



## INNOVATION LAB

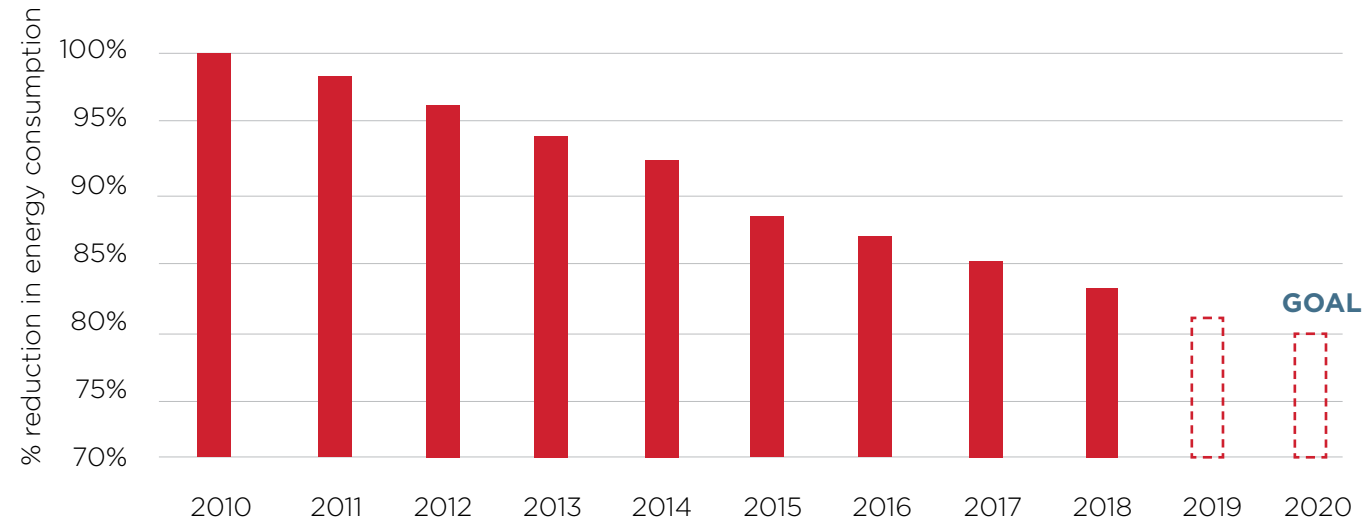
One of the major drivers of our continued sustainability performance is our willingness to embrace emerging technologies that improve the environmental performance of our existing and new assets. Launched in 2017, the Kilroy Innovation Lab formalizes the process for the implementation of sustainability pilots to provide credibility for successful technologies. Our areas of focus are energy, water, waste, health, biodiversity, financial structures, sustainability reporting and supply chain management. The lab provides a built-in Measurement & Verification platform, powered by Gridium, for us to evaluate the success of pilots and the Los Angeles Cleantech Incubator and Build Edison are our technology partners.

In 2018 we started three Innovation Lab projects, two in advanced energy analytics and one in enhanced HVAC efficiency. We look forward to reporting on the results of these projects, as well as launching additional Innovation Lab projects, in 2019.



INNOVATIVE MECHANICAL UPGRADE PROJECT EVAPORCOOL INSTALLED ON OUR LONG BEACH CAMPUS

### ENERGY REDUCTIONS IN THE WHOLE KRC PORTFOLIO



LED LIGHTING RETROFIT COMPLETED IN 2018 AT OUR PARKING GARAGE AT KILROY CENTRE DEL MAR, SAN DIEGO, CA

### 2018 ENERGY PERFORMANCE

Managed Assets			Absolute Consumption <sup>7</sup>				Like-for-Like Consumption		
			2017	2018			2017	2018	
			Consumption (MWh)	Consumption (MWh)	Data Coverage (sf)	Max Coverage (sf)	Consumption (MWh)	Consumption (MWh)	Like-for-Like Change (%)
Whole Building	Combined Consumption Common Area & Tenant Space	Fuels	20,120	19,267	9,562,939	9,672,969	19,014	18,574	-2.31%
		District Heating & Cooling	69,683	58,258	4,854,361	4,854,361	60,592	53,917	-11.02%
		Electricity	58,656	57,528	4,818,608	4,818,608	56,181	55,110	-1.91%
Total Energy Consumption Managed Office Assets			148,459	135,053			135,787	127,601	-6.03%

Indirectly Managed Assets		Absolute Consumption				Like-for-Like Consumption		
		2017	2018			2017	2018	
		Consumption (MWh)	Consumption (MWh)	Data Coverage (sf)	Max Coverage (sf)	Consumption (MWh)	Consumption (MWh)	Like-for-Like Change (%)
Whole Building	Fuels	21,638	21,229	3,376,424	3,582,077	21,638	21,229	-1.89%
	Electricity	52,800	50,479	3,534,070	3,582,077	52,344	50,479	-3.56%
Total Energy Consumption Indirectly Managed Office Assets		74,438	71,708			73,982	71,708	-3.07%
Total Energy Consumption Whole Office Portfolio		222,897	206,761			209,769	199,309	-4.99%

Life Science Assets		Absolute Consumption				Like-for-Like Consumption		
		2017	2018			2017	2018	
		Consumption (MWh)	Consumption (MWh)	Data Coverage (sf)	Max Coverage (sf)	Consumption (MWh)	Consumption (MWh)	Like-for-Like Change (%)
Whole Building	Fuels	30,625	33,281	2,155,247	2,155,247	21,583	20,859	-3.35%
	Electricity	55,726	59,468	2,155,247	2,155,247	41,703	47,377	13.61%
Total Energy Consumption Life Science Assets (Directly & Indirectly Managed)		86,351	92,749			63,286	68,237	7.82%
Total Energy Consumption Whole Portfolio		309,248	299,510	15,094,610	15,410,293	273,054	267,546	-2.02%

<sup>7</sup> Energy consumption is calculated via utility bills by our third party utility billing vendor, Goby. Energy reductions 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.

## EXISTING BUILDINGS CASE STUDY

# TRIBECA WEST

Our Tribeca West project is one of West Los Angeles' premier media campuses ideally suited for editing, post-production and creative use, the only such facility in our portfolio. Many aspects of the creative process, from the writing rooms to production offices, casting, location, wardrobe, coordination and post production have been housed there. Shows and movies such as The Good Doctor, Twilight, Suits, Castle Rock and Iron Man all owe their final product in part to work done at the facility. But, outside of its Hollywood credentials, Tribeca West is an excellent example of a property that has continually tried to outdo itself on sustainability performance. Its results speak for themselves: the 151,029 square foot facility, which spans eight Class A towers, has reduced its energy use 17% and water use 49% since 2013.

An extensive lighting upgrade and several improvements to the mechanical equipment are primarily responsible for the reduction in energy use and Tribeca West has undertaken a variety of water reduction projects, including a major switch to drought tolerant landscaping and fixture upgrades. That sustainability work led to the property achieving ENERGY STAR certification for the first time in 2013 and LEED certification in 2018.

However, Tribeca West's sustainability story extends beyond these certifications. The property has made many improvements to promote alternative transit, from bike racks to electric vehicle charging stations to a dedicated area for electric scooters. Its janitors have graduated from the USGBC Los Angeles/Building Skills Partnership Green Janitor Education Program (more information on page 73).

Importantly, Tribeca is a beautiful facility with extensive vegetated courtyards and numerous seating areas, which provide a convenient connection to the outdoors for its tenants. Those outdoor areas are the foundation of the facility's Health and Wellness programs. The project has open stairwells with access to daylight, great air quality tested annually and ample access to daylight and views in workspaces. As a result, the project achieved Fitwel certification in 2017.

Tribeca West is a facility with deep connections to its tenants, who have come back over and over again to edit their movies and shows. Its annual tenant appreciation event, which in 2018 featured

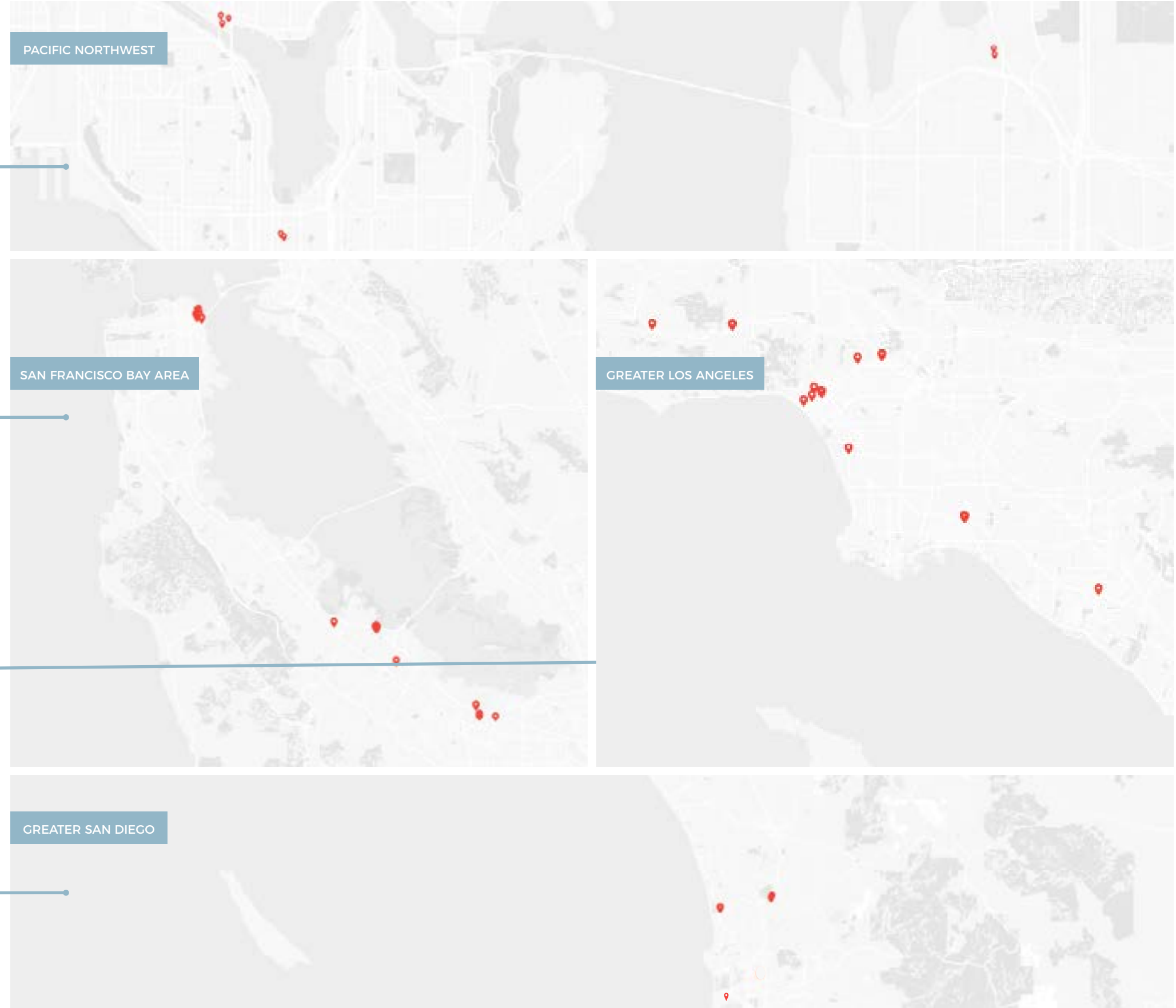
delicious food and Mariachi music, is always well attended and there are always people enjoying some sunshine in the courtyard before returning inside to create some of the entertainment we love best. It is therefore no surprise that the project has maintained 99% occupancy for over a decade.

Tribeca West will establish carbon neutral operations with the rest of our portfolio at the end of 2020, but even then the Tribeca West team will not stop working to improve the facility's sustainability programs across energy, water, transit, health and more.



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

# ENERGY STAR CERTIFICATIONS



PACIFIC NORTHWEST

SAN FRANCISCO BAY AREA

GREATER LOS ANGELES

GREATER SAN DIEGO

PROJECT NAME	REGION	SQ. FT.
Westlake Terry	Seattle	320,398
Fremont Lake Union	Seattle	169,412
Fremont Plaza	Seattle	138,995
Fremont Lake View	Seattle	111,580
Key Center	Bellevue	488,470
Skyline Tower	Bellevue	416,755
100 First Street	San Francisco	467,095
303 Second Street	San Francisco	740,047
201 Third Street	San Francisco	346,538
301 Brannan Street	San Francisco	74,430
360 Third Street	San Francisco	429,996
350 Mission Street	San Francisco	492,658
333 Brannan Street	San Francisco	159,595
Crossing 900	Redwood City	339,987
4100 Bohannon Drive	Menlo Park	47,379
4300 Bohannon Drive	Menlo Park	63,079
4400 Bohannon Drive	Menlo Park	48,146
4500 Bohannon Drive	Menlo Park	63,078
4600 Bohannon Drive	Menlo Park	48,147
690 Middlefield Road	Sunnyvale	170,823
680 Middlefield Road	Sunnyvale	170,090
605 N. Mathilda Avenue	Sunnyvale	152,589
331 Fairchild Drive	Mountain View	87,147
8560 W. Sunset Boulevard	Hollywood	71,875
6255 W. Sunset Boulevard	Los Angeles	324,617
12100 W. Olympic Boulevard	Los Angeles	150,117
12200 W. Olympic Boulevard	Los Angeles	150,167
12233 W. Olympic Boulevard	Los Angeles	151,029
1500 N El Centro	Los Angeles	104,504
1525 N Gower	Los Angeles	9,610
1550 N El Centro*	Los Angeles	200 units
1575 N Gower	Los Angeles	251,245
3130 Wilshire Boulevard	Santa Monica	88,340
501 Santa Monica Boulevard	Santa Monica	73,115
2100 Colorado Avenue	Santa Monica	102,864
999 N Pacific Coast Hwy	El Segundo	142,039
3760 Kilroy Airport Way	Long Beach	165,278
3780 Kilroy Airport Way	Long Beach	219,745
3800 Kilroy Airport Way	Long Beach	192,476
3840 Kilroy Airport Way	Long Beach	136,026
3900 Kilroy Airport Way	Long Beach	126,840
2211 Michelson Drive	Irvine	271,556
2829 Townsgate Road	Westlake Village	81,067
2305 Historic Decatur Road	San Diego	103,900
13520 Evening Creek Drive	San Diego	141,128
3721 Valley Centre Drive	San Diego	114,780
13290 S. Evening Creek Drive	San Diego	61,180
3579 Valley Centre Drive	San Diego	52,375
3611 Valley Centre Drive	San Diego	132,187
3661 Valley Centre Drive	San Diego	129,782

**TOTAL SF // TOTAL %**      **9,094,276 // 77%**

\* Residential Tower