evaluated the Report for adherence to the VeriSustain™ Principles (the “Principles”) of stakeholder inclusiveness, materiality, sustainability context, completeness, and reliability. We used the Global Reporting Initiative (GRI) Quality of Information Principles (Balance, Clarity, Accuracy, Reliability, Timeliness and Comparability) as criteria for evaluating performance information, together with Lockheed Martin’s data protocols for how the data are measured, recorded and reported. The reporting criteria against which the GHG verification was conducted is the World Business Council for Sustainable Development (WBCSD)/World Resources Institute (WRI) Greenhouse Gas – Corporate Accounting Standard.

We understand that the reported financial data and information are based on data from KRC’s 2021 Annual Report which is subject to a separate independent audit process. The review of financial data taken from the company’s Annual Report is not within the scope of our work.

The organizational boundaries are all global sites under KRC’s operational control except where noted. All data were verified for the period between 1 January 2021 to 31 December 2021.

2021 Data In Scope

- Energy consumption, greenhouse gas (GHG) Scope 1, 2, and 3 (Category 13) emissions, waste generated, and water use assertions, as reported in the Performance Tables in Section 6: Appendix, and related claims.
- GRI Indicators
 - 102-40: List of Stakeholder Groups; 102-42: Identifying and Selecting Stakeholders; 102-43: Approach to Stakeholder Engagement; 102-46: Report Content & Boundaries; 102-47: Material Topics
 - 302-1: Energy Consumption; 302-4: Reduction of Energy Consumption
 - 303-5: Water Consumption
 - 305-1: Direct GHG Emissions; 305-2: Indirect GHG Emissions; 305-3: Other Indirect GHG Emissions; 305-5: Reduction of GHG Emissions
 - 306-2: Waste

Data Verified

The environmental footprint claims for KRC’s whole portfolio which includes managed assets, indirectly managed assets, and Life Science assets are listed below.

2021 Greenhouse Gas Emissions

- | | |
|--|----------------------------|
| ▪ Scope 1 Emissions | 3,710 MtCO ₂ e |
| ▪ Scope 2 Emissions (Location-Based) | 19,378 MtCO ₂ e |
| ▪ Scope 2 Emissions (Market-Based) | 0 MtCO ₂ e |
| ▪ Scope 3 Emissions - Downstream Leased Assets (Category 13) | |
| ○ Scope 1 Emissions | 8,755 MtCO ₂ e |
| ○ Scope 2 Emissions (Location-Based) | 23,250 MtCO ₂ e |
| ○ Scope 3 Emissions (Market-Based) | 0 MtCO ₂ e |

Energy

- | | |
|----------------------|-------------|
| ▪ Energy Consumption | 266,330 MWh |
|----------------------|-------------|

2021 Waste

- | | |
|------------------------------|------------|
| ▪ 2021 Total Waste Generated | 5,947 tons |
|------------------------------|------------|

2021 Water

- | | |
|--------------------------|--------------|
| ▪ 2021 Water Consumption | 171,707 kgal |
|--------------------------|--------------|

Responsibilities of Kilroy Realty Corporation and of the Assurance Providers

KRC has sole responsibility for preparation of the Report and selected performance indicators in accordance with the reporting criteria.

In performing our assurance work, our responsibility is to the management of KRC. Our statement, however, represents our independent opinion and is intended to inform all KRCs stakeholders. DNV was not involved in the preparation of any statements or data included in the Report, except for this Assurance Statement. This is our ninth year of providing assurance for KRC’s Report, Energy, Water, and Waste data and sixth year providing assurance for GHG emissions .

Level of Assurance

We planned and performed our work to obtain the evidence we considered necessary to provide a basis for our assurance opinion. We are providing a ‘**limited level**’ of assurance. A ‘reasonable level’ of assurance would have required additional work at headquarters and site levels to gain further evidence to support the basis of our assurance opinion.

Independence

DNV’s established policies and procedures are designed to ensure that DNV its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. We adopt a balanced approach towards all stakeholders when performing our evaluation.



2021 Like-for-Like (LFL): (Buildings are excluded from the LFL portfolio if they were bought or sold within the 2020 or 2021 reporting period, or stabilized in the 2021 reporting period)

Greenhouse Gas Emissions

▪ Scope 1 Emissions	3,300 MtCO ₂ e
▪ Scope 2 Emissions (Location-Based)	17,535 MtCO ₂ e
▪ Scope 2 Emissions (Market-Based)	0 MtCO ₂ e
▪ Scope 3 Emissions - Downstream Leased Assets (Category 13)	
○ Scope 1 Emissions	8,638 MtCO ₂ e
○ Scope 2 Emissions (Location-Based)	22,843 MtCO ₂ e
○ Scope 2 Emissions (Market-Based)	0 MtCO ₂ e

Energy

▪ Energy Consumption	252,221 MWh
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Water

▪ Water Consumption	152,616 kgal
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Basis of our opinion

A multi-disciplinary team of sustainability and assurance specialists performed work at headquarters. We undertook the following activities:

- Review of the current sustainability issues that could affect KRC and are of interest to stakeholders;
- Review of KRC’s approach to stakeholder engagement and recent outputs;
- Review of information provided to us by KRC on its reporting and management processes relating to the Principles;
- Conduct interviews with Senior Vice President of Operations – Climate Change & Risk Management, Executive Vice President and Chief Administrative Officer – Human Resources, Interim Chief Financial Officer –Executive Perspective & Green Bond Overview, Senior Vice President Corporate Counsel –Governance & Ethics .They are responsible for areas of management and stakeholder relationships covered by the Report. The objective of these discussions was to understand top level commitment and strategy related to corporate responsibility and KRC’s governance arrangements, stakeholder engagement activity, management priorities, and systems;
- Assess documentation and evidence that supported and substantiated claims made in the Report;
- Review the specified data collated at the corporate level, including data gathered by other parties, and statements made in the Report. We interviewed managers responsible for internal data validation, reviewed their work processes, and undertook sample-based audits of the processes for generating, gathering, and managing the quantitative and qualitative sustainability data;
- Provide feedback on a draft of the report based on our assurance scope.

Inherent Limitations

All assurance engagements are subject to inherent limitations as selective testing (sampling) may not detect errors, fraud or other irregularities. Non-financial data may be subject to greater inherent uncertainty than financial data, given the nature and methods used for calculating, estimating and determining such data. The selection of different, but acceptable, measurement techniques may result in different quantifications between different entities.

DNV’s assurance engagements are based on the assumption that the data and information provided by the client to us as part of our review have been provided in good faith. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Assurance Statement.



In addition, the following methods were applied during the verification of KRC’s GHG Scope 1, 2 and 3 emissions:

- Review of documentation, data records and sources relating to GHG emissions assertions and claims;
- Review of the processes and tools used to collect, aggregate and report on all GHG data and information;
- Assessment of environmental information systems and controls, including:
 - Selection and management of all relevant GHG data and information;
 - Processes for collecting, processing, consolidating, and reporting the relevant environmental data and information;
 - Design and maintenance of the GHG information system;
 - Systems and processes that support the GHG information system.
- Performed sample-based audits of the processes for generating, gathering and managing GHG data;
- Examination of all relevant environmental data and information to develop evidence for the assessment of the GHG claims and assertions made;
- Confirmation of whether or not the organization conforms to the verification criteria.

For and on behalf of DNV Business Assurance USA, Inc.

DNV Business Assurance Services USA, Inc

Katy, TX
8 April 2022



DNV Business Assurance

DNV Business Assurance is a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance.

<https://www.dnv.com/assurance/>



WHEN TRUST MATTERS

Independent Limited Assurance Report

to the Management of Kilroy Realty Corporation

Kilroy Realty Corporation (KRC) commissioned DNV Business Assurance USA, Inc (“DNV”, “us” or “we”) to conduct a limited assurance engagement over the declaration of carbon neutrality in the **Qualifying Explanatory Statement** (the “Report”) for **Kilroy Realty Corporation (NYSE: KRC)** for the achievement period ending 31, Dec 2021.



Our Conclusion: Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Report is not fairly stated and has not been prepared, in all material respects, in accordance with the Criteria. This conclusion relates only to the Report, and is to be read in the context of this Independent Limited Assurance Report, in particular the inherent limitations explained below.

Scope of work

The scope and boundary of our work is restricted to assessing that KRC’s preparation of the declaration of carbon neutrality presented in the Report, is in accordance with the Publicly Available Specification (PAS) 2060:2014 Demonstration of Carbon Neutrality (the “Criteria”).

The Scope of the Carbon Neutrality claim is for the organization of **Kilroy Realty Corporation (NYSE: KRC)** based in United States of America.

We have not performed any work, and do not express any conclusion, on any other information that may be published outside of the Report and/or on KRC’s websites for the current reporting period or for previous periods. Our work also excluded assessing the reliability of the inputs of the carbon footprint model.

Basis of our conclusion

We are required to plan and perform our work in order to consider the risk of material misstatement of the Report; our work included, but was not restricted to:

- Conducting interviews with KRC’s management to obtain an understanding of the key processes, systems and controls in place to generate and produce the content of the Report;
- Conducting interviews with the third party in charge of maintaining and updating the carbon footprint model, used in the production of the Report;
- Assessing whether the standards and methodologies used in the carbon footprint model met the Criteria;
- Performing limited substantive testing of the carbon footprint model to check that its data and underlying assumptions had been appropriately measured, recorded and reported; and
- Reviewing that the evidence, calculations and the context provided in the Report is prepared in line with the Criteria.

Our competence, independence and quality control

DNV’s policies and procedures are designed to ensure that DNV, its personnel and others where applicable, are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where necessary by relevant ethical requirements. This engagement was carried out by an independent team of sustainability assurance professionals. DNV holds other contracts with KRC, none of which conflict with the scope of this work. Our multi-disciplinary team consisted of professionals with a combination of environmental and sustainability assurance experience.

Inherent limitations

All assurance engagements are subject to inherent limitations as selective testing (sampling) may not detect errors, fraud or other irregularities. Non-financial data may be subject to greater inherent uncertainty than financial data, given the nature and methods used for calculating, estimating and determining such data. The selection of different, but acceptable, measurement techniques may result in different quantifications between different entities. Our assurance relies on the premise that the data and information provided to us by KRC have been provided in good faith. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Limited Assurance Report.



WHEN TRUST MATTERS

Standard and level of assurance

We performed a **limited** assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 revised – ‘Assurance Engagements other than Audits and Reviews of Historical Financial Information’ (revised), issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain limited assurance.

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17021:2011 - Conformity Assessment Requirements for bodies providing audit and certification of management systems, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement; and the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. We planned and performed our work to obtain the evidence we considered sufficient to provide a basis for our opinion, so that the risk of this conclusion being in error is reduced but not reduced to very low.

DNV Business Assurance Services USA, Inc

Katy, TX
8 April 2022



Responsibilities of KRC Management and DNV

The Management of **KRC** have sole responsibility for:

- Preparing and presenting the Report in accordance with the Criteria;
- Designing, implementing and maintaining effective internal controls over the information and data, resulting in the preparation of the Report that is free from material misstatements;
- Measuring and reporting the Report’s data based on the established Criteria; and
- Contents and statements contained within the Report.

Our responsibility is to plan and perform our work to obtain limited assurance about whether the Report has been prepared in accordance with the Criteria and to report to KRC in the form of an Independent Limited Assurance Report, based on the work performed and the evidence obtained. We have not been responsible for the preparation of the Report.

DNV Business Assurance

DNV Business Assurance Services USA, Inc is part of DNV – Business Assurance, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance. www.dnv.com

2021 EMISSIONS PERFORMANCE

LOCATION BASED

Directly Managed Assets	Absolute Consumption						
	2020	2021					
	Emissions (Tonnes)	Emissions (Tonnes)	RECs Retired (Tonnes)	Verified Carbon Offsets Procured (Tonnes)	Data Coverage (sf)	Max Coverage (sf)	Percent Coverage (%)
Scope 1	3,000	3,710		3,710	7,675,271	7,675,271	100.00%
Scope 2	23,122	19,378	19,378		11,025,338	11,025,338	100.00%
Total Carbon Emissions Directly Managed Assets (location-based)	26,122	23,088					
Indirectly Managed Assets	Absolute Consumption						
	2020	2021					
	Emissions (Tonnes)	Emissions (Tonnes)	RECs Retired (Tonnes)	Verified Carbon Offsets Procured (Tonnes)	Data Coverage (sf)	Max Coverage (sf)	Percent Coverage (%)
Scope 3 - Natural Gas	10,589	8,755		-	6,019,233	6,285,427	95.76%
Scope 3 - Electricity	20,667	23,250	23,250		6,394,954	6,652,612	96.13%
Total Carbon Emissions Indirectly Managed Assets (location-based)	31,256	32,005					
Total Carbon Emissions Whole Portfolio (Scope 1 + Scope 2 + Scope 3 location-based)	57,378	55,093	42,628	3,710	17,420,292	17,677,950	98.54%

Directly Managed Assets	Like for Like Consumption					
	2020	2021				
	Emissions (Tonnes)	Emissions (Tonnes)	Like-for-Like Change (%)	Data Coverage (sf)	Max Coverage (sf)	Percent Coverage (%)
Scope 1	2,910	3,300	13.37%	6,224,042	6,224,042	100.00%
Scope 2	18,484	17,535	-5.13%	8,673,495	8,673,495	100.00%
Total Carbon Emissions Directly Managed Assets (location-based)	21,394	20,835	-2.61%			
Indirectly Managed Assets	Like for Like Consumption					
	2020	2021				
	Emissions (Tonnes)	Emissions (Tonnes)	Like-for-Like Change (%)	Data Coverage (sf)	Max Coverage (sf)	Percent Coverage (%)
Scope 3 - Natural Gas	8,204	8,638	5.29%	5,923,362	5,923,362	100.00%
Scope 3 - Electricity	18,805	22,843	21.47%	6,036,263	6,036,263	100.00%
Total Carbon Emissions Indirectly Managed Assets (location-based)	27,009	31,481	16.56%			
Total Carbon Emissions Whole Portfolio (Scope 1 + Scope 2 + Scope 3 location-based)	48,403	52,316	8.08%	14,709,758	14,709,758	100.00%

MARKET BASED

Directly Managed Assets	Absolute Consumption		Like for Like Consumption		
	2020	2021	2020	2021	
	Emissions (Tonnes)	Emissions (Tonnes)	Emissions (Tonnes)	Emissions (Tonnes)	Like-for-Like Change (%)
Scope 1	3,000	3,710	2,910	3,300	13.37%
Scope 2	-	-	-	-	0.00%
Total Carbon Emissions Directly Managed Assets (market-based)	3,000	3,710	2,910	3,300	13.37%
Indirectly Managed Assets	Absolute Consumption		Like for Like Consumption		
	2020	2021	2020	2021	
	Emissions (Tonnes)	Emissions (Tonnes)	Emissions (Tonnes)	Emissions (Tonnes)	Like-for-Like Change (%)
Scope 3 - Natural Gas	10,589	8,755	8,204	8,638	5.29%
Scope 3 - Electricity	13,847	-	11,985	-	-100.00%
Total Carbon Emissions Indirectly Managed Assets (market-based)	24,436	8,755	20,189	31,481	55.93%
Total Carbon Emissions Whole Portfolio (Scope 1 + Scope 2 market-based)	27,436	12,465	23,100	34,781	50.57%

¹The absolute consumption figures correspond to all buildings owned for any portion of 1/1/2021-12/31/2021. Buildings are excluded from the Like-for-Like Consumption if they were bought or sold within the current or previous reporting period, or stabilized during the reporting period.

²Scope 1 emissions are related to the natural gas consumption of our directly managed properties. The electricty and natural gas consumption of our indirectly managed properties is part of our Scope 3 emissions (downstream leased assets). The energy consumption of our indirectly managed properties is part of our Scope 3 emissions, which are not included in this report.

³We utilize the EPA guidelines, via Energy Star Portfolio Manger’s Reporting tool, to generate location-based Scope 1 and Scope 2 emissions data. Full details on how Portfolio Manager calculates greenhouse gas emissions can be found here: <https://portfoliomanager.energystar.gov/pdf/reference/Emissions.pdf>.

⁴We calculate market-based GHG emissions by subtracting the value of any Green-e certified Renewable Energy Certificates (RECs) purchased in the reporting year from our Scope 1 and Scope 3 - Electricity location-based emissions. While we purchased Verified Carbon Offsets in an amount equivalent to our Scope 1 emissions to contribute toward our carbon neutral operations goal, we do not include the offsets in our market-based Scope 1 GHG emissions calculations.

Green-e RECs and Verified Carbon Offsets meet the most stringent environmental and consumer protection standards in North America. More information is available at <https://www.green-e.org>

2021 ENERGY PERFORMANCE

Directly Managed Assets		Absolute Consumption				
		2020	2021			
		Consumption (MWh)	Consumption (MWh)	Data Coverage (sf)	Max Coverage (sf)	Percent Coverage (%)
Whole Building	Natural Gas	17,271	20,473	7,675,271	7,675,271	100.00%
	Electricity	97,315	86,167	11,025,338	11,025,338	100.00%
Total Energy Consumption Directly Managed Assets		114,586	106,639			

Indirectly Managed Assets		Absolute Consumption				
		2020	2021			
		Consumption (MWh)	Consumption (MWh)	Data Coverage (sf)	Max Coverage (sf)	Percent Coverage (%)
Whole Building	Natural Gas	57,714	48,312	6,019,233	6,285,427	95.76%
	Electricity	84,812	111,378	6,394,954	6,652,612	96.13%
Total Energy Consumption Indirectly Managed Assets		142,526	159,690			
Total Energy Consumption Whole Portfolio		257,112	266,330	17,420,292	17,677,950	98.54%

Directly Managed Assets		Like for Like Consumption					
		2020	2021				
		Consumption (MWh)	Consumption (MWh)	Like-for-Like Change (%)	Data Coverage (sf)	Max Coverage (sf)	Percent Coverage (%)
Whole Building	Natural Gas	16,059	18,208	13.38%	6,224,042	6,224,042	100.00%
	Electricity	82,880	78,013	-5.87%	8,673,495	8,673,495	100.00%
Total Energy Consumption Directly Managed Assets		98,940	96,221	-2.75%			

Indirectly Managed Assets		Like for Like Consumption					
		2020	2021				
		Consumption (MWh)	Consumption (MWh)	Like-for-Like Change (%)	Data Coverage (sf)	Max Coverage (sf)	Percent Coverage (%)
Whole Building	Natural Gas	45,273	47,665	5.28%	5,923,362	5,923,362	100.00%
	Electricity	88,628	108,336	22.24%	6,036,263	6,036,263	100.00%
Total Energy Consumption Indirectly Managed Assets		133,902	156,000	16.50%			
Total Energy Consumption Whole Portfolio		232,841	252,221	8.32%	14,709,758	14,709,758	100.00%

¹ Utility bills, tenant-reported data, and aggregate data from utility companies are inputted into ENERGY STAR Portfolio Manager (ESPM) by our third party utility billing vendor, Code Green and energy consumption is calculated utilizing ESPM reports. Energy reductions are calculated via comparing the January-December bills for the like for like portfolio.

2021 WATER PERFORMANCE

Directly Managed Assets		Absolute Consumption					Like-for-Like Consumption					
		2020	2021				2020	2021				
		Consumption (kgal)	Consumption (kgal)	Data Coverage (sf)	Max Coverage (sf)	Percent Coverage (%)	Consumption (kgal)	Consumption (kgal)	Like-for-Like Change (%)	Data Coverage (sf)	Max Coverage (sf)	Percent Coverage (%)
Potable Water by Type	Indoor		53,636				50,431	50,465	0.07%			
	Mixed - Indoor/ Outdoor		16,671									
	Outdoor		12,372				11,739	11,802	0.54%			
Total Potable Water Consumption Directly Managed Assets		82,866	82,679	11,025,338	11,025,338	100.00%	75,980	75,306	-0.89%	8,673,495	8,673,495	100.00%
Total Reclaimed Water Consumption Directly Managed Assets		183	159	110,050	110,050	100.00%	146	159	8.98%	110,050	110,050	100.00%
Total Water Consumption Directly Managed Assets		83,049	82,838	11,025,338	11,025,338	100.00%	76,126	75,465	-0.87%	8,673,495	8,673,495	100.00%
Indirectly Managed Assets		Absolute Consumption					Like-for-Like Consumption					
		2020	2021				2020	2021				
		Consumption (kgal)	Consumption (kgal)	Data Coverage (sf)	Max Coverage (sf)	Percent Coverage (%)	Consumption (kgal)	Consumption (kgal)	Like-for-Like Change (%)	Data Coverage (sf)	Max Coverage (sf)	Percent Coverage (%)
Potable Water by Type	Indoor		49,337				38,409	41,097	7.00%			
	Mixed - Indoor/ Outdoor		9,020									
	Outdoor		30,671				32,893	25,593	-22.19%			
Total Potable Water Consumption Directly Managed Assets		88,148	89,028	6,293,066	6,652,612	94.60%	80,243	77,310	-3.65%	5,921,204	5,921,204	100.00%
Total Reclaimed Water Consumption Directly Managed Assets		2,682	3,419	503,186	503,186	100.00%	2,682	3,419	27.45%	503,186	503,186	100.00%
Total Water Consumption Directly Managed Assets		90,830	92,447	6,293,066	6,652,612	94.60%	82,925	80,729	-2.65%	5,921,204	5,921,204	100.00%
Total Water Consumption Whole Portfolio		173,879	171,707	17,318,404	17,677,950	97.97%	156,223	152,616	-2.31%	14,594,699	14,594,699	100.00%
Total Reclaimed Water Percentage Whole Portfolio		1.65%	2.08%									

¹ Utility bills and tenant-reported data are inputted into ENERGY STAR Portfolio Manager (ESPM) by our third party utility billing vendor, Code Green and water consumption is calculated utilizing ESPM reports. Water reductions are calculated via comparing the January-December bills for the like for like portfolio.

² In both 2020 and 2021, our reported reclaimed water was all municipally-supplied and the information on the amount of reclaimed water was taken from our utility bills. We are currently unable to track the volume of our three on-site rainwater collection systems.

2021 WASTE PERFORMANCE

		Absolute Measurements	
		2020	2021
Directly Managed Assets	Weight of All Waste (Tons)	2,998	2,098
	Diverted Waste (Percent of Total)	47.8%	43.4%
	% Directly Managed portfolio covered	100.0%	93.3%
Indirectly Managed	Weight of All Waste (Tons)	2,435	3,848
	Diverted Waste (Percent of Total)	31.2%	19.3%
	% Indirectly Managed portfolio covered	*	84.0%

Proportion of waste by disposal route (% of total by weight)		Absolute Measurement	
		2020	2021
Whole Portfolio	Total Weight of All Waste (tons)	5,433	5,947
	Landfill (Percent of Total)	59.7%	72.2%
	Total Diverted (Percent of Total)	40.3%	27.8%
	Diverted - Recycling	22.8%	18.7%
	Diverted - Compost	17.5%	9.1%
	% Whole Portfolio Covered	95.26%	89.9%

*2020 verified data showed indirectly managed portfolio coverage as 86.3% office and 100% life science

¹ We utilize the EPA ENERGY STAR conversion factors for volume to weight for trash, recycling, and compost bins. The conversion factors can be found here: <https://energystar-mesa.force.com/PortfolioManager/s/article/What-are-the-volume-to-weight-conversion-factors-1600088530250>

2021 CONSOLIDATED U.S. EMPLOYER INFORMATION REPORT (EEO-1)

			Job Categories	Executive/ Senior Level	First/ Mid-Level Officials	Professionals	Admin Support	Craft Workers	Service Workers	Total
Hispanic/ Latino	Male		A		1	4	3	1		9
	Female		B		8	3	19			30
Non-Hispanic/ Latino	Male	White	C	4	26	30	8	3		71
		Black/ African American	D			1	1			2
		Native Hawaiian/ Pacific Islander	E			1				1
		Asian	F		3	4	8			15
		Native American/ Alaskan Native	G							0
		2 or more	H		3	3	2			8
	Female	White	I	1	21	8	35			65
		Black/ African American	J		1	1	4			6
		Native Hawaiian/ Pacific Islander	K				1			1
		Asian	L		7	7	13			27
		Native American/ Alaskan Native	M							0
		2 or more	N		1	2	6			9
		Total EES	O							244



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