



2022 Sustainability Report



Achievements & Accolades

Carbon Neutral Operations

2020-2022

ENERGY STAR

Partner of the Year 2014-2023
Sustained Excellence 2016-2023

GRESB

Regional Sector Leader, Americas (Development, Diversified), 2022
5 Star Rating (Development) 2022
5 Star Rating (Standing Assets) 2015-2021

NAREIT

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

Dow Jones Sustainability World Index

Member 2017-2022

Green Lease Leaders

Leader 2014-2023
Gold Level 2018-2023

Bloomberg Gender Equality Index

Member 2020-2023

NEWSWEEK

America's Most Responsible Companies 2020-2023

Best in Building Health

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

S&P Sustainability Yearbook

Member 2018-2023

Calvert Research & Management's Top 10 Most Sustainable US REITs

#1 Most Sustainable REIT 2020-2022

U.S. EPA GREEN POWER PARTNERSHIP

National Top 100 Green Power User 2021-2022

On the Cover: 201 Third, San Francisco, CA - LEED Gold, ENERGY STAR, Fitwel, WELL Health-Safety, BOMA 360

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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.

1. Introduction

- A Letter from Our CEO
- Corporate Overview
- 2022 Key Performance Indicators
- Vision, Strategy, Programs



333 Dexter, Seattle, WA - LEED Gold

A Letter from Our CEO



To Our Stakeholders:

As I reflect on our accomplishments over the past year, I am so appreciative of our Kilroy team and consultants. Their hard work, creativity, and commitment is what makes our buildings great places to work, live, and gather. Our drive to make a positive difference extends beyond our properties to the communities where we are located, and to the broader environment around us. I am inspired by the collaboration happening across our company, and with our tenants and other external stakeholders to help advance progress on sustainability, health & wellness, and diversity, equity, and inclusion.

We are proud that 2022 was our third year of **carbon neutral operations**, achieved through the following five steps:

1. **Energy efficiency** is the foundation of our carbon neutral operations strategy, partnering with our engineering team to optimize performance of the Kilroy portfolio.
2. We employ **onsite solar energy generation** at many of our properties. In 2022 two new solar installations were energized, bringing our total installed capacity to over 6 megawatts, or enough electricity to power over 1,200 homes for a year.
3. Many of our properties are enrolled in **offsite renewable energy purchasing** through our utility providers. In 2022 Kilroy was once again listed on the U.S. EPA's National Top 100 List of largest green power users.
4. **Renewable Energy Credits (RECs)** are retired to account for all non-renewable electricity use at our properties.
5. **Verified carbon offsets** equivalent to the amount of carbon emissions generated from onsite combustion of natural gas at our properties are purchased and retired.

In 2022, our sustainability efforts continued to earn us global recognition, including:

- Member of the Dow Jones Sustainability World Index for the sixth consecutive year
- Received the ENERGY STAR Partner of the Year Sustained Excellence Award for the eighth consecutive year
- Earned the 2022 GRESB Regional Sector Leader position for Diversified Development in the Americas
- Named the #1 Most Sustainable REIT by Calvert Research & Management for the third year in a row

As an early leader in the space our goal was to lead by example and to encourage others to increase their commitment to sustainability and climate action. In our ongoing desire to better connect our sustainability efforts with our core business activities, last fall we convened discussions with all of our leasing brokers to provide them with a better understanding of our leadership on environmental sustainability. These sessions were well received and will help us use sustainability performance to differentiate our assets in a competitive leasing environment.

The last several years have brought numerous changes to how and where people want to gather and how they want to work and live. At Kilroy, we feel we are well positioned to meet these challenges.

Our portfolio is modern, our balance sheet is strong, we have great talent on our Kilroy team, and fantastic tenants in our buildings. The projects in our development pipeline will be state of the art, highly sustainable and focused on providing the best possible workplace environment.

At Kilroy we are committed to recruiting and developing a diverse workforce and promoting equity and inclusion. As of year-end 2022, our workforce was 55% female, and 42% multicultural, a meaningful reflection of the diverse communities where we operate. In the last year, we awarded 61 promotions and 59% of those went to women. Through our efforts, we were included on the 2022 Bloomberg Gender Equality Index for the fourth consecutive year. We will continue on this journey toward building a diverse, equitable, and inclusive workplace, cultivating a company culture that makes a positive difference.

For these reasons and more, I am confident that the company is in a strong position to succeed, and this is a sentiment I conveyed in my recent announcement regarding my decision to retire as CEO at the end of 2023. As I reflect on my fifty-six years in the industry, and twenty-seven years as CEO of Kilroy Realty, I am immensely proud of all that we have accomplished. Our leadership on sustainability is a point of pride, and remains a key aspect of our company's mission to deliver value to our shareholders and to the planet. #OneKilroy

I'm pleased to share this year's annual Sustainability Report with you.

John Kilroy

Chairman of the Board
Chief Executive Officer
Kilroy Realty Corporation

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, 2022, Kilroy’s stabilized portfolio totaled approximately 16.2 million square feet of primarily office and life science space that was 91.6% occupied and 92.9% leased. The company also had more than 1,000 residential units in Hollywood and San Diego, which had a quarterly average occupancy of 93.3%. In addition, the company had two in-process life science redevelopment projects with total estimated redevelopment costs of \$80.0 million, totaling approximately 100,000 square feet, and three in-process development projects with an estimated total investment of \$1.7 billion, totaling approximately 1.7 million square feet of office and life science space. The in-process development and redevelopment office and life science space is 36% 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

~5M sq. ft.

SAN FRANCISCO BAY AREA

~10M sq. ft.

GREATER LOS ANGELES

~5M sq. ft.

SAN DIEGO

~4M sq. ft.

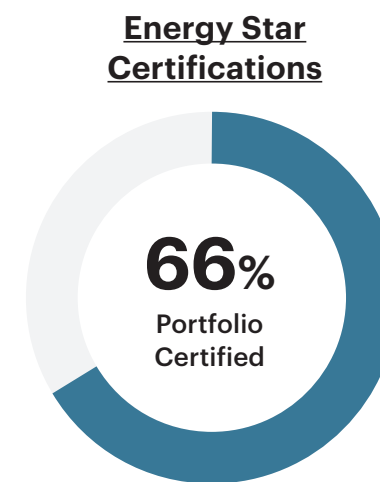
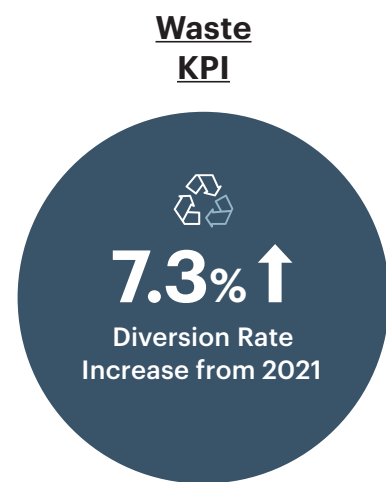
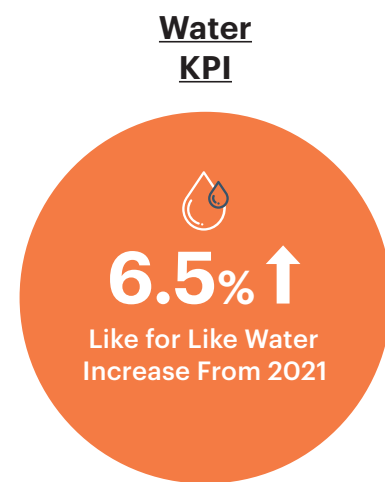
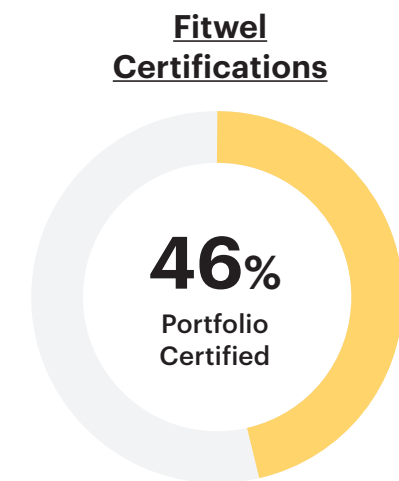
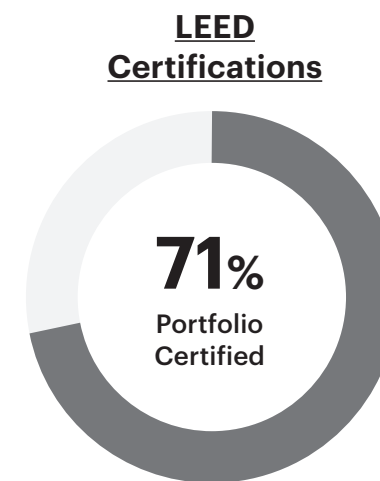
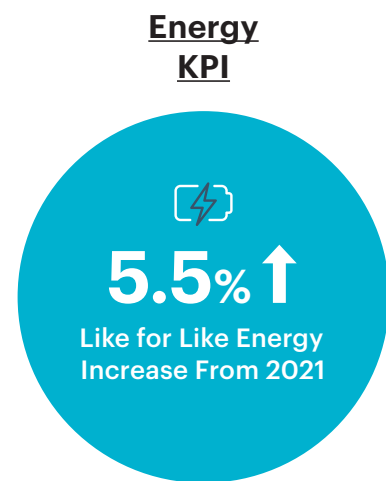
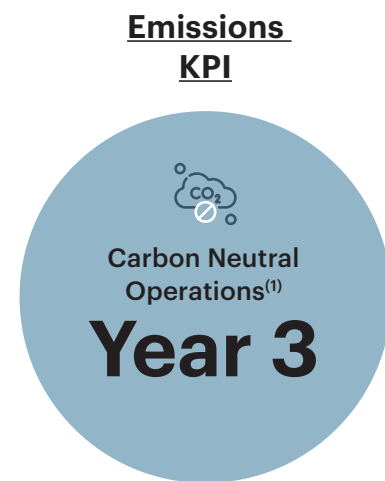
AUSTIN

~1M sq. ft.

NOTE: Square footages refer to Q4 2022 Supplemental Data (stabilized office, in-process development and redevelopment, and future development pipeline).

2022 Key Performance Indicators

The data below shows our 2022 performance on key performance indicators. In 2022 we welcomed more tenants back to our buildings, but many properties continued to see reduced occupancy as a result of the COVID-19 pandemic and work from home or hybrid trends. More detailed data and performance information can be found later in the report about our GHG Emissions ([page 132](#)), Energy ([page 134](#)), Water ([page 135](#)), and Waste ([page 136](#)).



(1) 100% of Scope 1 and 2 emissions and Scope 3 (Downstream Leased Assets) emissions are offset through renewable energy purchasing, renewable energy credits (RECs), and verified carbon offsets.

[See page 132](#) for more detail around our carbon neutral operations claim

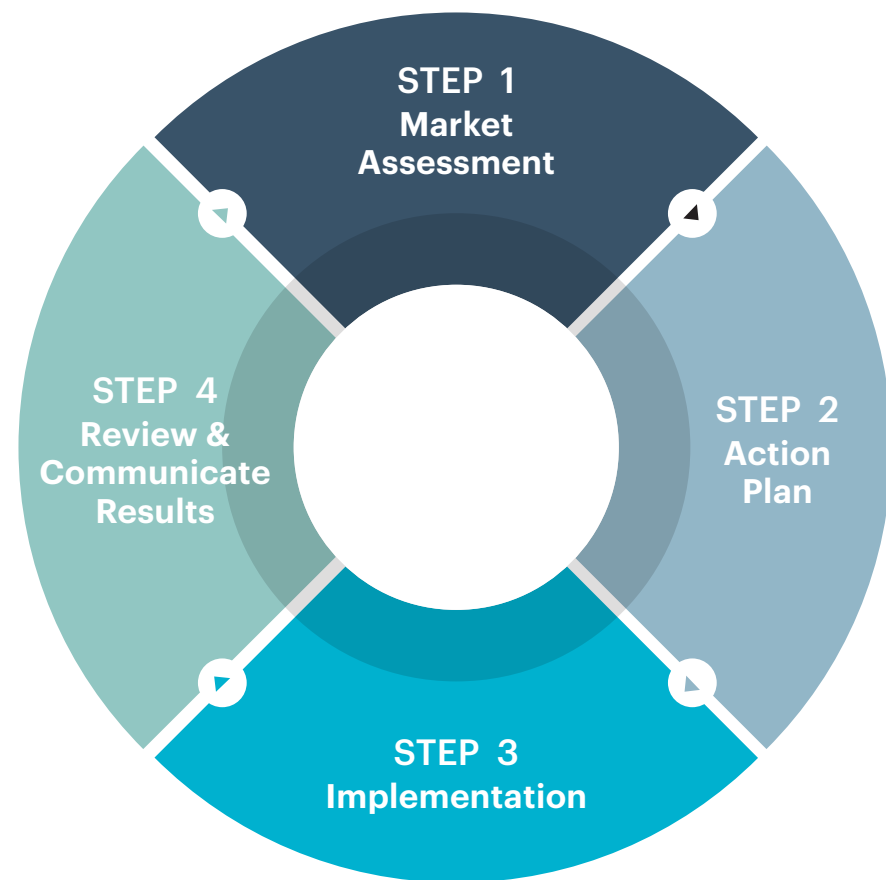
Vision, Strategy, Programs

Vision

Our vision is to improve the environmental and social performance of our portfolio while increasing the health and productivity of our tenants, employees, and communities as well as our financial returns.

Sustainability Strategy

Our cyclical strategy helps drive continuous improvement across all of our sustainability programs, from identifying emerging trends to communicating results of our efforts. Ongoing engagement with other sustainability professionals from a range of sectors, real estate thought leaders, and our executive team and board members ensures that we are monitoring new and emerging issues while maintaining a focus on those material topics that are of high impact to our business and high interest to our stakeholders.



STEP 1 - Market Assessment

Tracking ESG best practices, policy development, and new opportunities

- Attend educational events
- Network with peers
- Review trade publications
- Participate in sustainability committees
- Engage with policymakers
- Benchmark development and operational portfolio

STEP 2 - Action Plan

Determine which projects to pursue and gather resources for implementation

- Set objectives
- Identify existing and emerging technical solutions
- Analyze environmental and financial benefits
- Update policies in the Environmental Management System (aligned with Plan-Do-Check-Act stages of the ISO14001 EMS standard)
- Budget for projects
- Build consensus with internal and external stakeholders

STEP 3 - Implementation

Collaborate with asset management, engineering, and construction to implement projects

- Energy and water efficiency projects
- Operational improvements
- EV charging station installations
- Obtain building certifications (e.g. LEED, Fitwel, WELL HSR)
- Apply for recognition
- Workforce development training

STEP 4 - Review & Communicate Results

Analyze quantitative and qualitative results to inform communications and strategy development

- Annual asset-level sustainability meetings with asset management and engineering
- Measurement and verification for efficiency projects
- Recover costs through green leasing
- Benchmark development and operational portfolio
- Data collection, reporting, disclosure, and communications

Sustainability Programs

Kilroy’s sustainability programs can be grouped into three areas: Environmental, Social, and Governance, which are outlined below.

Environmental

Aggressively minimizing our environmental footprint.



Energy/Water/Waste Efficiency Projects



Renewable Energy Generation and Storage



Environmental Building Certifications

Social

Promote the wellness of our employees, tenants, partners, and communities.



Diversity, Equity & Inclusion Training



Healthy Building Certifications



Supply Chain Engagement

Governance

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



Board of Directors Governance of ESG Issues



Excellence in ESG Reporting



Third Party Auditing of ESG Disclosures

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.



Sustainable & Healthy Building Features

Kilroy uses a variety of building design and operational strategies to positively influence the environmental and social impacts of our portfolio. The following graphic highlights some of the strategies featured across our portfolio.

Energy & Carbon

- 1 Energy efficient lighting
- 2 On-site solar electricity generation
- 3 Battery storage for solar power
- 4 Energy efficient HVAC systems
- 5 All electric buildings to reduce fossil fuel consumption

Water

- 6 Drought tolerant landscaping and smart irrigation methods
- 7 Captured & reclaimed water used for irrigation
- 8 Low flow fixtures that reduce water consumption
- 9 Water leak detection

Waste

- 10 Waste diversion with recycling, compost, & e-waste

Biodiversity

- 11 Pollinator-friendly plants
- 12 Rooftop gardens and beehives
- 13 Integrated pest management for natural pest control

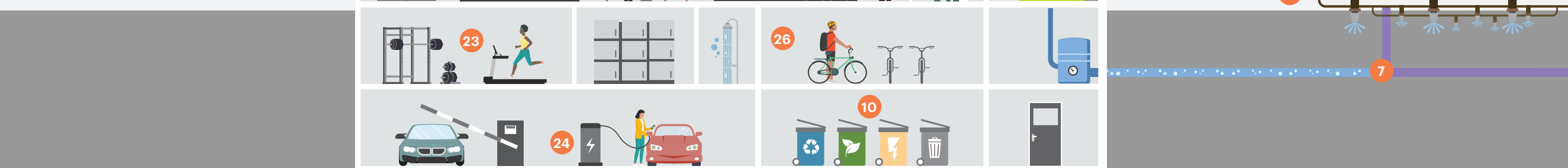
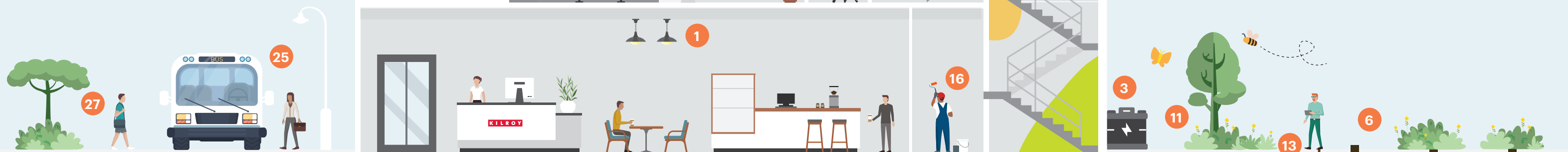


Health & Wellness

- 14 Enhanced indoor air quality (IAQ) measures such as MERV filters & testing
- 15 Green cleaning policies & procedures
- 16 Low emitting materials reduce air contamination
- 17 Restorative outdoor spaces provide places for respite and gathering
- 18 Daylight and views within office spaces
- 19 Mother's rooms and other supportive spaces
- 20 Active workstations facilitate a more active workplace
- 21 Active stairwells promote movement throughout the day
- 22 Comprehensive emergency preparedness programs and AEDs
- 23 Fitness amenities

Transit

- 24 Convenient EV charging stations for building users
- 25 Nearby public transit for commuter ease
- 26 Bike storage and shower facilities
- 27 Pedestrian friendly locations with high Walk Scores



2. Climate Change Governance & Performance

- Climate Change Governance
- TCFD Index
- Risks & Opportunities
- Climate Change Risk Management
- Carbon Neutral Operations Achievement
- Scope 3 Strategies



Columbia Square, Los Angeles, CA - LEED Gold, WELL Silver, WELL Health-Safety, Fitwel, ENERGY STAR

Climate Change Governance

We identify climate change as a risk to our business, 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 consistently earn us high marks in the GRESB Real Estate Assessment, 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 leads the assessment and reporting process includes representatives from sustainability, risk management, security, asset management and engineering.



Jardine, Los Angeles, CA - Targeting WELL Platinum, WELL Health-Safety

TCFD Index



Governance	Page
– Board’s oversight of climate-related risks and opportunities	24
– Management role in assessing and managing climate-related risks and opportunities	24
Strategy	
– Climate-related risks and opportunities we have identified over the short, medium, and long term	26-29
– The impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning	32
– Resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	26
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Metrics and Targets	
– Scopes 1, 2 and Scope 3: Downstream Leased Assets greenhouse gas emissions	40-41
– Targets used to manage climate-related risks and opportunities, and performance	40-41

Risks and Opportunities

We model our physical and transition risks from climate change using the S&P Global Climanomics software platform, which translates risks and opportunities related to climate change into financial terms to empower decision-making. The S&P Global Climanomics tool is aligned with the TCFD framework.

The Climanomics tool provides insights into four scenarios: a very high emissions scenario that assumes no global action on climate change and global temperatures warm by more than 4.2-5.4 degrees C (RCP 8.5); a high emissions scenario that is a stabilization scenario where total radiative forcing is stabilized after 2100 and assumes end of century temperatures will warm in the range of 2.0-3.7 degrees C (RCP 6.0); a low emissions scenario that assumes coordinated action to limit greenhouse gas emissions and achieve a global warming temperature limit of 2 degrees C (RCP 4.5) and a very low emissions scenario that assumes that emissions peak early and then fall due to active removal of greenhouse gases from the atmosphere limiting global warming temperatures to .9-2.3 degrees C (RCP 2.6).

These scenarios and our broader risk management framework help us assess our physical, social, and transition risks and opportunities over the short, medium, and long term.

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

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 Severe weather events may cause damage to utility or municipal infrastructure critical to building operations Increase in extreme temperatures causes increases in building cooling loads and operating/ 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 Increase in risk of water scarcity Negative health impacts of high temperatures and poor air quality on workforce

Risks and Opportunities (cont.)

Transition 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 on-site 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

Transition 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 — Project economics impacted by compliance with city and state legislation (e.g. all-electric and/or net-zero requirements for new developments) aimed at steeply reducing carbon emissions associated with the built environment — Carbon legislation in other parts of the economy increases costs for certain materials — Uncertainty around electric grid capacity to provide adequate, reliable power to all-electric new developments
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; potential for insufficient electric grid capacity — 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

Climate Change Risk Management

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

Acquisitions

We focus on managing climate change risk during the acquisition phase by incorporating physical climate change modeled average annual loss analyses using the Climanomics® 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.



Development

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.



Operations

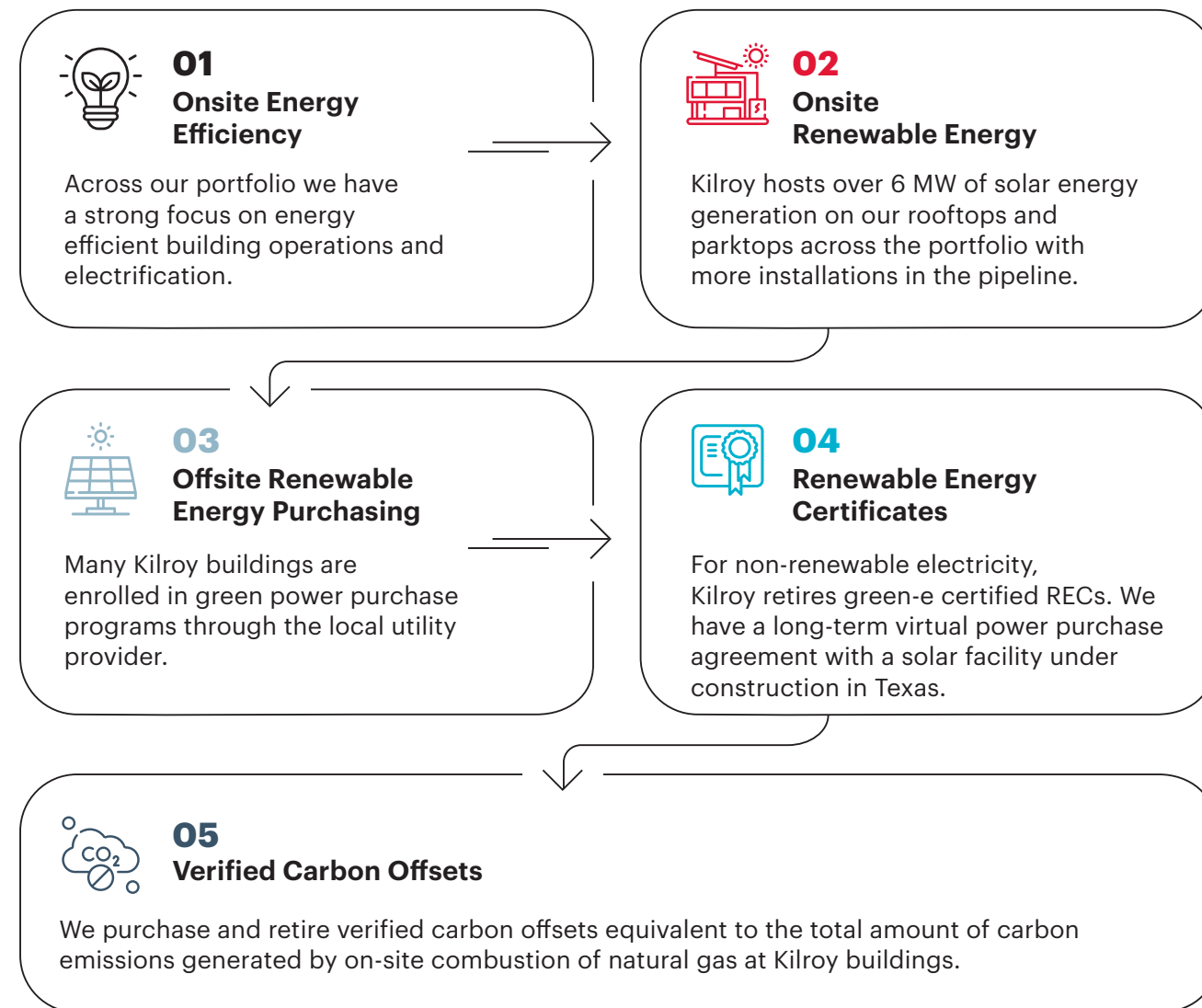
In 2019, we ensured that all of our buildings have Emergency Response Plans (ERPs) that outline a building's response to particular emergency scenarios that contemplate extreme weather due to climate change, and in 2020, we updated the ERPs to incorporate the climate change modeled average annual loss 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.



Crossing 900, Redwood City, CA – LEED Gold, Fitwel, ENERGY STAR, WELL Health-Safety

Carbon Neutral Operations Achievement

2022 marked our third consecutive year of carbon neutral operations. We are proud to have fulfilled this goal that Kilroy CEO John Kilroy announced at the 2018 Global Climate Action Summit. In 2022 we expanded the scope of our carbon neutral operations commitment to go beyond Scope 1 and 2 emissions to include Scope 3 emissions associated with downstream leased assets (the carbon emissions associated with our tenants' energy use). We focus on the following strategies to achieve carbon neutral operations:



We are proud to have achieved carbon neutral operations since 2020, ending 2022 with 100% of our Scope 1, Scope 2, and Scope 3 (Downstream Leased Assets) emissions offset through the retirement of renewable energy credits (RECs) and verified carbon offsets. Our third-party assurance provider, DNV has conducted an assessment of our carbon neutral operations achievement and alignment with the PAS 2060 Carbon Neutrality Standard (see page 130). As we work towards our Science Based Target* (31% reduction by 2030 and 72% reduction by 2050 across Scope 1, 2, and 3) we are expanding our efforts around additional Scope 3 emissions categories (more information on page 34).



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

As of December 31, 2022 73% of our top 15 tenants had either set or achieved a carbon neutrality or 100% renewable electricity goal.

*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 2022 we initiated an engagement with an external consultant to work on improving our inventory and data strategy for Scope 3 emissions. We anticipate this project to conclude in 2023, and that we will be positioned to provide more informed disclosures around Scope 3 emissions in future years.



Reduce Embodied Carbon

Since 2019 we have been benchmarking the embodied carbon emissions associated with our new development projects, including: 1633 26th St, Stadium Tower, 2100 Kettner, Kilroy Oyster Point, 9455 Towne Centre, 333 Dexter, and On Vine. We utilize the Embodied Carbon in Construction Calculator (EC3) tool to visualize the carbon footprint of different building materials and components, and to assess the relative carbon intensity of different material suppliers. We then work with our structural engineer partners to incorporate carbon intensity performance targets into the material specifications prior to the supplier bidding process. We use this data and process to make informed material procurement decisions 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

As a building owner we collaborate with and provide services to our tenants that help advance sustainability progress. We reduce building emissions by undertaking efficiency projects, installing onsite renewables, and procuring 50%-100% renewable power from utilities. Full disclosure of our emissions related to tenant energy consumption can be found on [page 132](#).



Shift Transportation

Through increasing our network of EV charging stations, providing alternative transportation options, and locating our properties close to public transit and local amenities (more information on [page 20](#)), we will reduce carbon emissions associated with tenant and employee transportation.






3. Environmental







- Environmental Objectives
- 2022 Emissions, Energy, Water, and Waste Performance
- Existing Buildings
- New Development



Solar Panels Installed on Garage at Kilroy Oyster Point – LEED Gold

Environmental Objectives


UN SDG	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	13 CLIMATE ACTION	Climate Action	
			Industry Innovation & Infrastructure	Climate Action
Objectives	Achieve ENERGY STAR certification for 75% of eligible existing office buildings and 100% of eligible residential buildings by year-end 2022.	Maintain carbon neutral operations in 2022.	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).	
Progress	We have achieved ENERGY STAR certification for 65% of eligible existing office and 82% of the eligible residential buildings.	We maintained carbon neutral operations in 2022 for the third consecutive year.	As of 2022, we have achieved a 27% reduction in Scope 1, 2, and 3 (downstream leased assets) emission (like for like) from a 2017 base year.	
				

UN SDG	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Responsible Consumption & Production	
			Sustainable Cities & Communities	Responsible Consumption & Production
Objectives	All ground-up office and life science construction will pursue LEED Gold certification or better, and all major renovations will be built to LEED specifications.	Reduce on-site water use 20% from 2015 baseline levels by year-end 2025.	Achieve an annual diversion rate of at least 50% in the existing portfolio by year-end 2025.	Achieve a 20% on-site reduction from 2015 energy levels by year-end 2025.
Progress	2100 Kettner earned LEED Platinum in 2022 and Kilroy Oyster Point Phase 1 earned LEED Gold certification in 2022. Other projects in our future development pipeline, are pursuing LEED Gold or LEED Platinum (see page 58 , Future Development Pipeline, for more details)	We achieved a 16% reduction in on-site water use in 2022 vs 2015.	We achieved a 35% diversion rate in 2022, an improvement from 2021. Over the past year, total waste increased as more tenants returned to our buildings, and our diversion rate also increased from 28% in 2021 to 35% in 2022.	Our 2022 data shows a 4% reduction in energy consumption vs our 2015 baseline year.
				

2022 Emissions Performance

Goal:

- Maintain Carbon Neutral Operations in 2022

 <p>0 KG CO₂E/SF 2022 emissions intensity</p>	<p>For the third year in a row, Kilroy achieved carbon neutral operations through a combination of energy efficiency, on-site renewables, offsite renewable energy purchasing, renewable energy credits, and verified carbon offsets. More information about this achievement on page 32.</p>
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Emissions

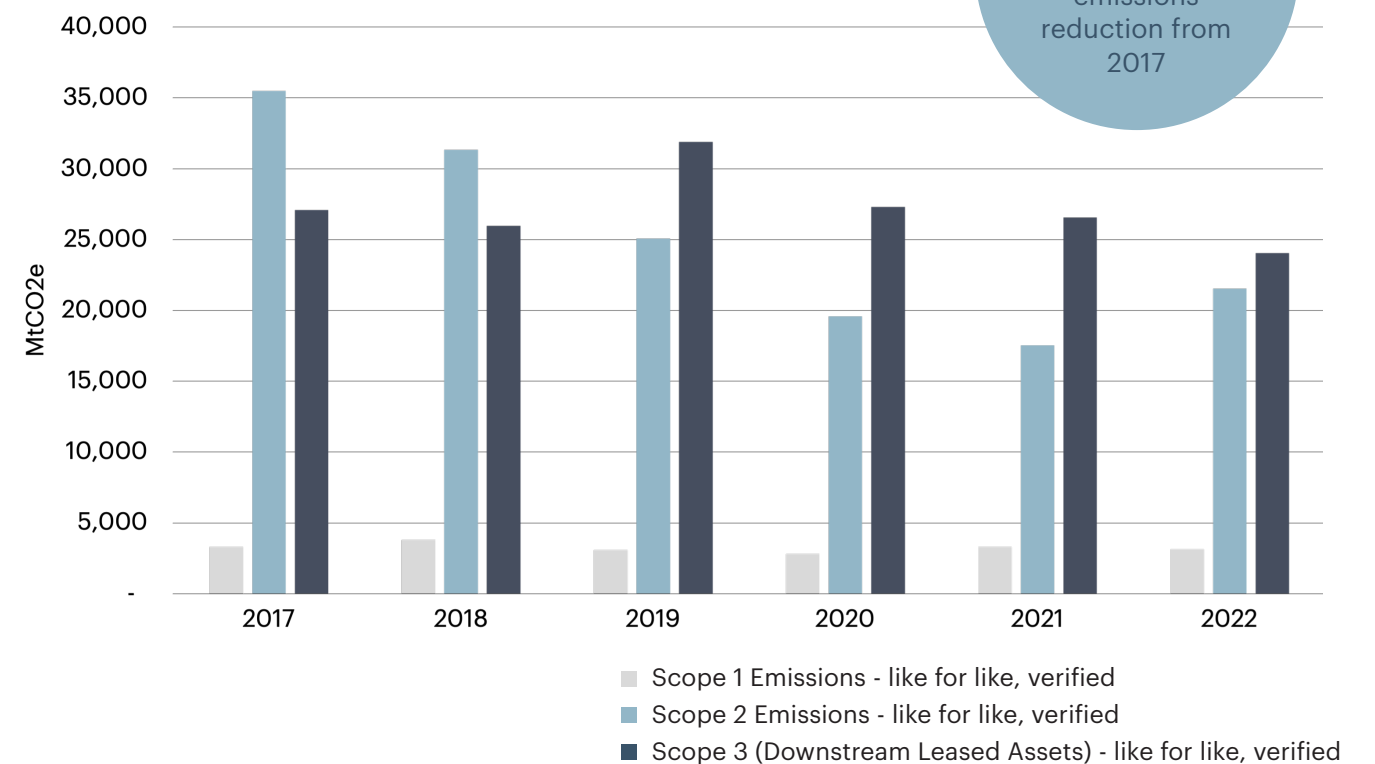
2022 Absolute Emissions	
Scope 1	4,639 Tonnes
Scope 2 (location-based)	31,167 Tonnes
Scope 2 (market-based)	0 Tonnes
Scope 3 (downstream leased assets)	24,036 Tonnes
Total Emissions	59,842 Tonnes
RECs Retired (2022)	196,466 RECs (equivalent to 47,424 Tonnes CO ₂ e offsetting all emissions associated with electricity used at directly and indirectly managed assets in 2022)
Verified Carbon Offsets Retired (2022)	12,418 Tonnes (offsetting all emissions associated with natural gas used at directly and indirectly managed assets in 2022)

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.

Goal:

- 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)

Scope 1, 2, and 3 (Downstream Leased Assets) Emissions

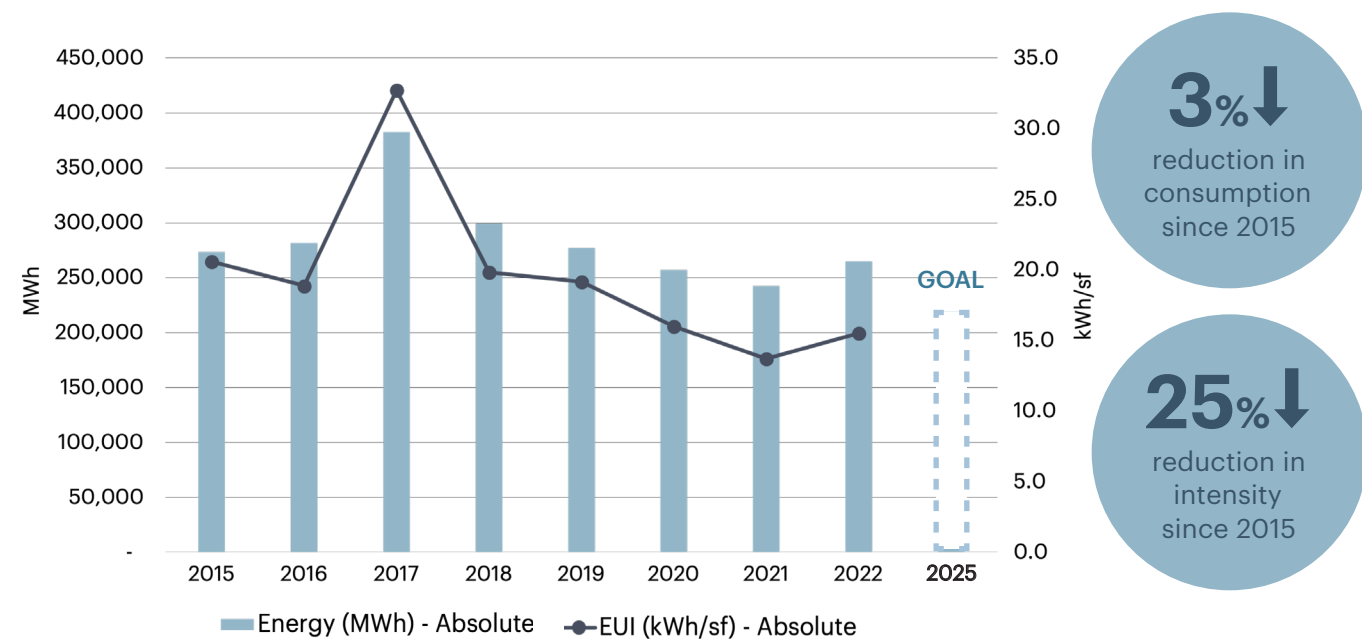


2022 Energy Performance


Goal:

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

Energy Performance Total Portfolio



In 2022, we saw a 9.2% increase in absolute energy consumption and a 5.4% increase in like-for-like energy consumption from 2021 levels, a reflection of a growing number of tenants returning to office either at full or hybrid capacity. Compared to our baseline year of 2015, we have seen a 3% decrease in total absolute energy consumption. 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.



7,982 MWh
solar energy generated on-site at Kilroy properties in 2022

3.1%
of total portfolio energy consumption generated from on-site solar in 2022

Energy Performance (Year over Year)

	Total Portfolio Absolute Energy Consumption (MWh)	Total Portfolio Like for Like Energy Consumption (MWh)	<p>5.4% ↑ like for like energy increase from 2021</p>
2022	264,983	211,258	
2021	242,557	200,376	

2022 Energy Efficiency Projects

Lighting
We completed 7 lighting retrofit projects, both interior and exterior, across over 2 million square feet, or 13%, of our portfolio in 2022. This will result in a nearly 405 MWh reduction in energy consumption and annual cost savings of over \$200k.

Battery Storage
We have 8 operating battery storage projects, which total 4.65 MW in capacity.

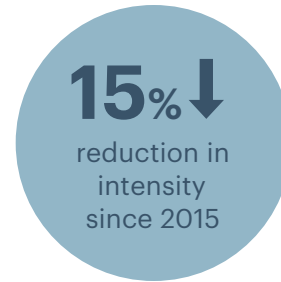
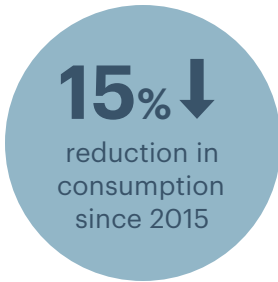
Energy Audits
We conduct annual portfolio-wide inspections of our existing building systems and strategically perform Energy and ASHRAE audits as needed.

HVAC
In 2022, we completed HVAC projects in 1.8 million square feet of our portfolio. Projects included fan upgrades, equipment replacement, settings updates, and BMS controls upgrades. Total savings are conservatively estimated to be over 1,470 MWh.

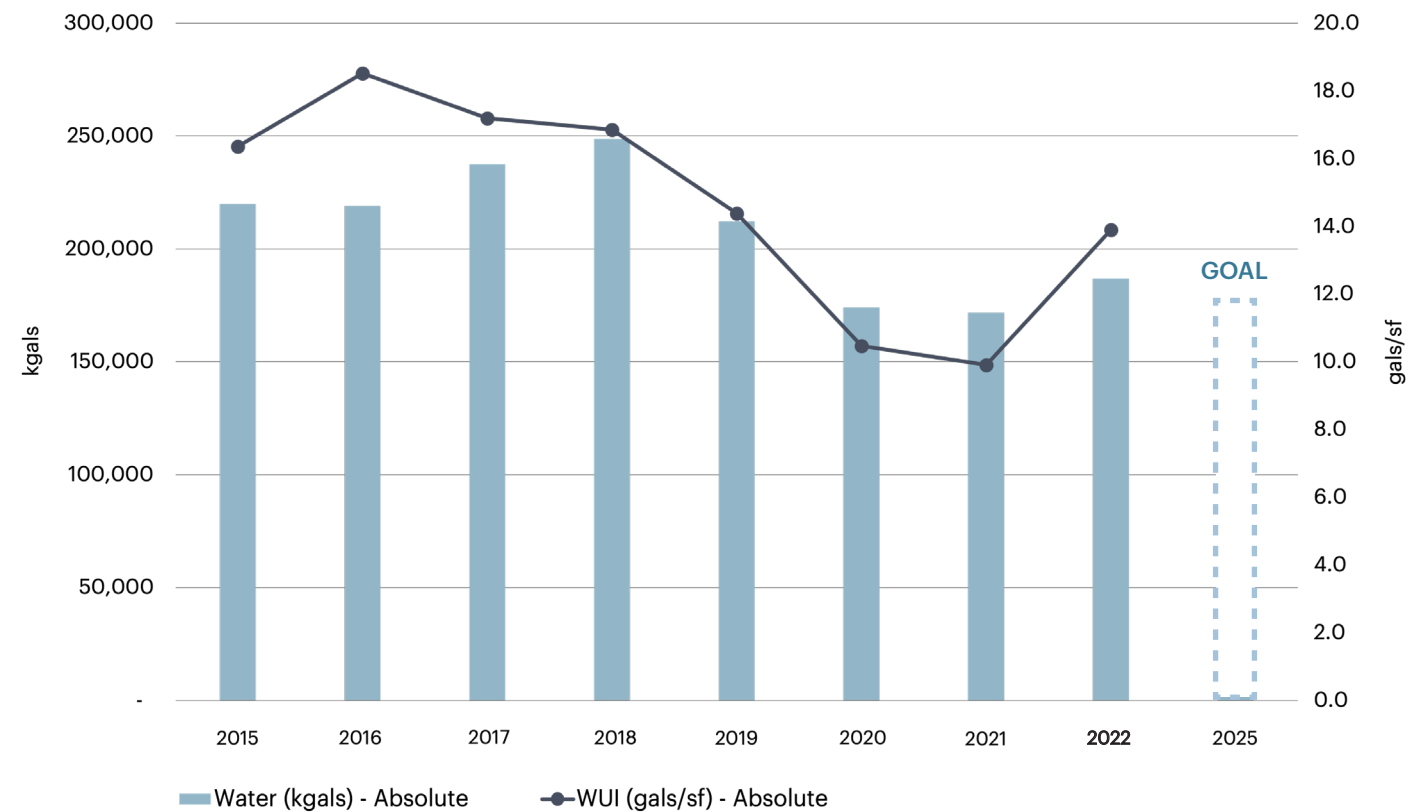
2022 Water Performance

Goal:

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



Water Performance Total Portfolio



Water Performance (Year over Year)

	Total Portfolio Absolute Water Consumption (Kgal)	Total Portfolio Like for Like Water Consumption (Kgal)	6.5% ↑ like for like water increase from 2021
2022	186,965	153,703	
2021	175,285	144,310	

We are currently tracking a 15% on-site water use reduction from 2015 levels. In 2022, we saw a 7% increase in absolute water consumption from 2021 levels, and a 6.5% increase in like-for-like water consumption vs 2021.

2022 Water Efficiency Projects

Landscape Renovations

We undertake landscape renovations such as turf replacement, drought tolerant planting, and drip irrigation retrofits that result in water use reductions across our portfolio.

Process Water Upgrades

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

Reclaimed Water

We saved over 2.3 million gallons of potable water in 2022 via municipally-supplied reclaimed water

Low Flow Fixtures

We specified low flow fixtures in our development projects to ensure water use savings.

Captured Rainwater

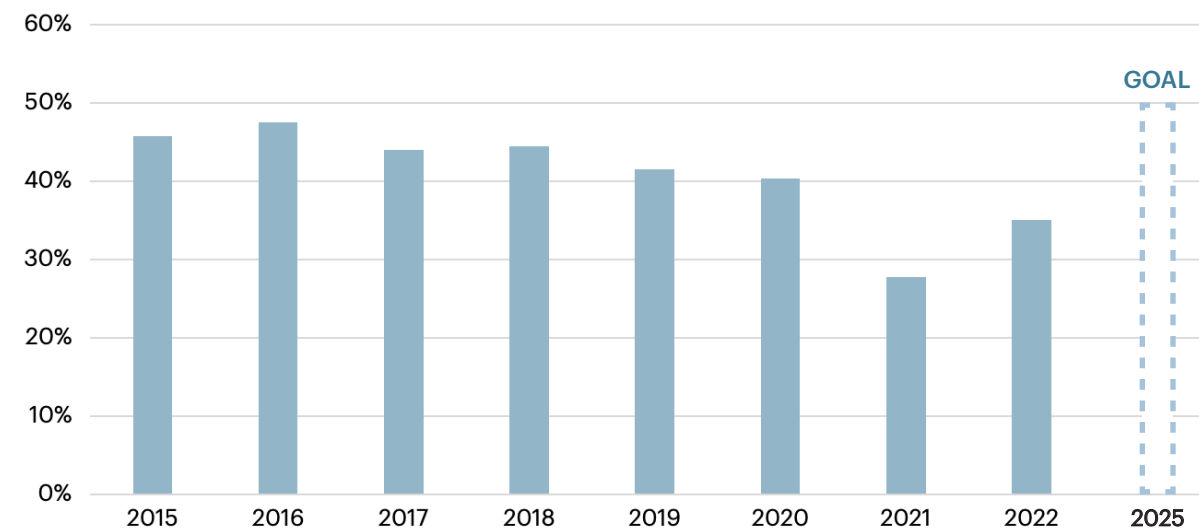
Some of our buildings use captured rainwater for toilet flushing and/or irrigation.

2022 Waste Performance

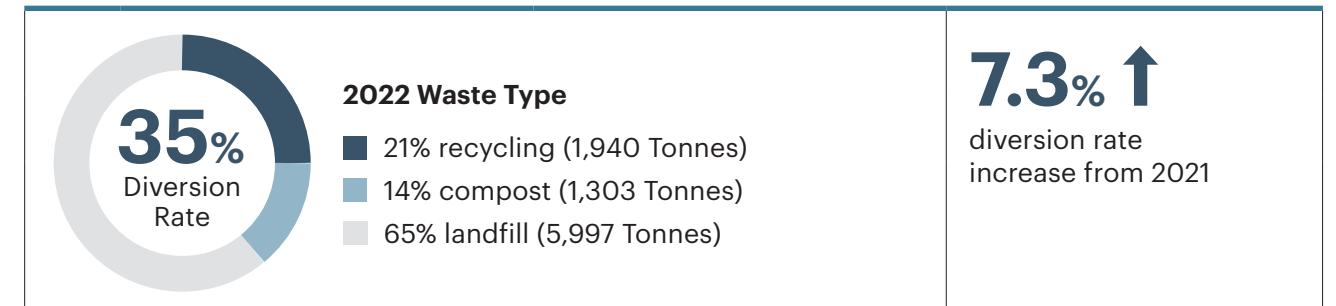
Goal:

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

Annual Waste Diversion



Waste



At year-end 2022, we had achieved a 35% diversion rate for waste from our directly and indirectly managed properties. Over the past year, total waste increased as more tenants returned to our buildings, and our diversion rate also increased from 28% in 2021 to 35% in 2022. As buildings continue to see increased occupancy, we will seek out opportunities to educate and encourage tenants to recycle and compost appropriate waste.

2022 Waste Efficiency Projects

Composting

Approximately 59% of our portfolio has composting service, up 4% from 2021 levels.

Waste Audits

We regularly conduct waste audits which provide information on how our buildings can increase recycle and compost diversion and make recommendations to reduce overall waste quantities.

E-Waste

Many of our buildings conduct or host e-waste events to ensure safe and effective recycling of electronic waste. We hosted 43 e-waste events in 2022.



Westside Media Center, Los Angeles, CA – LEED Silver, Fitwel, WELL Health-Safety, ENERGY STAR

Existing Buildings

ENERGY STAR Certification

Seattle 1,891,407 sq. ft.	San Francisco Bay Area 3,158,067 sq. ft.
Greater Los Angeles 2,590,065 sq. ft.	San Diego 2,278,063 sq. ft.
Total Certified Sq. Ft. 9,558,120 sq. ft.	Total % Portfolio Certified 66%



[Full list of ENERGY STAR certifications](#) as of 12/31/22 is available at our website.

LEED Certification

Seattle 2,721,668 sq. ft.	San Francisco Bay Area 4,673,914 sq. ft.
Greater Los Angeles 2,723,204 sq. ft.	San Diego 1,172,761 sq. ft.
Austin 734,000 sq. ft.	
Total Certified Sq. Ft. 12,025,547 sq. ft.	Total % Portfolio Certified 71%



[Full list of LEED certifications](#) as of 12/31/22 is available at our website.

Existing Buildings Case Study

Kilroy Sabre Springs Portfolio (13480/13500/13520 Evening Creek)

Located in laid back San Diego, Sabre Springs is a Class A three-building office campus comprising almost 450,000 rentable square feet. This campus's contemporary design supports a vibrant community and consistently demonstrates energy and water reductions while promoting the wellbeing of its occupants and the community.

Environmental Performance

Since being developed in 2003, Kilroy Sabre Springs has undergone substantial energy efficiency projects. In most recent years, the campus has performed HVAC upgrades, irrigation upgrades and turf replacement and extensive LED lighting retrofits. A sophisticated data analytics software program allows the on-site engineers to measure and verify the projects' energy savings. The campus hosts a solar array supplying approximately 15% of the energy consumption, and six EV charging stations; contributing to our efforts to transition to a low carbon portfolio.

Additional environmental initiatives include on-site e-waste recycling events, a green cleaning program and two beehives that support our local bee population.

13480 Evening Creek is LEED Core & Shell certified at the Silver level and 13500 and 13520 Evening Creek are pursuing LEED EBOM certification as of 12/31/2022. All three buildings were ENERGY STAR certified in 2022.

Thriving Places

Kilroy Sabre Springs supports not only the environment, but also the health and well-being of its occupants and surrounding community. The campus boasts a state-of-the-art gym, secure bike-storage, and centers around outdoor gathering spaces that inspire meaningful connections and collaborations. Kilroy Sabre Springs maintains the highest standards of indoor air quality and is WELL Health-Safety Rated.

Kilroy Sabre Springs is a 5x TOBY Award recipient and was most recently awarded BOMA San Diego's TOBY for mid-rise suburban office in 2022.

Team: Liz Howeth, Karen Yoshizumi, Jessica Belcher, Richard Macias, David Rynne, Juan Lemus, David Alvarado, Thomas Dunn



Kilroy Sabre Springs, San Diego, CA – LEED Silver (13480 Evening Creek), Targeting LEED Gold (13500 & 13520 Evening Creek), ENERGY STAR, WELL Health-Safety

Biodiversity

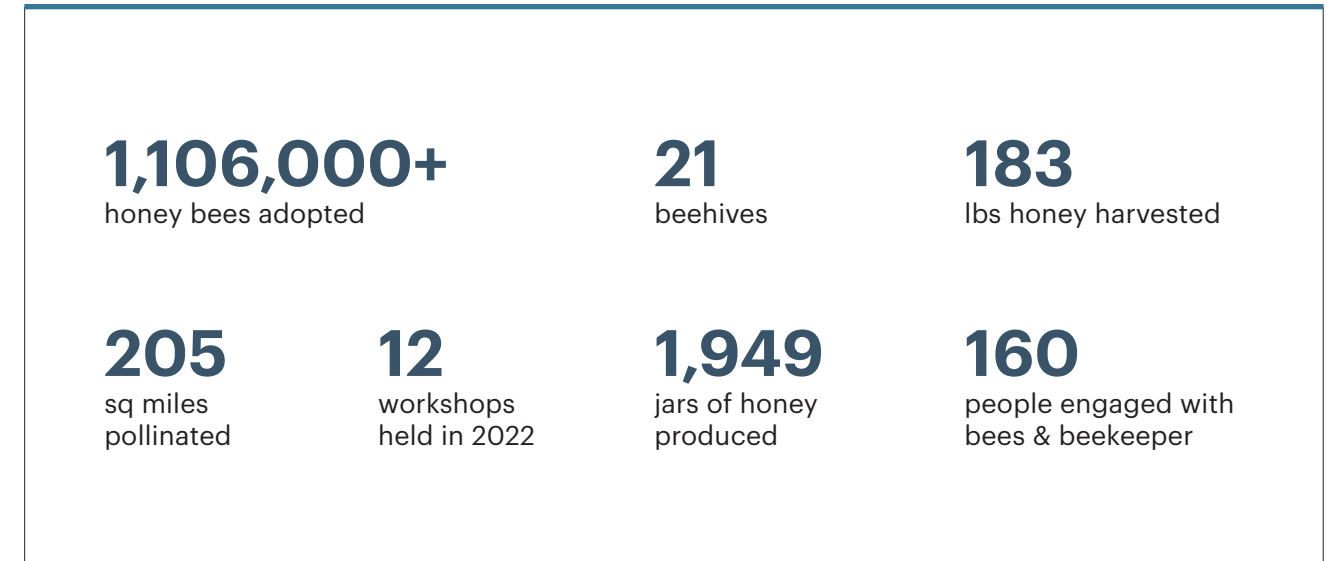
The World Economic Forum’s Global Risk Report identifies biodiversity loss as among the highest-impact risk of the next decade. We recognize that even though our properties are not located in highly ecologically sensitive areas, we are part of the broader ecosystem and our buildings can impact wildlife, endangered species, ecosystem services and habitat. To mitigate these impacts, our biodiversity and habitat policy is threefold:

1. Conduct Environmental Impact Reviews assessments in all new developments and major renovations where appropriate to ensure that we are not threatening biodiversity via our construction practices
2. Include climate-appropriate pollinator plants in all new landscape installations in both new and existing portfolios. Kilroy Oyster Point II, 9514 Towne Center, and 12340 El Camino have incorporated a vast array of pollinators in their landscaping, contributing to ecological benefits of our natural environment.
3. We install beehives at many of our buildings to support the local beehive population.



Kilroy Oyster Point, Phase II, South San Francisco, CA – Targeting LEED Gold

Honey Bee Initiative



Where are our Bees?

Pacific Northwest

Key Center

San Francisco Bay Area

100 First St

100 Hooper

360 3rd St

201 3rd St

301 Brannan Street

303 2nd St

Crossing 900

Menlo Corporate Center

Greater Los Angeles

2110 Colorado Ave

Columbia Square

Aero Long Beach

909/999 N Pacific Coast Highway

2240/2250/2260 E. Imperial Hwy

Sunset Media Center

San Diego

Kilroy Sabre Springs





2022 Graduates of the Green Janitor Education Program

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.

Green Janitor Education Program

In 2022, 45 janitors across the San Diego and Los Angeles Regions of our portfolio graduated from the GJEP Forward program. USGBC-LA, the Building Owners and Managers Association of Greater Los Angeles (BOMA-GLA), Building Skills Partnership, and the Service Employees International Union (SEIU) created the Green Janitor Education Program to provide training on sustainability topics like vampire power, turning off lights, and reporting leaks. GJEP Forward advances that training by providing science-based knowledge on a janitor’s critical role in achieving green and sustainable buildings. Eligible janitors work on teams of four or more and are members of an SEIU chapter that supports the program.

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 2022, we earned our fifth Green Lease Leaders recognition at the Gold level, our ninth overall win. We earned the award in the Team Transaction category, our fifth time winning in this category, with our tenant JP Morgan Chase at our One Paseo office building in San Diego. 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.



One Paseo Office, San Diego, CA – LEED Gold, Fitwel Community, WELL Health-Safety, ENERGY STAR



Stadium Tower, Austin, TX – Targeting LEED Gold, Targeting Fitwel

New Development

In 2022 we advanced design and construction efforts on a number of exciting new development projects. Projects under construction in 2022 included:

- Kilroy Oyster Point Phase II (South San Francisco), which is pursuing LEED Gold Core & Shell certification
- 9514 Towne Centre Drive (San Diego), which is pursuing LEED Gold Core & Shell certification
- Tenant improvement construction is underway at Indeed Tower (Austin) and 2100 Kettner (San Diego) where Kilroy has provided tenants with construction guidelines that reinforce the LEED Platinum Core & Shell certifications that were achieved at both projects

All of our office and life science new developments pursue the highest levels of LEED certification (Platinum or Gold), and we have a strong focus on sustainability and building performance throughout the design process. 2100 Kettner earned LEED Platinum Core & Shell certification in April 2022, and Kilroy Oyster Point Phase I earned LEED Gold Core & Shell certification in January 2023. In 2022 we elected to extend the design period for some of our development projects, to take more time to determine how best to respond to changing market conditions in the office market, and to advance pre-leasing discussions to bring the future tenant perspective into the design process.

As an owner and developer, the safety of our project sites is of great importance to us. In 2022, and in all prior reporting years, we had zero fatalities. In 2022 we had 1 recordable injury and 3 near misses across 1.04 million square feet of active construction.

Future Development Pipeline at Kilroy

SEATTLE

SIXO
925,000 sq. ft.
Targeting LEED Gold

SAN FRANCISCO BAY AREA

Kilroy Oyster Point Phase II
875,000 sq. ft.
Targeting LEED Gold

Kilroy Oyster Point Phase III & IV
1,000,000 sq. ft.
Targeting LEED Gold

Flower Mart
2,300,000 sq. ft.
Targeting LEED Platinum

GREATER LOS ANGELES

1633 26th Street
190,000 sq. ft.
Targeting LEED Platinum

SAN DIEGO

9514 Towne Centre Drive
71,000 sq. ft.
Targeting LEED Gold

Santa Fe Summit
600,000 sq. ft.
Targeting LEED Gold

Pacific Coast Highway
275,000 sq. ft.
(TBD)

Kilroy East Village
TBD sq. ft.
(TBD)

AUSTIN

Stadium Tower
493,000 sq. ft.
Targeting LEED Gold



SIXO



Kilroy Oyster Point Phase II



Kilroy Oyster Point Phases III & IV



Flower Mart



1633 26th Street



9514 Towne Centre Drive



Santa Fe Summit



2045 Pacific Coast Highway



Stadium Tower



Kilroy East Village

Responsible Land Use

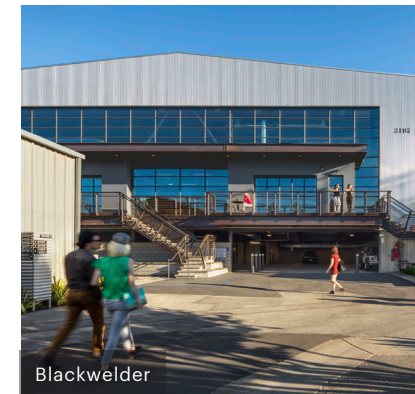
We recognize that our buildings have the potential to either benefit or detract from their local communities. To navigate these concerns, we created an in-house land use team in 2011. This team helps us create buildings that complement and benefit their neighborhoods. For example, Indeed Tower in Austin, Texas was developed on a brownfield site and includes historic restoration and vertical mixed uses. Planned developments such as 2045 Pacific Coast Highway and East Village in San Diego are in urban areas and are compatible with the Centre City Planned District of San Diego. The SIXO project in downtown Seattle will restore and bring new life to an historic building. At all our development projects we implement local community engagement and environmental impact assessment programs.

- 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 landfill, has required especially demanding remediation efforts.

Adaptive Reuse

Many of our development projects incorporate adaptive reuse of historic buildings. We have embraced adaptive reuse to offer communities the opportunity to connect with their cultural heritage through the built environment and to support our sustainable development goals. Not only can adaptive reuse of historic structures provide social benefits, but it can also provide economic and environmental value. For example, the planned reuse of existing structures at future development projects such as The Post at Indeed Tower, SIXO, and 1633 26th Street will contribute to our embodied carbon reduction goals established in 2020 (more info on [page 34](#)) by reducing the amount of carbon-intensive materials needed to develop the project. In addition, we will reduce our environmental impact associated with demolition and construction.

Adaptive Reuse Projects



Blackwelder



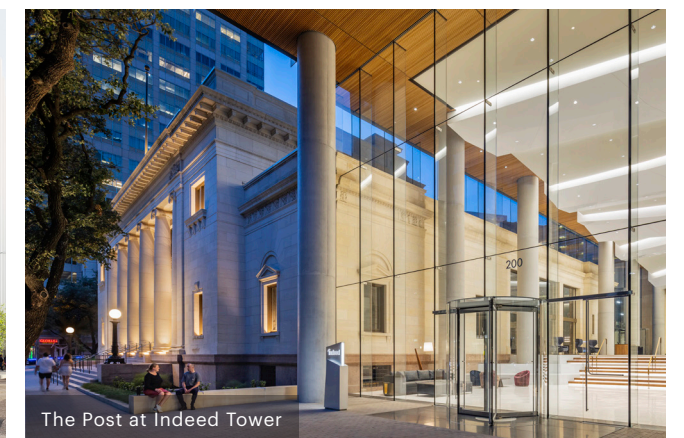
1633 26th Street



Columbia Square



SIXO



The Post at Indeed Tower




4. Social



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



House Building Volunteer Event in San Diego, CA

Social Objectives

UN SDG	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	3 GOOD HEALTH AND WELL-BEING	
	Responsible Consumption & Production	Good Health & Wellbeing	
Objectives	Ongoing engagement with Tier 1 suppliers on social and environmental practices.	Maintain Fitwel certifications for 40% of our portfolio.	Enhance employee satisfaction and involvement.
Progress	We have initiated engagement with Tier 1 operational, development, and transactional suppliers and in 2022 we initiated a project with an external consultant to do a deeper study of our Scope 3 emissions. This effort will inform priority suppliers to engage with going forward. 	As of year-end 2022, 46% 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. 	We conduct an annual employee survey as a way to solicit feedback from employees on satisfaction and engagement. More information on page 72 . 

UN SDG	8 DECENT WORK AND ECONOMIC GROWTH	11 SUSTAINABLE CITIES AND COMMUNITIES	
	Decent Work & Economic Growth	Sustainable Cities & Communities	
Objectives	Continue to develop employee talent.	Engage our communities through service events.	Engage our communities through strategic philanthropic giving.
Progress	In 2022 we announced 61 promotions which represented approximately 24% of our workforce. This reflects ongoing engagement, training, and development with employees. 	Each of our regions engaged in community service events in 2022. More information on page 82 .	We continued our longstanding support of several organizations and expanded to include some new organizations. More information on page 80 . 



Morgan Clarke, Samantha Suon, and Sarah Tarica, Kilroy PNW Region

Belong, Progress, Connect

We founded Kilroy Realty Corporation 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 focused communications and programming within the three pillars that define Kilroy's culture—Belong, Progress, and Connect.

Belong

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



During 2022 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.

During 2022 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 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.

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 fourth year in a row. The GEI aims to track the performance of public companies committed to transparency in gender-data reporting and in 2022 Kilroy was one of 484 companies participating.

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

“We work hard to foster an equitable work environment. As we continue to grow and learn, our utmost priority is to refine our policies and to devote resources to advance transformative DE&I efforts that empower our diverse team.”

– Heidi Roth, EVP, Chief Administrative Officer at Kilroy

Progress

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

100% of our employees received some level of training and education in 2022. Across all teams and regions, employees participated through virtual workshops, in-person sessions, lunch and learns, and online webinars. Example topics included:

- Unconscious Bias
- Cybersecurity
- Present with Purpose
- Understanding Kilroy Policies and Expectations
- Interview Techniques
- Wellness Coaching
- Health & Wellness (Self-Care and Substance Abuse Prevention)
- Diversity, Equity & Inclusion
- Workplace Behavior & Harassment
- Tomahawk Interactive Threat Seminar & First Care Provider Training

We 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). In 2022, a number of individuals were able to take advantage of opportunities to pursue continuing education and attend relevant conferences to further their knowledge of environmental & social aspects of sustainability.

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.

Kilroy expects all employees to review and attest to its EEO, anti-discrimination and anti-harassment corporate 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 one-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. Additional periodic performance reviews and counseling may also be given as required or requested.

Employee Survey

As part of our commitment to support our employee base and understand their needs, in December 2022 we conducted our employee survey. 50% of employees participated, providing valuable feedback.

Promotions

To illustrate our commitment to employee growth, in 2022 we were pleased to have 61 promotions, or approximately 24% of our workforce.



Nicole Stromsness and Cooper Smart, Kilroy SF Region

Connect

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



Social Connection

During 2022 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 heritage months and multicultural events. In 2022 we hosted regional summer picnics for employees and their families, and regional holiday get-togethers to end the year and celebrate the season and our collective accomplishments in 2022.

Employee Health and Wellness

The health and wellness of our employees is of central importance to our culture. Our programs for 2022 are highlighted below.

We offered comprehensive group health benefits to all eligible employees and their families that were built around their total health. For 2022, they included the following:

- Two PPO Medical Plan options
- Ancillary benefits including: Dental, Vision, Medical and Dependent Care FSA options, Group Life & Disability and AD&D (including an employee Buy-Up Option), LTD and an Enhanced Employee Assistance Program

Value added programs included:

- Teladoc
- Prenatal program and parent support services
- Mail order pharmacy
- Chiropractic care
- Acupuncture
- Weight management, healthy eating and exercise
- Infertility treatment

Employee Assistance Program

Our employee assistance program offers a variety of resources, tools, and services to employees and their household members.

- Coaching and career development
- Counseling referrals to support emotional well-being and help employees navigate stress, anxiety, relationship issues, grief and loss, etc
- Adoption, fertility, and egg-freezing services
- Legal assistance
- Financial coaching
- Identity theft resolution
- Work-life services to provide referrals for child care, adult care, etc.
- Wellness resources including fitness, mental health, disease prevention, alcohol/drug dependency, smoking cessation

Parental 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

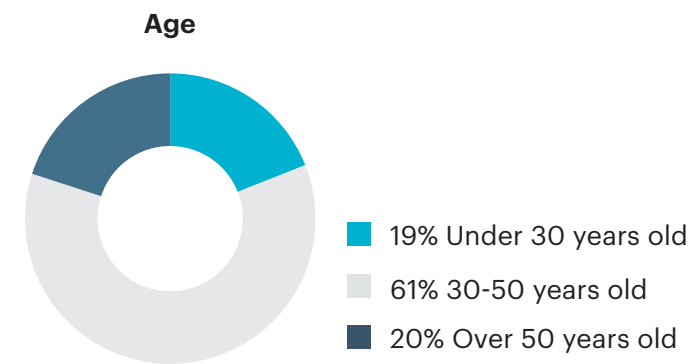
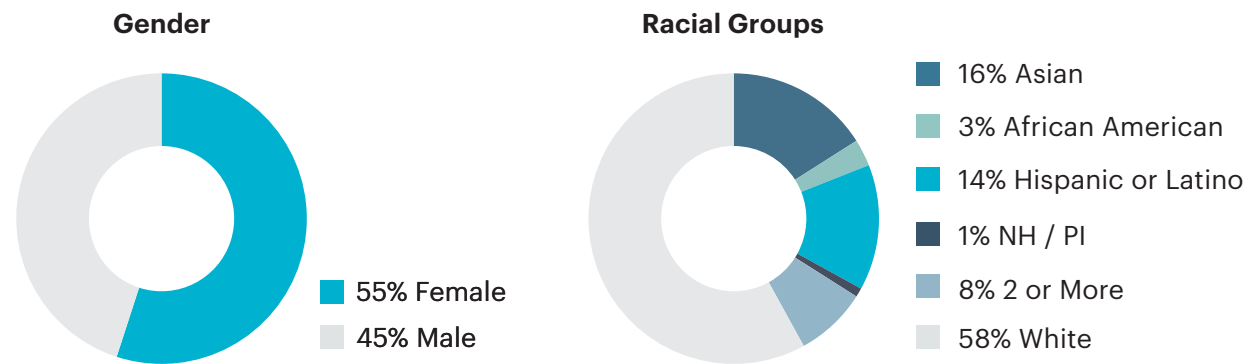
Additional Benefits

We also have a robust offering of additional benefits including:

- 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
- LifeMart: a discount program with exclusive offers for child care, education, travel, and more
- 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 (259 employees)



Diversity at Kilroy

59%⁽¹⁾
Female Promotions

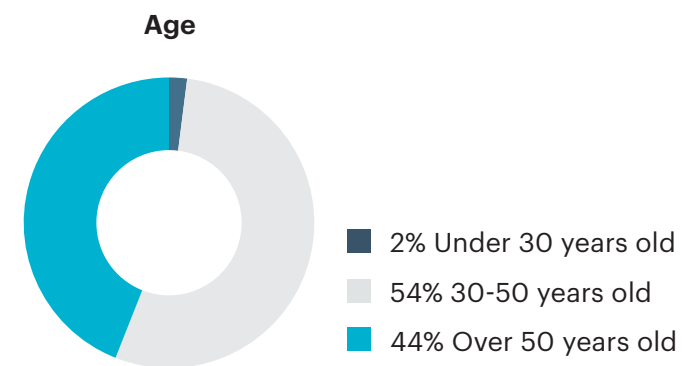
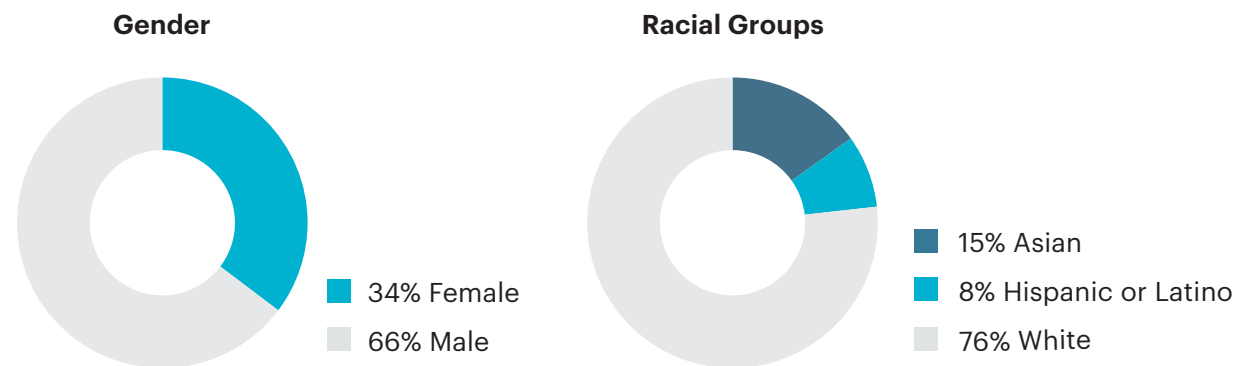
59%⁽²⁾
Female Hires

42%⁽³⁾
Multicultural Employees

78%⁽⁴⁾
Female Retention

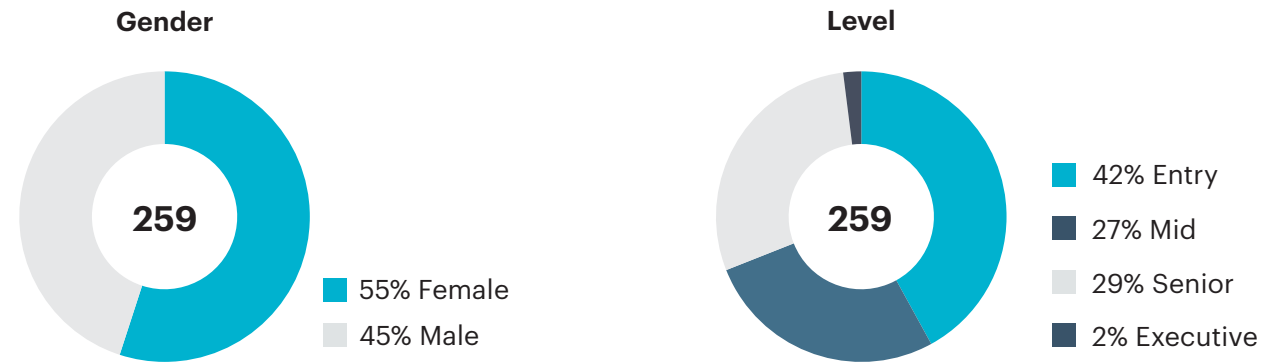
88%⁽⁵⁾
Male Retention

Governing Body (59 employees, VP & Above)

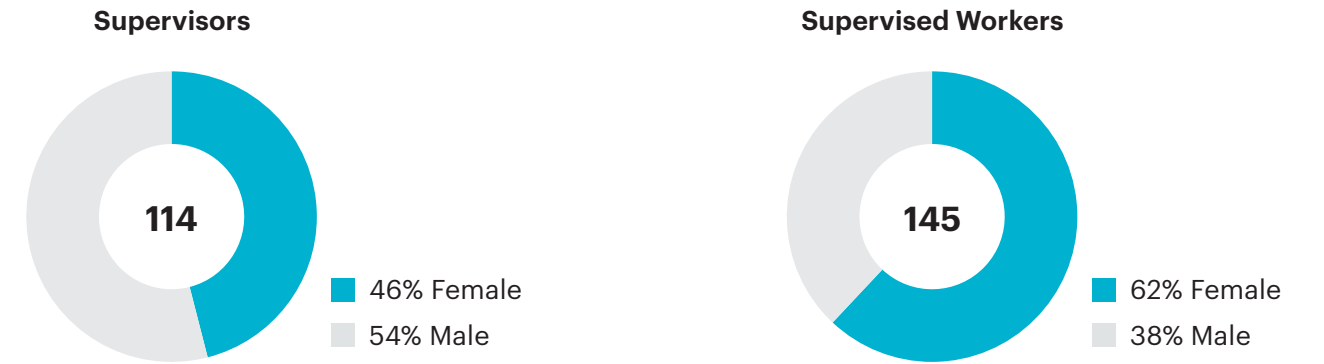


(1) 36/61 2022 promotions
 (2) 35/59 2022 new hires
 (3) 110/259 2022 multicultural employees
 (4) 142 at end of 2022 - 35 new in 2022 / 138 at end of 2021-
 (5) 117 at end of 2022 - 24 new in 2022 / 106 at end of 2021

Total Workforce



Supervision



EMPLOYEES BY REGION

- LA (140)
- SF (59)
- SD (36)
- PNW (18)
- ATX (6)



FEMALE

- 56%
- 61%
- 53%
- 39%
- 33%

MALE

- 44%
- 39%
- 47%
- 61%
- 67%

1% employees covered under the Collective Bargaining Agreement (3 EEs)
2% part-time employees (4 EEs)

Community

Culture Crew

One of the major perks of Kilroy’s widespread return to the office, was the reinvigoration of our employee-driven Culture Crew program that seeks to increase employee engagement and connection through community building activities! The Culture Crew Committee is comprised of members across the Kilroy regions who organize and execute team building and community service events for their associated regions. Typical culture crew events include volunteering (more information in the next section), employee health activities and art projects as well as other group outings.

Employee Volunteerism

Another way Kilroy integrates the three pillars – Belong, Progress, Connect – into company culture is through our employee volunteerism and philanthropy. Our programs have two fundamental areas of focus: Strong Communities and Healthy Planet. These concepts inspire the initiatives and actions we choose to undertake for our volunteer and philanthropic efforts.

In 2022 we were excited to be able to participate in more in-person volunteer events across the Kilroy regions. We organized and participated in volunteer events throughout the year such as donation drives, beach cleanups, blood drives, and assembling and distributing care packages to those in need. In addition, many properties and teams facilitated their own events to give back to the community.

Sea Change

Kilroy created Sea Change as an opportunity to enact positive social change outside of physical spaces and within our local communities. Through a meaningful partnership with Surfrider Foundation, this initiative has evolved into a platform to motivate and inspire action. Kilroy uses Sea Change as an avenue to promote action across numerous platforms - sustainability, health and wellness, and continuing education. The Sea Change Festival in Long Beach, California in July 2022 brought together over 500 Kilroy employees, friends and family, and community members who collected 675 pounds of trash.



900+
total volunteer hours



70+
organizations served



95
kits packed for homeless



100+
toys donated



40,000
meals donated



700+
pounds of trash picked up



60
articles of clothing donated



50+
care kits for firefighters



340
gift bags for troops



68
pints of blood donated



220
teddy bears stuffed for homeless and children of deployed troops



6,409,661
steps walked for breast cancer

Employee Volunteerism

We had a robust showing for our company-wide 2022 Week of Service where employees were encouraged to participate in a variety of regionally coordinated volunteer efforts. More than 150 Kilroy employees volunteered more than 350 hours supporting 14 organizations, including:

1. Bay Area

- **Organizations supported:** Community Resources for Science, Martha’s Kitchen and C.A.R.E.
- The SF Region created 46 DIY Science Kits for CRS, cut and knot fabric to create 4 large blankets with Martha’s Kitchen and beautified the outdoor space for public housing by painting benches & walls, planting flowers, strawberries & other herbs, and installed 2 BBQ pits with C.A.R.E.

2. San Diego

- **Organizations supported:** The Surfrider Foundation, Feeding San Diego, Operation Gratitude.
- The SD Region collectively picked up 19 pounds of trash during the Surfrider Beach Clean-Up, packed 310 bags of fruit with Feeding San Diego, stuffed 75 bears for Operation Gratitude: Battalion Buddies and created 310 graduate gift bags for Operation Gratitude: MCRD.

3. Los Angeles

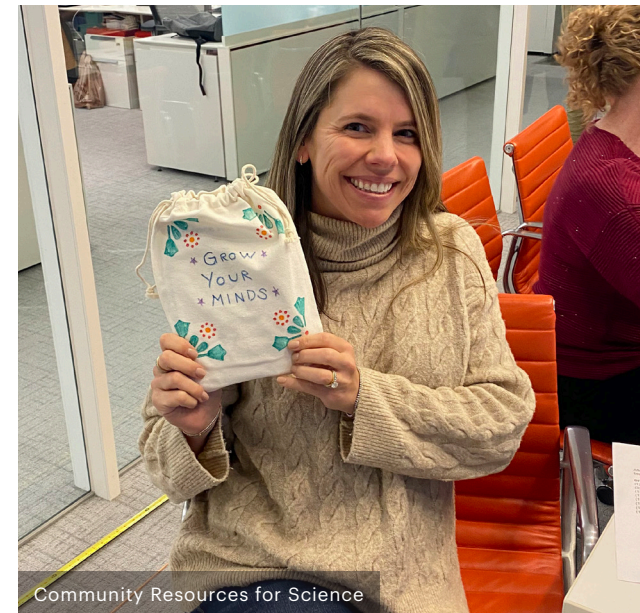
- **Organizations supported:** Operation Gratitude, Heal the Bay, and FoodCycle.
- The LA Region put their hands together to stuff 100 bears for Operation Gratitude: Battalion Buddies, picked up 52.5 pounds of trash with Heal the Bay and organized donation deliveries from vendors to provide 150 gift bags to those in need at the FoodCycle Distribution Site.

4. Pacific Northwest

- **Organizations supported:** HandsOn Bay Area, Food Lifeline, Westside Baby, and Mary’s Place.
- The PNW Region collaborated to build 45 stuffed animals with HandsOn Bay Area, pack 4,450 pounds of food for Food Lifeline, fulfill orders for 14 different families & package 4,500 diapers to be distributed to families with Westside Baby and create 20 Welcome Kits for families with Mary’s Place.

5. Austin

- **Organizations supported:** Central Texas Food Bank, Any Baby Can, Foster Angels, Salvation Army Angel Tree, Dell Children’s Toy Drive.
- Austin donated over 40 pounds of food to the Central Texas Food Bank, donated diapers/formula/toys to Any Baby Can, filled 25 backpacks with school supplies for Foster Angels, adopted 60 children for the Salvation Army Angel Tree, and donated 20 bags of toys to Dell Children’s Hospital Toy Drive.



Community Resources for Science



Sea Change Surfrider Beach Clean-Up



Battalion Buddies



Food Lifeline



Dell Children’s Hospital Toy Drive

Philanthropy

We also provide financial support to charitable organizations focused on building strong communities and promoting environmental protection. Our philanthropic philosophy is to provide unrestricted grants to allow the organizations we believe in to execute their programs most efficiently. Additionally, in 2022 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 \$500 match. The Company supported over 77 organizations by making charitable donations in 2022 including:

Adopt a Fire Station

Fire stations are often in need of various supplies to support day-to-day operations. This is especially true in neighborhoods that don't have the financial resources to support their local station. Many fire stations have specialized units and their needs include wet suits for the Dive Team, forensic equipment for the Arson Investigation Unit, search and rescue dogs and training costs for the USAR K-9 task force, computers and software for CERT. In 2022, Kilroy was privileged to adopt a number of fire stations in the cities in which we operate including Seattle, San Francisco, Los Angeles and San Diego.

Breast Cancer Research Fund (BCRF)

Cancer has touched so many of our friends and family members and that's why Kilroy employees laced up their shoes and logged more than 6.4M steps as part of a challenge. BCRF is the largest private funder of breast cancer research—and metastatic breast cancer research—worldwide and is the highest-rated breast cancer research organization in the country. Our donation of \$22,500 was then matched by BCRF to expand its reach even farther.

Nareit Dividends Through Diversity, Equity & Inclusion Giving Campaign

The Nareit Foundation's Dividends Through Diversity, Equity & Inclusion (DDEI) Giving Campaign, supports charitable and educational organizations and initiatives that will help create a more diverse, equitable, and inclusive REIT and publicly traded real estate industry. Launched in 2022, the Nareit Foundation's DDEI Giving Campaign demonstrates the collective commitment to advancing DE&I on behalf of the REIT and publicly traded real estate industry while complementing and compounding the impact of individual companies' efforts in similar areas. Kilroy is very proud to be one of the founding members of this important initiative.



Adopt a Fire Station Event in Los Angeles, CA

Employee Spotlights



**Scott
Ritto**

Scott Ritto joined Kilroy in 2013 and serves as the Vice President of Risk Management. During his tenure at Kilroy, Scott has been integral in the development, deployment and oversight of our corporate risk management strategy. His risk management work has intersected with the sustainability team on a wide range of topics, including climate change, resilience, water leak detection, on-site solar installations, and hosting beehives at our properties. His background and expertise help us to identify and mitigate physical and financial risks associated with technologies that support energy, carbon, water, or waste reductions across our portfolio. Early identification of potential barriers, and assistance with finding solutions helps position the sustainability team to implement innovative new technology in our buildings and scale up successful pilot projects.

Scott gives back to the community in many ways, including serving as the President of the Board of Directors for the Los Angeles Chapter of RIMS, a community of risk management professionals, and being a regular blood donor through the American Red Cross. He is the proud parent of a daughter who serves as a helicopter air crew chief in the U.S. Marine Corps. We are grateful for the ongoing partnership between sustainability and risk management that enables a deeper integration of environmental risk factors into our overall risk management strategy. Thank you, Scott for all you do!



**Dawn
Mariano**

Dawn Mariano joined Kilroy in 2015 as a Property Manager in our San Francisco Region. After five years in property management overseeing some of Kilroy's new developments and stabilized properties, Dawn moved into a new role as Director, Operations. In her position as Director, Operations, Dawn collaborates across multiple departments within Kilroy to implement various corporate initiatives. As a member of the Asset Management team, Dawn works closely with Sustainability, Engineering, Accounting, and Operational Technology to help drive interdisciplinary programs across the company. Some of her recent focus has been around developing water management best practices, improving indoor air quality in our buildings, working on Kilroy's beehive partnerships, and most recently developing new electric vehicle charging standards as Kilroy continues to expand EV charging capabilities.

This year Dawn plans to obtain her ESG Certificate through BOMI International to better understand the multiple facets of ESG and how she can continue to work with her team members to improve Kilroy's built environment and implement best practices throughout the organization. Outside of work, Dawn is a parent member of the National Tay-Sachs & Allied Diseases Association where she helps advocate for and bring awareness to rare diseases, such as that which afflicts her 4 year old daughter. We are fortunate to count Dawn as a member of the Kilroy team!

Healthy Buildings

Fitwel

We ended 2022 with 22 active Fitwel certifications, including one new certification at Netflix on Vine. Since completing our first Fitwel certifications in 2017, we have demonstrated a commitment to continue to re-certify projects after the initial Fitwel certification expires, a practice we believe provides opportunity to continually improve the implementation of our health & wellness strategies across the portfolio. We were also proud to receive the Fitwel Best in Building Health Award for Most Certifications of All Time for the fourth year in a row (2019-2022). We will continue to focus on incorporating active design features into all of our projects, both development and existing, to further increase our Fitwel certifications across the portfolio.



Supporting the Growth of the Healthy Building Movement

In 2022, Kilroy made a strategic investment in Active Design Advisors Inc. (Adai), which is the sole operator of the healthy building certification system Fitwel. Kilroy joined lead investor RET Ventures and QuadReal in the capital raise. Adai will use the funds to invest in new technology infrastructure and key senior leadership hires that will help Fitwel expand its reach and recognition. Kilroy is proud to support Adai as they work to scale up their operations to meet increased demand for Fitwel certifications. The Fitwel certification process helps building owners and operators identify and demonstrate achievement of research-backed building design and operational strategies that enhance the health and sustainability of tenants and residents.

Fitwel Certifications

Total Fitwel Certified
7,834,945 sq. ft.
% Portfolio Fitwel Certified
46%

SEATTLE

- Key Center**
490,738 sq. ft.
- Skyline Tower**
428,557 sq. ft.
- West 8th**
539,226 sq. ft.

SAN FRANCISCO BAY AREA

- 303 Second St**
784,658 sq. ft.
- 350 Mission**
455,340 sq. ft.
- 360 Third St**
429,796 sq. ft.
- 333 Brannan**
185,602 sq. ft.
- 201 Third St**
346,538 sq. ft.
- 100 First St**
480,457 sq. ft.
- Crossing 900**
347,269 sq. ft.

GREATER LOS ANGELES

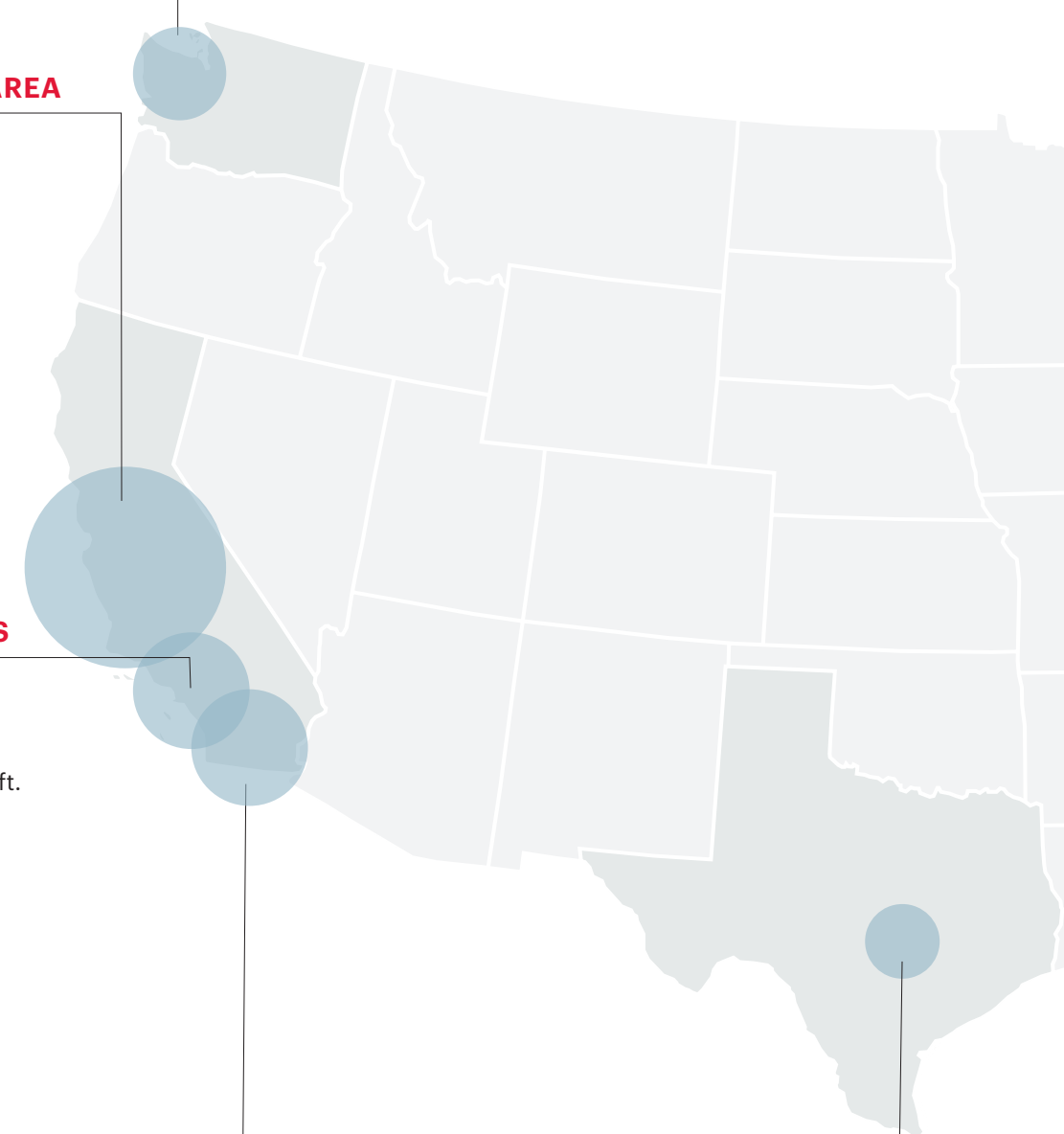
- Columbia Square**
6121 W Sunset - 93,418 sq. ft.
1525 N Gower - 9,610 sq. ft.
1500 N El Centro - 113,447 sq. ft.
- 12100 W. Olympic**
155,679 sq. ft.
- 12200 W. Olympic**
154,544 sq. ft.
- Sunset Media Center**
331,888 sq. ft.
- Tribeca West**
156,746 sq. ft.
- 501 Santa Monica**
78,509 sq. ft.
- Netflix on Vine**
342,365 sq. ft.
- The Sunset**
76,558 sq. ft.

SAN DIEGO

- One Paseo Fitwel Community**
25.2 acres

AUSTIN

- Indeed Tower**
734,000 sq. ft.



Fitwel Spotlight

Netflix on Vine

The Netflix on Vine Campus, comprised of two low-rise, Class A office buildings located in the heart of Hollywood, achieved its first Fitwel Certification in 2022. The project demonstrates a commitment to advancing occupant well-being by implementing health-promoting design and operational strategies.

Tenant physical, mental, and social health is supported by a pedestrian-friendly location and several outdoor amenities such as rooftop restorative gardens. The indoor spaces offer tenant comfort controls and comprehensive cleaning protocol for optimal comfort and safety. Shared spaces including quiet rooms, lactations rooms, and break areas satisfy the needs of building users. Lastly, every floor of each building is equipped with snack bars that provide healthy food and beverages options that contribute to improved employee eating habits and nutritional benefits. The Netflix on Vine Campus illustrates how thoughtful building design can support building user needs while remaining aesthetically exceptional.



On Vine, Los Angeles, CA - LEED Gold, Fitwel, ENERGY STAR

Supply Chain

We recognize that there can be significant social and environmental impacts in our supply chain that relate to our business operations. This could include services and products we procure to construct and operate our buildings and the services and products that those suppliers and customers in turn procure. We see an opportunity for proactive engagement with supply chain partners to use our position and purchasing power to influence positive societal change and sustainability progress.

We conducted outreach to Tier 1 operational suppliers in 2019 (e.g. engineering, janitorial, landscaping, and parking), Tier 1 development suppliers in 2020 (e.g. architects, engineers, general contractors), and Tier 1 transactional suppliers in 2021 (e.g. accountants, brokers, and legal consultants). For each group, we asked questions related to their practices related to corporate responsibility, ethics, human rights, quality management, environmental sustainability, and supply chain risk management. In 2022 we initiated a project with an external consultant to improve our process for tracking and reporting Scope 3 emissions, and we believe that this effort will help inform the types of questions and which suppliers to engage with in the future.

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.

Supplier Excellence Survey Result Reports can be found on our website: <https://kilroyrealty.com/sustainability/>

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 Conduct Policy can be found on our website: <https://kilroyrealty.com/sustainability/>



Key Center, Bellevue, WA – LEED Platinum, Fitwel, ENERGY STAR, WELL Health-Safety, BOMA TOBY Award

5. Governance

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



201 Third, San Francisco, CA – LEED Gold, ENERGY STAR, Fitwel, WELL Health-Safety, BOMA 360

Board of Directors ESG Oversight

Corporate Social Responsibility & Sustainability Committee

Our Board of Directors (the “Board”) established a Corporate Social Responsibility and Sustainability Committee (the “CSR&S Committee”) in 2018. The CSR&S Committee’s role is to oversee and advance our corporate social responsibility and sustainability objectives, including but not limited to, human capital matters, diversity, equity and inclusion, philanthropy and community involvement, good corporate citizenship, climate change, health and wellness, and other non-financial issues that are of significance to the Company and its stockholders. The CSR&S Committee provides both input on social and environmental issues based on its members’ broad market experience, as well as strategic guidance around employee initiatives in these areas. Jolie Hunt serves as chair of the CSR&S Committee, which is also comprised of our director, Peter Stoneberg, and our CEO and Chairman of the Board, 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 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 13, 15, and 19 of our 2022 proxy statement available here:

<https://investors.kilroyrealty.com/investors/financial-reports/annual-reports-proxy-statements>

Board Diversity

In 2020, we appointed a new female independent director to our Board as part of our ongoing board refreshment and diversity efforts. Currently, two of our seven directors (or 29%) are female, with one serving as the Chair of the Company’s CSR&S Committee. In addition to our recent efforts to increase gender diversity on the Board and in response to stockholder feedback, our Board is committed to appointing a new director who is racially / ethnically diverse and our Governance Committee has initiated a search for such director candidates.

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 considers our achievement of certain sustainability and ESG-related initiatives, with 2022 goals that included achieving a minimum of LEED Gold certifications on all new office and life science developments, maintaining carbon neutral operations, achieving a GRESB 5-star rating, increasing our real estate broker and tenant community’s understanding of Kilroy’s sustainability efforts, 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://investors.kilroyrealty.com/investors/financial-reports/annual-reports-proxy-statements>

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 Strategy, 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, Data Management	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 Bonds

Kilroy has issued three green bonds in recent years (2018, 2020, and 2021). In accordance with our Green Financing Framework, all proceeds from each bond offering have been fully allocated to Eligible Green Projects.

The proceeds from the green bond issued in November 2018 (\$400 million aggregate principal amount of 4.750% senior notes due 2028) were allocated to our development project, The Exchange on 16th in San Francisco, a 750,000 square foot LEED Platinum Core & Shell office property which was completed in 2019 and sold in 2021.

The proceeds from the green bond issued in August 2020 (\$425 million aggregate principal amount of 2.500% senior notes due 2032) were allocated to two development projects, 50% to 100 Hooper in San Francisco which achieved LEED Platinum certification in 2020, and 50% to On Vine in Los Angeles which achieved LEED Gold certification in 2020.

Proceeds from the green bond issued in October 2021 (\$450 million aggregate principal amount of 2.650% senior notes due 2033) were allocated to our Kilroy Oyster Point Phase 1 development, a 656,000 square foot office and life science project located in South San Francisco, which achieved LEED Gold certification in 2022.

Our Green Financing Framework can be found at: <https://kilroyrealty.com/wp-content/uploads/2021/06/kilroy-realty-corporation-green-bond-framework.pdf>. Green Bond Certifications and Second Party Opinions for each of our green bond offerings can be found on our website at <https://kilroyrealty.com/sustainability/>.



Kilroy Oyster Point, Phase I, South San Francisco, CA – LEED Gold

Stakeholder Engagement

Stakeholder Group	Engagement Approach	Material Aspects and Topics of Discussion
Employees	<ul style="list-style-type: none"> — 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 team building events — Regional Culture Club service events — Employee wellness programs 	<ul style="list-style-type: none"> — 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 106) 	<ul style="list-style-type: none"> — Energy, Water, Waste, Resilience, Health & Wellness, Awards, Building Certifications, Carbon Neutral Operations, Community Engagement
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 	<ul style="list-style-type: none"> — 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 	<ul style="list-style-type: none"> — Materials, Emissions, Energy, Water, Public Policy, Transit-Oriented Development, Transparency, Barriers to Utility Data Access, Benchmarking Ordinances, Compliance, Environmental Grievance Mechanisms, Renewable Energy, Electrification

Stakeholder Engagement

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 — Lunch and learn roadshows 	<ul style="list-style-type: none"> — 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 	<ul style="list-style-type: none"> — 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 	<ul style="list-style-type: none"> — Energy, Water, Transparency, Product and Service Labeling, Resilience, Reporting Frameworks, Health and Wellness
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 	<ul style="list-style-type: none"> — Materials, Energy, — Water, Procurement practices, Effluents and Waste, EV Charging Infrastructure, Transparency, Health and Wellness, Green Cleaning, Building Certifications
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 	<ul style="list-style-type: none"> — 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 — Volunteer service 	<ul style="list-style-type: none"> — Resilience, Energy, Water, Smart Growth, Transit, Economic Development

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 sixteen 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 and data sharing

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

Sustainability Highlights

Twice Annually

METHOD Tenant memos

STATUS We aim to send out two sustainability memos to all tenants each year

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

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 13 ENERGY STAR certifications of this type in 2022

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
- 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

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 understand 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 and employees, wherever they are located, regardless of whether they work for the Company or for one of its affiliates, on a full or part-time basis (the “Covered Individuals”). Covered Individuals who become aware of noncompliance with our Code of Conduct are encouraged to make use of our anonymous and confidential Conduct Hotline (the “Conduct Hotline”). Under the Code of Conduct, all Covered Individuals 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 Covered Individual’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 the Company representative does not satisfactorily address the issue or the Covered Individual does not feel comfortable discussing the matter with the representative, the Covered Individual is to report the matter to the Audit Committee of the Board of Directors through the Conduct Hotline.

We did not have any bribery, fraud, or corruption issues in 2022 or in any prior reporting years. In addition, we had no legal actions for anticompetitive behavior, anti-trust, or monopoly practices in 2022 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, ransomware, 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 fines or non-monetary sanctions regarding environmental compliance in 2022. We had no spills in 2022. We had no grievances about environmental impacts filed, addressed and resolved through formal grievance mechanisms.

Entities

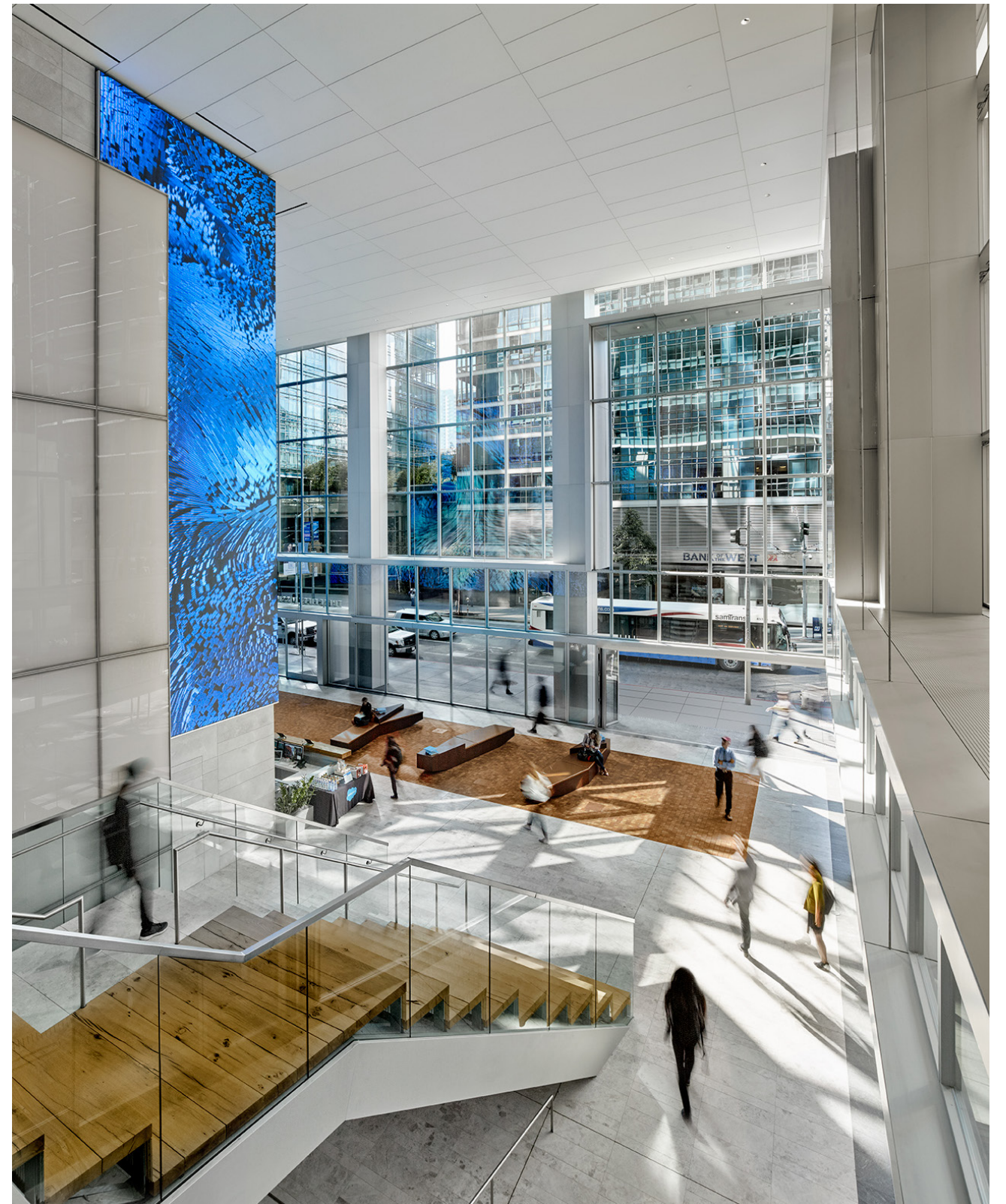
No entity included in our consolidated financial statements (<https://investors.kilroyrealty.com/investors/financial-reports/annual-reports-proxy-statements/default.aspx>) is excluded from coverage in this sustainability report. We are headquartered in Los Angeles, California.

Reporting Period

The report covers activities and data from January 1, 2022 – December 31, 2022. All of our corporate activities and properties are located in the United States. We publish our Sustainability Report on an annual basis. The last Kilroy Sustainability Report was published in April 2022 and covered activities and data from January 1, 2021 – December 31, 2021. After publishing our last report we identified one significant error in our data, caused by a utility billing error for one of our retail tenants. After the error was identified we corrected and updated our data tables and our third party assurance provider issued an updated assurance statement with the corrected numbers. This error in the 2021 data has been corrected in our 2022 Sustainability Report and is noted in footnotes in the Energy and Carbon sections. The 2022 external assurance statement can be found on [page 126](#). The external assurance provider has used the AA1000 Assurance Standard (08) as the basis of the assurance.

2022 Disclosure Scorecard

 <p>— Regional Sector Leader, Americas (Development, Diversified), 2022</p>	 <p>— ISS Quality Score — Environmental: 1 — Social: 3 — Governance: 5 — (Scale: 1-10, 1 is highest possible score)</p>
 <p>— One of 5 American Real Estate Companies named to the Dow Jones Sustainability World Index</p>	 <p>— Score: A</p>
 <p>— Listed on Bloomberg Gender-Equality Index</p>	



350 Mission, San Francisco, CA - LEED Platinum, ENERGY STAR, Fitwel

6. Wrap Up

- Materiality
- Third Party Validation
- Conclusion
- Global Reporting Initiative (GRI) Alignment



One Paseo Living, San Diego, CA – Fitwel Community, Targeting WELL Platinum, ENERGY STAR

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 report 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 with input from across the organization, and in some years with direct input from external stakeholders. In 2022 we solicited feedback from key internal stakeholders from Legal, Human Resources, Development & Construction, Operations, Marketing & Communications, Accounting, Risk Management, and Sustainability. The internal stakeholders who were part of the revision process in 2022 are in frequent contact with external stakeholders and they provided insights into the relative importance of topics for those external stakeholder groups (e.g. Tenants, Industry Association, Investors, NGOs, Architects, Cities, etc).

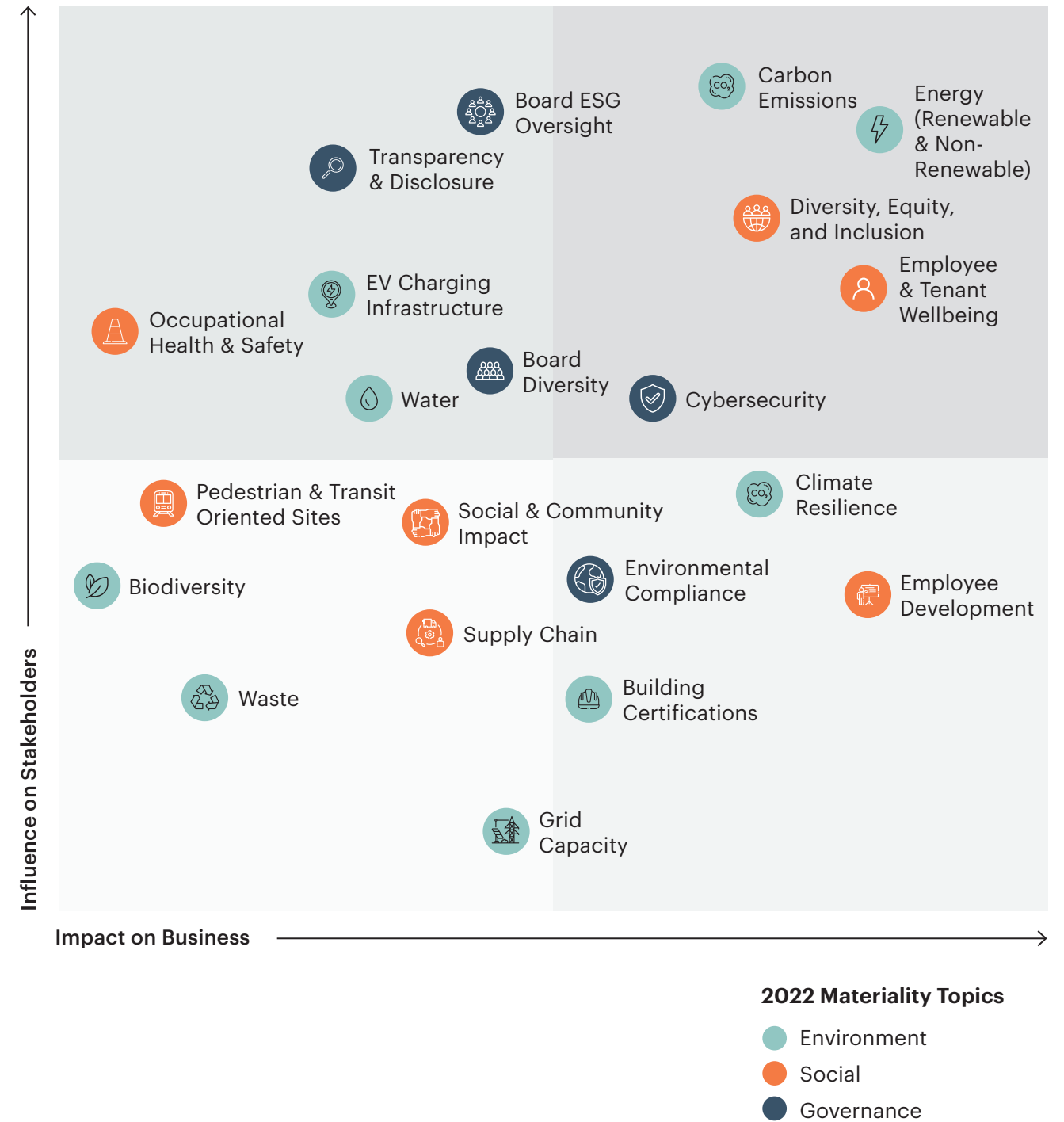
External Stakeholders

- 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



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 tenth time this year.
- This is the fifth 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 126](#).
- DNV is a third-party assurance provider, unaffiliated with Kilroy.
- 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, human resources, development & construction, investor relations, and sustainability.

Conclusion

Thank you for reading our twelfth annual Sustainability Report, which was prepared by Sarah King (Senior Vice President, Sustainability), Vaishali Sampat (Director, Sustainability & Corporate Social Responsibility), and Tia Troxel (Associate, 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:

- **Allison Colberg** and **Christine Luong** for their partnership in creating this report
- Our **Asset Management/Engineering** colleagues and the **Code Green team** for their support with data collection and management throughout the year
- The **Kilroy Culture Crew** and supporting team for collecting volunteer metrics

- **Materiality Stakeholders** from various internal teams that help us identify and assign value to ESG topics that impact the company
- **Human Resources** for providing input and data regarding social indicators for the company
- **Legal** for integrating sustainability disclosures into our Proxy
- **Finance & Accounting** for integrating sustainability disclosures into our financial statements
- The **Planning and Development & Construction teams** for their contributions to our sustainable development programs.
- **Kilroy Operations personnel** for overseeing and providing information on happenings across the portfolio
- **Risk Management** for providing input on environmental risks that Kilroy may face
- **IT** for providing a cybersecurity assessment

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

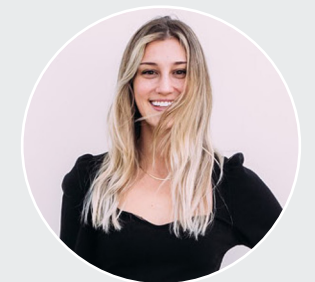
For any questions pertaining to this report, please contact the Kilroy sustainability team at sustainability@kilroyrealty.com or 310-481-8400.



Sarah King
Senior Vice President,
Sustainability



Vaishali Sampat
Director, Sustainability &
Corporate Social Responsibility



Tia Troxel
Associate, 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	110
General Disclosures	102-4	Location of operations	12
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	76-79
General Disclosures	102-9	Supply chain	92
General Disclosures	102-10	Significant changes to the organization and its supply chain	N/A
General Disclosures	102-11	Precautionary Principle or approach	109
General Disclosures	102-12	External initiatives	19, 25, 108-109

General Disclosures	102-13	Membership of associations	107
General Disclosures	102-14	Statement from senior decision-maker	Yes 10-11
General Disclosures	102-15	Key impacts, risks, and opportunities	24-29
General Disclosures	102-16	Values, principles, standards, and norms of behavior	108-109
General Disclosures	102-18	Governance structure	See Proxy Statement
General Disclosures	102-40	List of stakeholder groups	102-106
General Disclosures	102-41	Collective bargaining agreements	79
General Disclosures	102-42	Identifying and selecting stakeholders	114
General Disclosures	102-43	Approach to stakeholder engagement	102-106
General Disclosures	102-44	Key topics and concerns raised	114-115
General Disclosures	102-45	Entities included in the consolidated financial statements	110
General Disclosures	102-46	Defining report content and topic Boundaries	114-115
General Disclosures	102-47	List of material topics	114-115

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	110
General Disclosures	102-51	Date of most recent report	110
General Disclosures	102-52	Reporting cycle	110
General Disclosures	102-53	Contact point for questions regarding the report	117
General Disclosures	102-54	Claims of reporting in accordance with the GRI Standards	116
General Disclosures	102-55	GRI content index	118-123
General Disclosures	102-56	External assurance	120-131

GRI 201: ECONOMIC PERFORMANCE

Economic Performance	103-1	Explanation of the material topics and its boundaries	See 10K
Economic Performance	103-2	The management approach and its components	See 10K
Economic Performance	103-3	Evaluation of the management approach	See 10K
Economic Performance	201-1	Direct economic value generated and distributed	See 10K
Economic Performance	201-2	Financial implications and other risks and opportunities due to climate change	26-29

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

Anti-corruption	103-1	Explanation of the material topics and its boundaries	108
Anti-corruption	103-2	The management approach and its components	108
Anti-corruption	103-3	Evaluation of the management approach	108
Anti-corruption	205-2	Communication and training about anti-corruption policies and procedures	108
Anti-corruption	205-3	Confirmed incidents of corruption and actions taken	108
Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	108

GRI 302: ENERGY

Energy	103-1	Explanation of the material topics and its boundaries	Yes	134
Energy	103-2	The management approach and its components	Yes	20-21, 42-43
Energy	103-3	Evaluation of the management approach	Yes	42-43, 134
Energy	302-1	Energy consumption within the organization	Yes	134
Energy	302-4	Reduction of energy consumption	Yes	42

GRI 303: WATER AND EFFLUENTS

Water and Effluents	103-1	Explanation of the material topics and its boundaries	Yes	135
Water and Effluents	103-2	The management approach and its components	Yes	20-21, 44-45
Water and Effluents	103-3	Evaluation of the management approach	Yes	44-45, 135
Water and Effluents	303-5	Water consumption	Yes	135

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	52
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GRI 305: EMISSIONS

Emissions	103-1	Explanation of the material topics and its boundaries	Yes	40-41, 132-133
Emissions	103-2	The management approach and its components	Yes	20-21, 40-41
Emissions	103-3	Evaluation of the management approach	Yes	40-41, 132-133
Emissions	305-1	Direct (Scope 1) GHG emissions	Yes	31-32
Emissions	305-2	Energy indirect (Scope 2) GHG emissions	Yes	31-32
Emissions	305-5	Reduction of GHG emissions	Yes	41

GRI 306: EFFLUENTS & WASTE

Effluents and Waste	306-2	Waste by type and disposal method	Yes	136
Effluents and Waste	306-3	Significant spills		109
Environmental Compliance	307-1	Non-compliance with environmental laws and regulations		109

GRI 404: Training and Education

Training and Education	404-2	Programs for upgrading employee skills and transition assistance programs		70-71
Training and Education	404-3	Percentage of employees receiving regular performance and career development reviews		70

GRI 405: Diversity and Equal Opportunity

Diversity and Equal Opportunity	103-1	Explanation of the material topics and its boundaries		68-69
Diversity and Equal Opportunity	103-2	The management approach and its components		68-69
Diversity and Equal Opportunity	103-3	Evaluation of the management approach		76-79
Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees		76-79, 97

GRI 413: Employment

Local Communities	413-1	Operations with local community engagement, impact assessments, and development programs		80-81
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7. Appendix

- DNV Independent Assurance Statement
- Carbon Neutrality Claim
- 2022 Performance Tables
- EEO-1 Table



Skyline Tower, Bellevue, WA – LEED Platinum, ENERGY STAR, Fitwel, WELL Health-Safety



Independent Assurance Statement

DNV Business Assurance USA, Inc. (DNV) was commissioned by Kilroy Realty Corporation (KRC) to conduct independent assurance of its 2022 Sustainability Report (the Report), for the year ended 31 December 2022, 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.

Through the assurance process, we found that KRC conducts broader engagement with external stakeholder categories, involving tenants, industry associations, investors, NGOs, architects, cities and insurance providers via key internal stakeholders who then reflected these perspectives via the materiality revision process conducted in 2022. The company continues to develop programs and facilitate communications to achieve its social objectives such as reinvigorating the employee-driven Culture Crew program to engage and solicit feedback on satisfaction and engagement. We recognize that KRC has demonstrated inclusiveness as a result of the expanded engagement, such as expanding the scope of carbon neutral operations commitments to include Scope 3 emissions associated with downstream leased assets. Our interviews with KRC management demonstrate willingness to engage, collaborate and work towards collective solutions to environmental and social challenges and this is reflected in the 2022 report.

Materiality

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

In 2022, the company conducted a materiality assessment which included engagement of both internal and external stakeholders. Direct feedback from key internal stakeholders, including Legal, Human Resources, Development & Construction, Operations, Marketing & Communications, Accounting, Risk Management, and Sustainability, and inputs from external stakeholder groups including Tenants, Industry Association, Investors, NGOs, Architects, Cities, were effectively utilized by the sustainability team to update KRC's Materiality Matrix. In our opinion, the materiality process is effective in capturing both stakeholder and business priorities but could benefit from a defined management system procedure to ensure continuity and replicability.

Sustainability context

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

KRC 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, in alignment with its adoption of the TCFD recommendations on climate change risk management. KRC has followed good practices in disclosing the impacts on its operations, supply chain, and occupancy as the result of significant events of 2022, for example, Covid-19 pandemic and work from home/hybrid trends.

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 2022 performance.

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 2022 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 2022 to 31 December 2022.

2022 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 7: Appendix, and related claims.
- GRI Indicators
 - 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.

2022 Greenhouse Gas Emissions

- Scope 1 Emissions 4,639 MtCO₂e
- Scope 2 Emissions (Location-Based) 31,167 MtCO₂e
- Scope 2 Emissions (Market-Based) 0 MtCO₂e
- Scope 3 Emissions - Downstream Leased Assets (Category 13)
 - Scope 1 Emissions 7,779 MtCO₂e
 - Scope 2 Emissions (Location-Based) 16,257 MtCO₂e
 - Scope 3 Emissions (Market-Based) 0 MtCO₂e

2022 Energy

- 2022 Energy Consumption 264,983 MWh

2022 Waste

- 2022 Total Waste Generated 9,240 tons

2022 Water

- 2022 Water Consumption 186,965 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 KRC's 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 tenth year of providing assurance for KRC's Report, Energy, Water, and Waste data and seventh year providing assurance for GHG emissions. In addition, DNV conducted Carbon Neutrality Verification. Our opinion is provided in a separate statement dated April 10, 2023.

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.



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 Director of Sustainability and Corporate Social Responsibility, Senior Vice President - Sustainability, Executive Vice President – Chief Administrative Officer, Senior Vice President – Investor Relations & Capital Markets, Senior Vice President – Head of people, Senior Vice President – Development & Government Affairs. 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.

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.

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.

DNV Business Assurance

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

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



Katy, TX
April 10, 2023

Assurance Team

Role	Name
Lead Verifier	Tom Gosselin
Project Manager & Assessor	Yishuang Xu
Lead Verifier (Environment)	Kyle Silon
Technical Reviewer	Natasha D'Silva



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 2022.



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 KRC’s management to obtain an understanding of changes to occupancy rates and operational control of assets and their impacts for achieving carbon neutrality;
- 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	Inherent limitations
<p>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.</p>	<p>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.</p>



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
10 April 2023



This Statement is for the sole use and benefit of the party contracting with DNV Business Assurance USA, Inc. to produce this Statement (the “Client”). Any use of or reliance on this document by any party other than the Client shall be at the sole risk of such party. In no event will DNV or any of its parent or affiliate companies, or their respective directors, officers, shareholders, employees or subcontractors, be liable to any other party regarding any statements, findings, conclusions or other content in this Statement, or for any use of, reliance on, accuracy, or adequacy of this Statement.

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

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2022 Emissions Performance

Location Based

Directly Managed Assets	Absolute Consumption						
	2021	2022					
	Emissions (Tonnes)	Emissions (Tonnes)	RECs Retired (Tonnes)	Verified Carbon Offsets Procured (Tonnes)	Data Coverage (sq. ft.)	Max Coverage (sq. ft.)	Percent Coverage (%)
Scope 1	3,710	4,639		4,639	8,543,101	8,543,101	100.00%
Scope 2	19,378	31,167	31,167		12,085,307	12,085,307	100.00%
Total Carbon Emissions Directly Managed Assets (location-based)	23,088	35,806					
Indirectly Managed Assets	Absolute Consumption						
	2021	2022					
	Emissions (Tonnes)	Emissions (Tonnes)	RECs Retired (Tonnes)	Verified Carbon Offsets Procured (Tonnes)	Data Coverage (sq. ft.)	Max Coverage (sq. ft.)	Percent Coverage (%)
Scope 3 - Natural Gas	8,755	7,779		7,779	4,727,485	4,901,100	96.46%
Scope 3 - Electricity	18,341	16,257	16,257		4,994,551	5,698,560	87.65%
Total Carbon Emissions Indirectly Managed Assets (location-based)	27,096	24,036					
Total Carbon Emissions Whole Portfolio (Location Based)	50,185	59,841	47,424	12,418	17,079,858	17,783,867	96.04%
Directly Managed Assets	Like-for-Like Consumption						
	2021	2022					
	Emissions (Tonnes)	Emissions (Tonnes)	Like-for-Like Change (%)	Data Coverage (sq. ft.)	Max Coverage (sq. ft.)	Percent Coverage (%)	
Scope 1	3,054	3,127	2.37%	5,831,850	5,831,850	100.00%	
Scope 2	19,355	21,547	11.33%	8,834,830	8,834,830	100.00%	
Total Carbon Emissions Directly Managed Assets (location-based)	22,409	24,673	10.11%				
Indirectly Managed Assets	Like-for-Like Consumption						
	2021	2022					
	Emissions (Tonnes)	Emissions (Tonnes)	Like-for-Like Change (%)	Data Coverage (sq. ft.)	Max Coverage (sq. ft.)	Percent Coverage (%)	
Scope 3 - Natural Gas	7,596	7,068	-6.95%	4,404,256	4,577,871	96.21%	
Scope 3 - Electricity	14,796	15,831	6.99%	4,517,157	4,690,772	96.30%	
Total Carbon Emissions Indirectly Managed Assets (location-based)	22,392	24,036	7.34%				
Total Carbon Emissions Whole Portfolio (Location Based)	44,801	48,709	8.72%	13,351,987	13,525,602	98.72%	

Market Based

Directly Managed Assets	Absolute Consumption		Like-for-Like Consumption		
	2021	2022	2021	2022	
	Emissions (Tonnes)	Emissions (Tonnes)	Emissions (Tonnes)	Emissions (Tonnes)	Like-for-Like Change (%)
Scope 1	3,710	4,639	3,054	3,127	2.37%
Scope 2	-	-	-	-	0.00%
Total Carbon Emissions Directly Managed Assets (market-based)	3,710	4,639	3,054	3,127	2.37%
Indirectly Managed Assets	Absolute Consumption		Like-for-Like Consumption		
	2021	2022	2021	2022	
	Emissions (Tonnes)	Emissions (Tonnes)	Emissions (Tonnes)	Emissions (Tonnes)	Like-for-Like Change (%)
Scope 3 - Natural Gas	8,755	7,779	7,596	7,068	-6.95%
Scope 3 - Electricity	-	-	-	-	0.00%
Total Carbon Emissions Indirectly Managed Assets (market-based)	8,755	7,779	7,596	7,068	-6.95%
Total Carbon Emissions Whole Portfolio (Market Based)	12,465	12,418	10,650	10,195	-4.28%

The absolute consumption figures correspond to all buildings owned for any portion of 1/1/2022-12/31/2022. 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.

In our directly managed assets, Scope 1 emissions are associated with natural gas consumption and Scope 2 emissions are associated with electricity consumption. The electricity and natural gas consumption of our indirectly managed properties is part of our Scope 3 emissions (downstream leased assets).

After publishing our 2021 Sustainability Report we identified one significant error in our data, caused by a utility billing error for one of our retail tenants. After the error was identified we corrected and updated our data tables and our third-party assurance provider issued an updated assurance statement with the corrected numbers. This correction resulted in a decrease in our 2021 Scope 3 electricity use, and a reduction in total carbon emissions and total energy use across the portfolio (approximately 9% reduction from reported figures).

We 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.

We utilize the EPA guidelines, via Energy Star Portfolio Manager'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>. 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>

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2022 Energy Performance

Directly Managed Assets		Absolute Consumption					
		2021	2022				
		Consumption (MWh)	Consumption (MWh)	Data Coverage (sq. ft.)	Max Coverage (sq. ft.)	Percent Coverage (%)	
Whole Building	Natural Gas	20,473	25,596	8,543,101	8,543,101	100.00%	
	Electricity	86,167	128,689	12,085,307	12,085,307	100.00%	
Total Energy Consumption Directly Managed Assets		106,639	154,284				
Indirectly Managed Assets		Absolute Consumption					
		2021	2022				
		Consumption (MWh)	Consumption (MWh)	Data Coverage (sq. ft.)	Max Coverage (sq. ft.)	Percent Coverage (%)	
Whole Building	Natural Gas	48,312	42,922	4,727,485	4,901,100	96.46%	
	Electricity	87,605	67,777	4,994,551	5,698,560	87.65%	
Total Energy Consumption Indirectly Managed Assets		135,917	110,699				
Total Energy Consumption Whole Portfolio		242,557	264,983	17,079,858	17,783,867	96.04%	
Directly Managed Assets		Like-for-Like Consumption					
		2021	2022				
		Consumption (MWh)	Consumption (MWh)	Like-for-Like Change (%)	Data Coverage (sq. ft.)	Max Coverage (sq. ft.)	Percent Coverage (%)
Whole Building	Natural Gas	16,852	17,251	2.37%	5,831,850	5,831,850	100.00%
	Electricity	80,043	89,050	11.25%	8,834,830	8,834,830	100.00%
Total Energy Consumption Directly Managed Assets		96,895	106,302	9.71%			
Indirectly Managed Assets		Like-for-Like Consumption					
		2021	2022				
		Consumption (MWh)	Consumption (MWh)	Like-for-Like Change (%)	Data Coverage (sq. ft.)	Max Coverage (sq. ft.)	Percent Coverage (%)
Whole Building	Natural Gas	41,914	39,001	-6.95%	4,577,871	4,577,871	100.00%
	Electricity	61,568	65,954	7.12%	4,690,772	4,690,772	100.00%
Total Energy Consumption Indirectly Managed Assets		103,482	104,956	1.42%			
Total Energy Consumption Whole Portfolio		200,376	211,258	5.43%	13,525,602	13,525,602	100.00%

Utility bills and tenant-reported data are inputted into ENERGY STAR Portfolio Manager (ESPM) by our third-party utility billing vendor, Code Green; and aggregate data from utility companies is pushed into ESPM by the respective utility company. Year-over-year changes in energy consumption are calculated via comparing the January-December bills for the like for like portfolio. 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.

After publishing our 2021 Sustainability Report we identified one significant error in our data, caused by a utility billing error for one of our retail tenants. After the error was identified we corrected and updated our data tables and our third-party assurance provider issued an updated assurance statement with the corrected numbers. This correction resulted in a decrease in our 2021 Scope 3 electricity use, and a reduction in total carbon emissions and total energy use across the portfolio (approximately 9% reduction from reported figures).

2022 Water Performance

Directly Managed Assets		Absolute Consumption					Like-for-Like Consumption					
		2021	2022				2021	2022				
		Consumption (kgal)	Consumption (kgal)	Data Coverage (sq. ft.)	Max Coverage (sq. ft.)	Percent Coverage (%)	Consumption (kgal)	Consumption (kgal)	Like-for-Like Change (%)	Data Coverage (sq. ft.)	Max Coverage (sq. ft.)	Percent Coverage (%)
Potable Water by Type	Indoor	53,636	62,347				50,230	54,937	9.37%			
	Mixed - Indoor/Outdoor	16,671	28,880				14,494	15,456	6.64%			
	Outdoor	12,372	13,778				11,683	12,020	2.88%			
Total Potable Water Consumption Directly Managed Assets		82,679	105,006	12,085,307	12,085,307	100.00%	76,406	82,413	7.86%	8,834,830	8,834,830	100.00%
Total Reclaimed Water Consumption Directly Managed Assets		159	130	110,050	110,050	100.00%	159	130	-18.43%	110,050	110,050	100.00%
Total Water Consumption Directly Managed Assets		82,838	105,135	8,834,830	8,834,830	100.00%	76,565	82,543	7.81%	8,834,830	8,834,830	100.00%
Indirectly Managed Assets		Absolute Consumption					Like-for-Like Consumption					
		2021	2022				2021	2022				
		Consumption (kgal)	Consumption (kgal)	Data Coverage (sq. ft.)	Max Coverage (sq. ft.)	Percent Coverage (%)	Consumption (kgal)	Consumption (kgal)	Like-for-Like Change (%)	Data Coverage (sq. ft.)	Max Coverage (sq. ft.)	Percent Coverage (%)
Potable Water by Type	Indoor	49,337	57,662				47,318	56,294	18.97%			
	Mixed - Indoor/Outdoor	9,020	4,661				2,683	2,336	-12.94%			
	Outdoor	30,671	17,278				17,902	12,660	-29.28%			
Total Potable Water Consumption Indirectly Managed Assets		89,028	79,601	3,718,082	3,823,832	97.23%	67,903	71,290	4.99%	3,823,832	3,823,832	100.00%
Total Reclaimed Water Consumption Indirectly Managed Assets		3,419	2,229	455,340	455,340	100.00%	1,902	2,229	17.19%	455,340	455,340	100.00%
Total Water Consumption Indirectly Managed Assets		92,447	81,830	4,614,741	4,690,772	98.38%	69,805	73,519	5.32%	3,823,832	3,823,832	100.00%
Total Water Consumption Whole Portfolio		175,285	186,965	13,449,571	13,525,602	99.44%	144,310	153,703	6.51%	12,658,662	12,658,662	100.00%
Total Reclaimed Water Percentage Whole Portfolio		2.04%	1.26%									

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. Year-over-year changes in water consumption are calculated via comparing the January-December bills for the like for like portfolio. 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.

In both 2021 and 2022, our reported reclaimed water was all municipally-supplied and the information on the amount of reclaimed water was taken from our utility bills. Note that in 2021 our verified performance data for water did not include reclaimed water, but the 2021 total water consumption figure in the table above does incorporate reclaimed water, as does the 2022 total water consumption. We are currently unable to track the volume of our three on-site rainwater collection systems.

2022 Waste Performance

		Absolute Measurements	
		2021	2022
Directly Managed Assets	Weight of All Waste (Tons)	2,098	4,515
	Diverted Waste (Percent of Total)	43.4%	50.9%
	% Directly Managed portfolio covered	93.3%	73.3%
Indirectly Managed	Weight of All Waste (Tons)	3,848	4,725
	Diverted Waste (Percent of Total)	19.3%	20.0%
	% Indirectly Managed portfolio covered	84.0%	91.8%

Proportion of waste by disposal route (% of total by weight)		Absolute Measurements	
		2021	2022
Whole Portfolio	Total Weight of All Waste (tons)	5,947	9,240
	Landfill (Percent of Total)	72.2%	64.9%
	Total Diverted (Percent of Total)	27.8%	35.1%
	Diverted - Recycling	18.7%	21.0%
	Diverted - Compost	9.1%	14.1%
	% Whole Portfolio Covered	89.85%	79.2%

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>

2022 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	4	1		10
	Female		B		6	4	17			27
Non- Hispanic/ Latino	Male	White	C	4	28	36	9	2		79
		Black/ African American	D			1	1			2
		Native Hawaiian/ Pacific Islander	E							0
		Asian	F		7	7	3			17
		Native American/ Alaskan Native	G							0
		2 or more	H		3	2	4			9
	Female	White	I	1	21	7	41			70
		Black/ African American	J		1	2	3			6
		Native Hawaiian/ Pacific Islander	K				1			1
		Asian	L		6	5	14			25
		Native American/ Alaskan Native	M							0
		2 or more	N		2	2	9			13
			Total EES	O						259



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