

K I L R O Y

Kilroy Realty Corporation

Quarter Ended
March 31, 2025



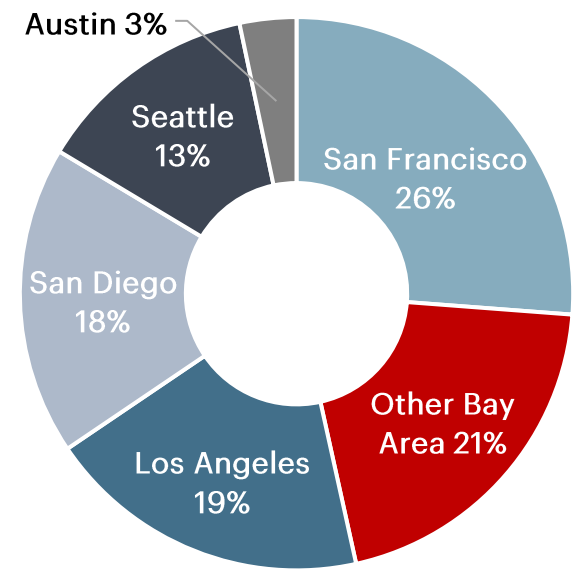
2100 Kettner | San Diego, CA

Company Overview

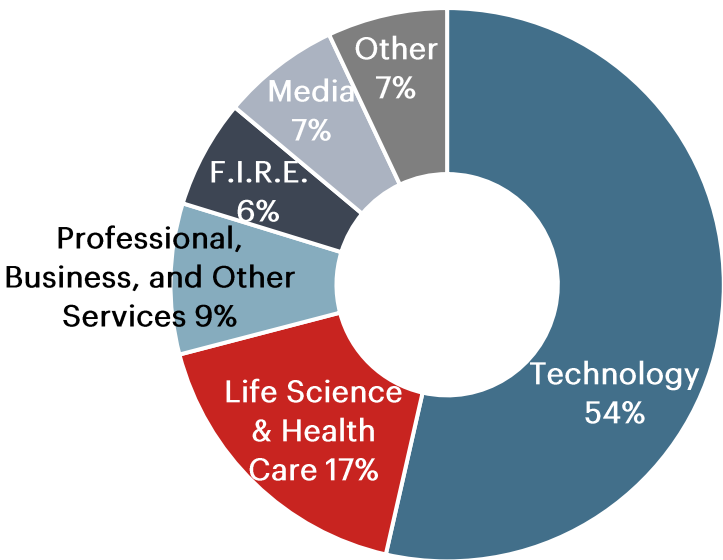
Who is Kilroy?

- Kilroy Realty Corporation (“KRC” or the “Company”) is a leading, publicly traded owner and operator of Class A office and life science properties, with assets in the San Francisco Bay Area, Los Angeles, San Diego, Seattle, and Austin
 - KRC’s tenant roster is comprised of high-quality, well-capitalized companies, approximately 50% of which are investment-grade rated⁽¹⁾
- KRC provides premium, adaptable, and innovative workplaces that foster collaboration and productivity for tenants in a wide range of industries, including technology, life sciences, professional and financial services, and media

ABR⁽¹⁾ % by Region












ABR⁽¹⁾ % by Industry



PORTFOLIO QUICK FACTS

Rentable Square Feet (RSF) – Stabilized Portfolio	17.1M
Office and Life Science Properties	123
Stabilized Occupancy (%) / Leased (%)	81.4% / 83.9%
Signed But Not Commenced Space	250bps

TOP 10 TENANTS BY ABR⁽¹⁾

Tenant	% of ABR ⁽¹⁾	% of RSF	Credit Ratings (S&P / Moody's)
Global Technology Company	5.7%	5.0%	AA+ / Aaa
 cruise	4.5%	2.2%	BBB / Baa2
 stripe	4.2%	2.5%	NR / NR
 Adobe	3.6%	3.1%	A+ / A1
 in	3.3%	3.4%	AAA / Aaa
 salesforce	3.1%	2.8%	A+ / A1
 okta	3.1%	1.7%	NR / NR
 DOORDASH	3.0%	1.4%	NR / NR
 NETFLIX	2.8%	2.1%	A / Baa1
 Cytokinetics	2.3%	1.4%	NR / NR
Top 10 Total	35.6%	25.6%	

(1) Based on consolidated annualized base rental revenues (“ABR”) as of March 31, 2025.

Why Kilroy?

An Opportunity to Capitalize on the West Coast Recovery Now Underway



Strengthening Fundamentals Across the Company's West Coast Markets

- Fueled by rising levels of venture capital (“VC”) funding, a rapidly expanding artificial intelligence (“AI”) sector, and return-to-office momentum, KRC represents a compelling opportunity to capitalize on improving fundamentals across major West Coast markets



Best-In-Class Real Estate Uniquely Positioned to Benefit From Flight to Quality Dynamics

- KRC is distinguished by its high-quality, well-located, and thoughtfully amenitized portfolio, its strong tenant relationships, its reputation in the market, and its strong financial position



Disciplined Approach to Capital Allocation

- KRC has a proven track record of value-enhancing capital allocation across cycles through acquisitions, dispositions, redevelopments, and developments
- Ongoing disruption may create substantial opportunities for well-capitalized buyers with unique local market insight



Strong Balance Sheet and Robust Liquidity Profile

- KRC's well-laddered debt maturity profile, robust liquidity, and substantial unencumbered asset base provide valuable financial and operational flexibility



Kilroy's Strategic Approach

A Disciplined Strategy Focused on Quality, Durability, and Growth

High-Quality Portfolio

- Maintain a best-in-class portfolio by investing in modern, sustainable, and highly amenitized office and life science properties
- Leverage KRC's proven track record in repositioning and development to create environments that attract and retain top-tier tenants

Durable and Growing Cash Flow

- Focus on long-term lease commitments with high-credit tenants across diverse industries, reducing credit risk while maintaining strong occupancy and market-leading rental rates
- Capitalize on KRC's premier assets and operational expertise to maximize operating margins and the long-term growth potential of the portfolio

Prudent Capital Allocation

- Deploy capital with discipline, prioritizing high-barrier, supply-constrained markets where demand supports sustainable rent growth
- Balance asset recycling, redevelopment, and development to enhance portfolio value while ensuring strong risk-adjusted returns

Disciplined Balance Sheet Management

- Preserve financial flexibility with conservative leverage, a well-laddered debt maturity profile, robust liquidity, and a substantial unencumbered asset base
- Maintain a strong investment-grade balance sheet to support long-term growth

West Coast Office Recovery

West Coast Office Recovery

The West Coast Remains the Nation's Leading Hub of Innovation and Discovery

- **Access to Educated Workforce** – KRC's West Coast markets are home to many premier academic institutions, supplying a deep talent pool for the technology, life sciences, and professional services industries
- **World-Class Research Centers** – The region benefits from top-tier research institutions, driving innovation and industry collaboration
- **Thriving Innovation Ecosystem** – West Coast markets lead the nation in research and development ("R&D") spending, accounting for approximately 50%⁽¹⁾ of total US business R&D investment, fostering cutting-edge advancements in AI, biotech, and clean technology
- **Unparalleled Access to Capital** – More than 65%⁽²⁾ of all US VC investment flows through KRC's markets, fueling the growth of high-potential startups and established companies alike. Recently, significant VC investments in AI and emerging technologies have accelerated demand for high-quality, well-located office space
- **High Quality of Life** – The region offers a dynamic mix of urban and coastal living, cultural attractions, and access to outdoor recreation, making it an attractive destination for top-tier talent



(1) Source: National Science Board as of 2021.

(2) Source: PitchBook; TTM as of March 31, 2025.

West Coast Office Recovery




Recalibrated Office Demand

- **Evolving Return to Office Sentiment** – While remote work gained significant traction during and immediately following the pandemic, many organizations have since recalibrated, gradually increasing in-office requirements, which now average nearly four days per week for Fortune 100 companies. Although flexible work models remain in place, the shift back to more consistent on-site presence has driven renewed demand for dedicated workspaces, with many companies moving away from hoteling in favor of assigned desking
- **Flight-to-Quality Is Reshaping the Market** – Class A space is being redefined as tenants increasingly prioritize well-located, amenity-rich buildings with flexible layouts that foster collaboration, employee engagement, and overall quality of life. This flight-to-quality is driving demand toward modern, high-performing properties, while accelerating the structural obsolescence of lower-quality product where outdated design, inferior locations, and a lack of modern amenities no longer meet the evolving expectations of today's tenants



West Coast Office Recovery

Evolving Return to Office Sentiment

Remote work sentiment has evolved since the onset of the pandemic, with a growing shift back toward in-person attendance as organizations prioritize productivity, culture, and team cohesion		
	Before	After
	<p>"We've learned over the past year that good work can get done anywhere, and I'm even more optimistic that remote work at scale is possible, particularly as remote video presence and virtual reality continue to improve."</p> <p>- Mark Zuckerberg, CEO (June 2021)</p>	<p>"Our early analysis of performance data suggests that engineers who either joined Meta in-person and then transferred to remote or remained in-person performed better on average than people who joined remotely. This analysis also shows that engineers earlier in their career perform better on average when they work in-person with teammates at least three days a week."</p> <p>- Mark Zuckerberg, CEO (March 2023)</p>
	<p>"An immersive workspace is no longer limited to a desk in our Towers; the 9-to-5 workday is dead... In our always-on, always-connected world, it no longer makes sense to expect employees to work an eight-hour shift and do their jobs successfully."</p> <p>- Brent Hyder, Former President and Chief People Officer (February 2021)</p>	<p>"We believe being together in person deepens relationships, sparks innovation, fosters learning, and strengthens culture – ultimately, resulting in better business outcomes for our customers and for us."</p> <p>- Company Website (July 2024)</p>
	<p>"We're intentionally not prescribing how many days or which days [in office]... The decisions should be guided by what will be most effective for our customers; and not surprisingly, we will all continue to be evaluated by how we deliver for customers, regardless of where the work is performed."</p> <p>- Andy Jassy, CEO (October 2021)</p>	<p>"When we look back over the last five years, we continue to believe that the advantages of being together in the office are significant... In summary, we've observed that it's easier for our teammates to learn, model, practice, and strengthen our culture; collaborating, brainstorming, and inventing are simpler and more effective; teaching and learning from one another are more seamless; and teams tend to be better connected to one another."</p> <p>- Andy Jassy, CEO (September 2024)</p>

West Coast Office Recovery

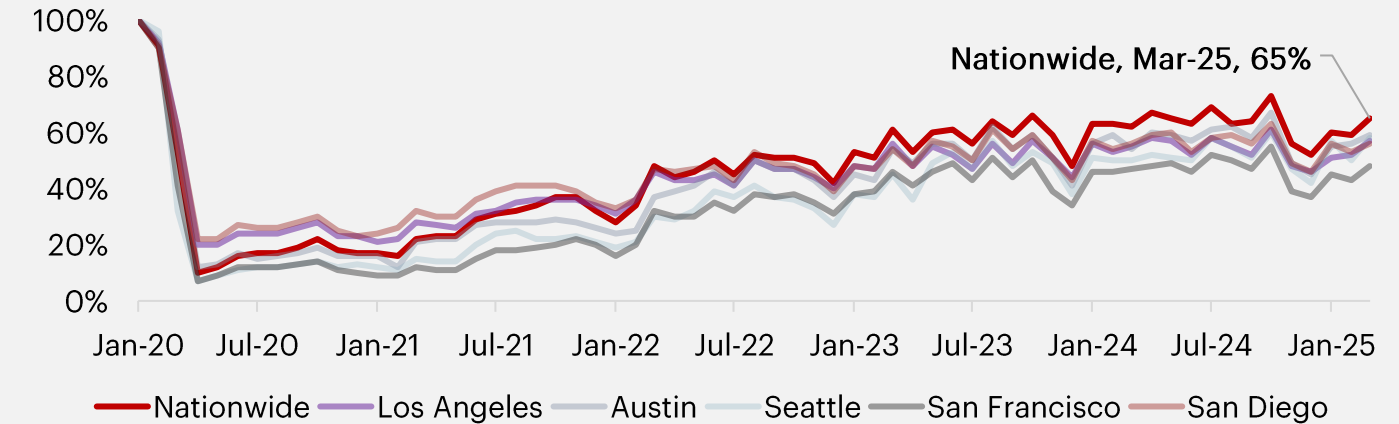
Evolving Return to Office Sentiment

- The ongoing shift in workplace policies among large employers is clearly reflected in national physical occupancy data
- The average in-office requirement among Fortune 100 companies has risen from approximately two days per week at the end of 2022 to nearly four days per week in 2025
- To accommodate rising in-office requirements, tenants are reassessing their real estate strategies, in some cases realizing that downsizing initiatives went too far

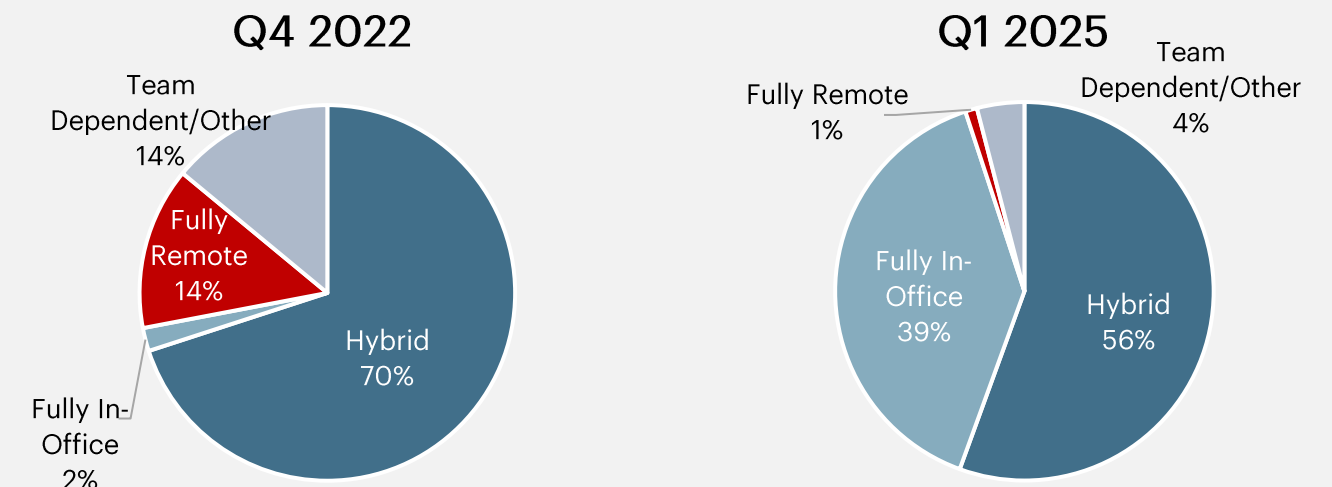
“Amazon Delays RTO Mandate for Thousands of Workers due to Space”
– **Bloomberg**

“Amazon is delaying full RTO for some employees because it doesn’t have enough workspace, internal notifications show”
– **Business Insider**

Placer.ai Return to Office Recovery (All Building Types)



Fortune 100 Office Attendance Policies



Q4 2022
Average Weekly Requirement:

2.2 days

Q1 2025
Average Weekly Requirement:

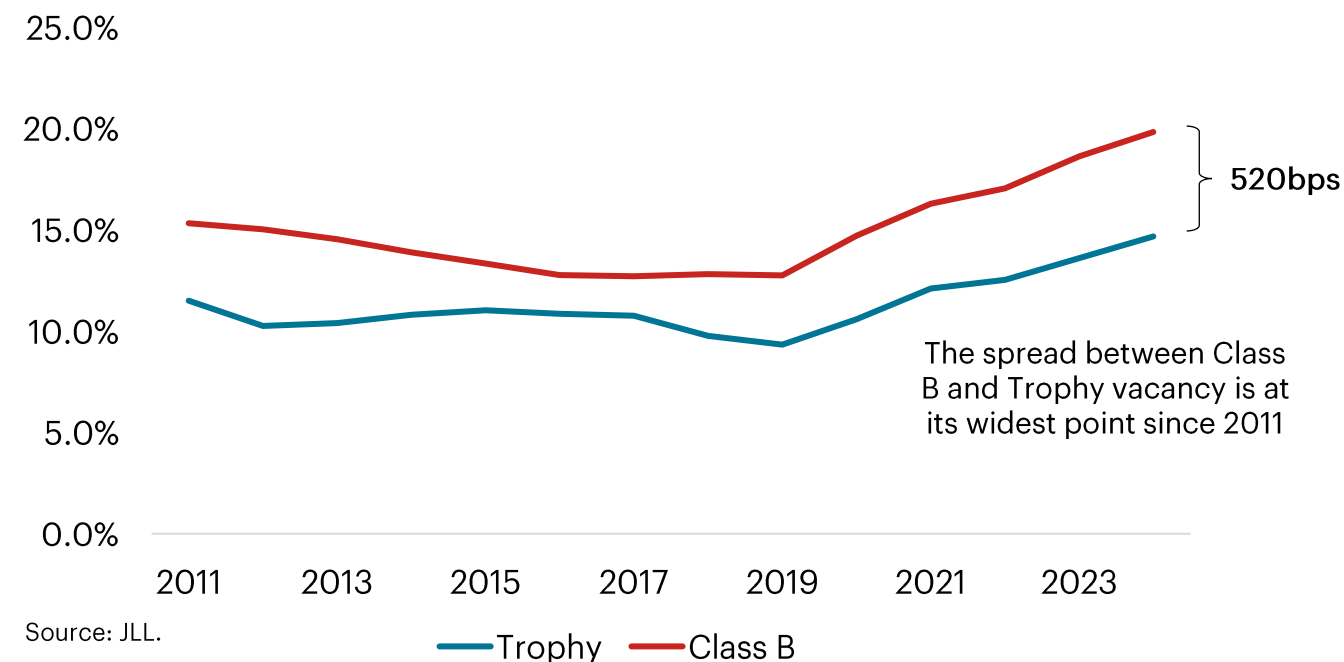
3.7 days

West Coast Office Recovery

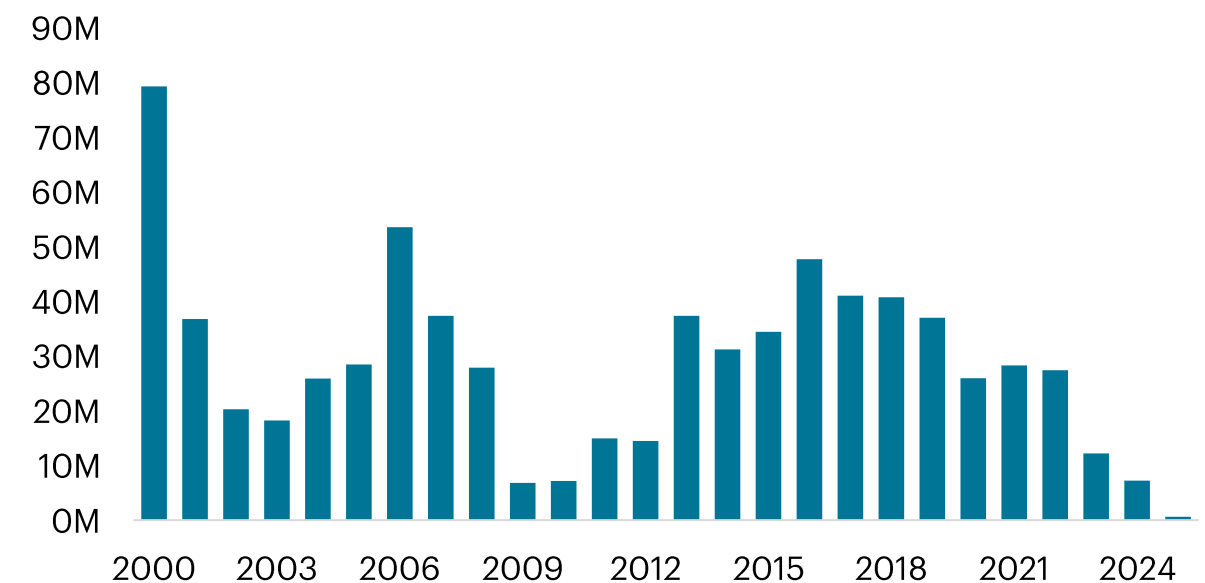
Flight-to-Quality Is Reshaping the Market

- As tenants reassess their real estate strategies, older, lower-tier buildings are increasingly viewed as obsolete, falling short of the expectations of today's workforce
- The vacancy rate gap between Trophy and Class B properties has widened to 520bps, the largest spread recorded since 2011, reflecting a strong market preference for top-tier product. At the same time, new Class A office supply is becoming increasingly scarce, as new development falls to historic lows
- These trends have taken hold across KRC's markets. In San Francisco, Class B/C net effective rents ("NER's") have declined 44% since Q4 2019, while Trophy NER's have fallen just 13%, illustrating the resilience of best-in-class properties amid broader market headwinds
 - Following a period of declining NER's post-pandemic, Trophy NER's reached an inflection point in Q2 2024, and have since increased 16%

Historical Vacancy Trends



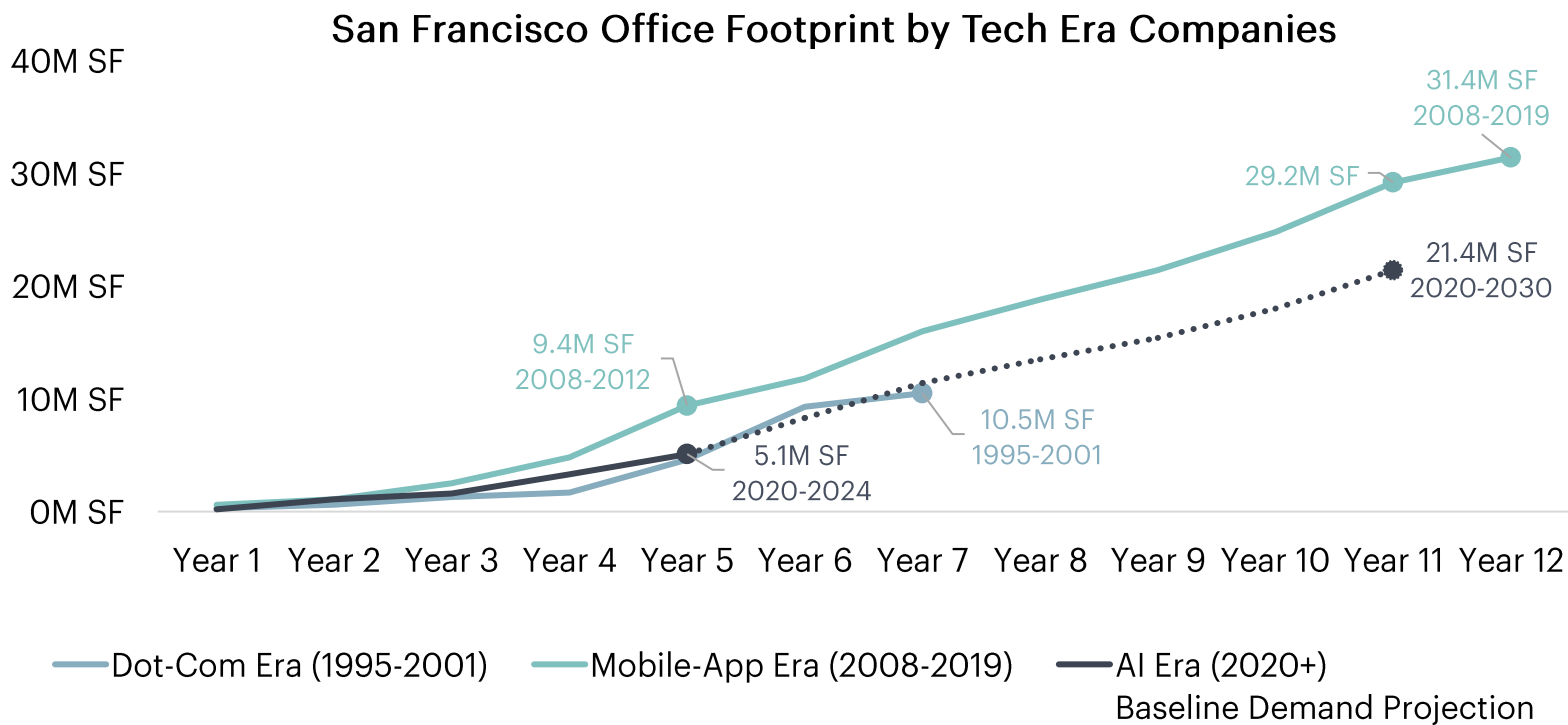
US Office Groundbreaking Volume



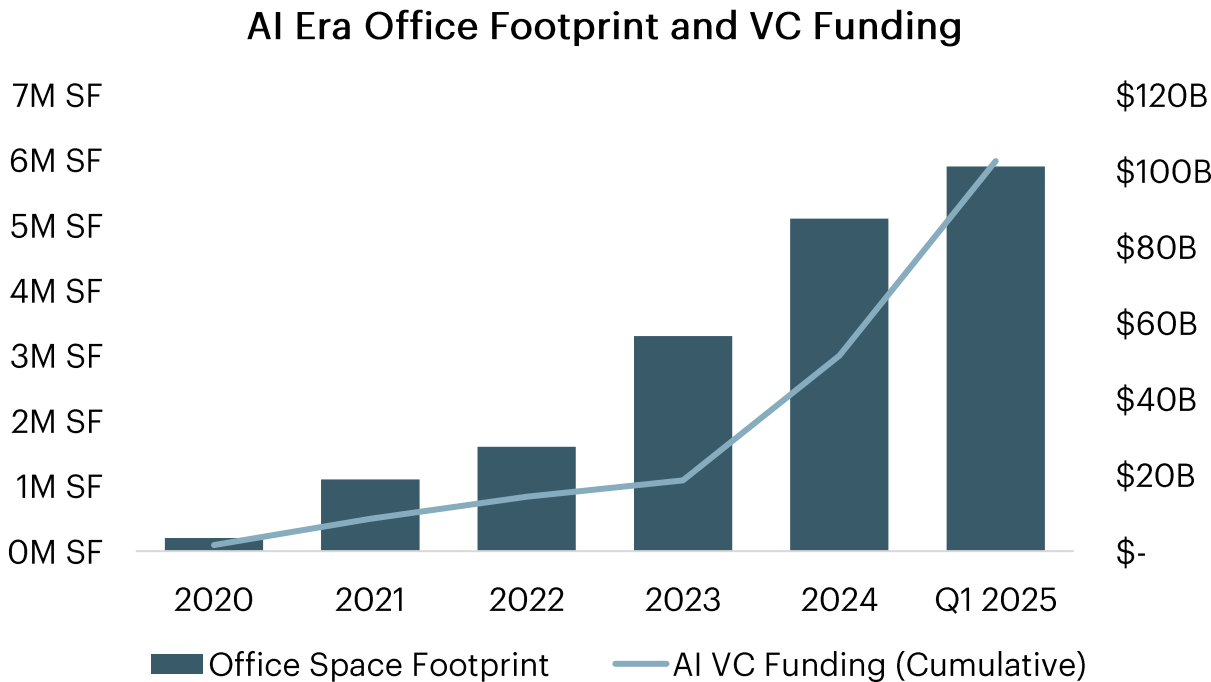
West Coast Office Recovery

AI as a Catalyst for Office Space Demand in San Francisco

- AI companies are projected to lease up to 16M SF of office space in San Francisco by 2030, or an average 2.7M SF annually, building on the 5M SF leased over the past five years
- Since 2020, \$103B of VC funding has flowed to San Francisco-based AI companies, more than all prior tech eras combined, underscoring both broad-based enthusiasm in the power of AI and the Bay Area's dominance in the space
 - 71% of US AI VC funding from 2020-2025 went to companies in the San Francisco Bay Area
- AI firms typically require in-office presence 4+ days per week, with dedicated workstations, fueling office demand



Source: CBRE and PitchBook.

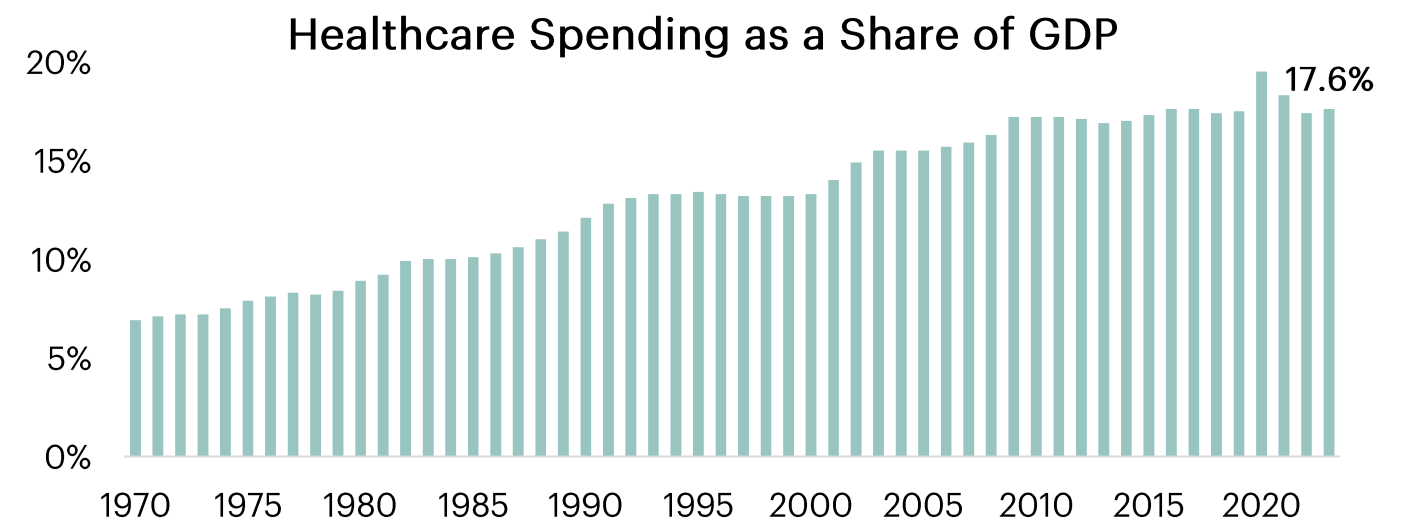
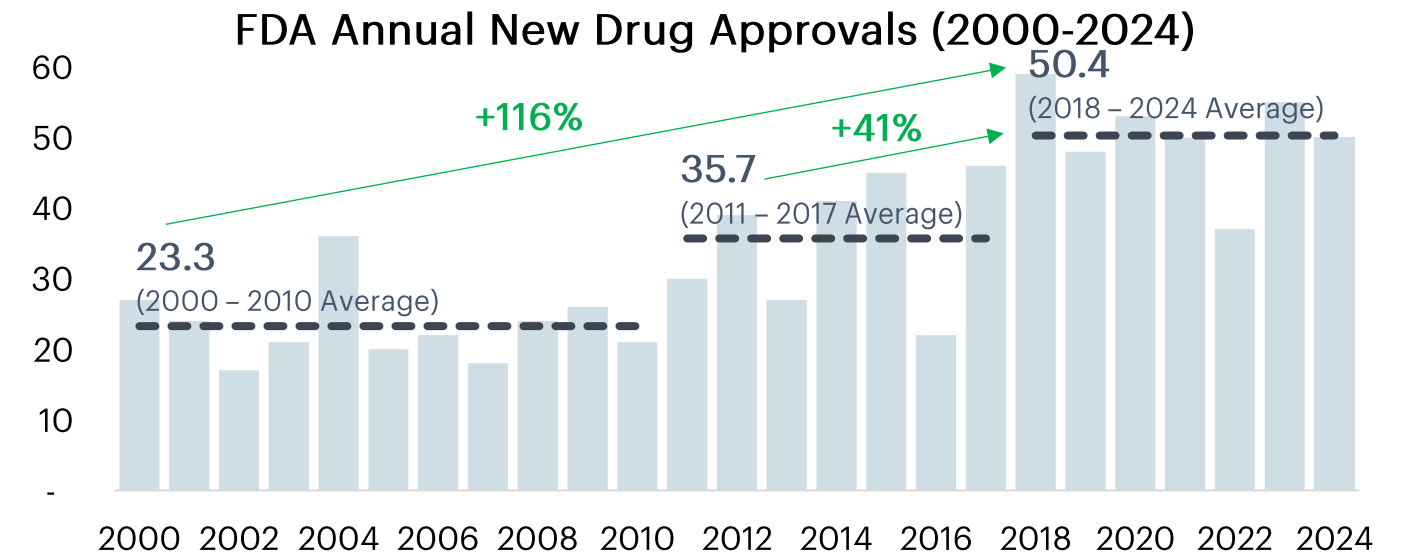


Life Science Opportunity

Life Science Opportunity

Sustained Growth in Life Science Innovation

- The life science industry experienced substantial investment and rapid innovation over the last decade, as the aging population and increasing healthcare costs intensified the demand for research and development
- In 2024, 50 novel drugs were approved by the FDA, the fifth highest annual total since 1985. Over the past seven years, the FDA has approved an annual average of 50 novel drugs, a 41% increase from the 2011-2017 average and more than double the 2000-2010 average
- Healthcare expenditures accounted for 18% of GDP in 2023, and are expected to reach ~20% by 2032, increasing the focus on identifying earlier treatments and interventions



Life Science Opportunity

Kilroy Oyster Point (“KOP”) Phase 2 Update

Project Overview:

- KOP Phase 2 is a three-building, 875K SF life science development within KRC’s broader five-phase KOP project, located on a 50-acre waterfront site in South San Francisco. KOP Phase 2 was delivered in January 2025

Project Leasing Update:

- KOP Phase 2 has continued to experience meaningful tenant engagement supported by the project's differentiated design, high-quality construction, broad amenity offerings, and scale, which provides confidence in KRC's ability to meet the ambitious future growth objectives of many of these prospects
- During the second quarter, touring activity has been robust, and discussions have continued to advance with multiple potential tenants, including tenants interested in the project's spec suites, as well as users in discussions for full floors or multiple floors on the campus
- While there's little question that the sector will need to continue to adapt to a rapidly evolving capital markets and policy/regulatory climate, consistent with what we have seen play out in our office portfolio, there has been no discernible impact on life science leasing momentum in our portfolio to date



Leasing Performance and Outlook

Leasing Performance and Outlook

Positive Start to 2025 and Encouraging Forward Leasing Indicators

248K SF

of Leases Signed in Q1 2025

+40% ↑

Year-over-Year Increase in
Portfolio-wide Touring Activity

+60% ↑

Year-over-Year Increase in San
Francisco Touring Activity

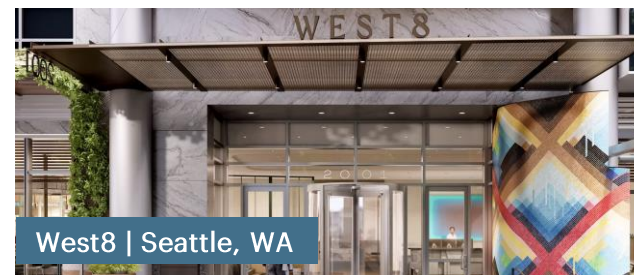
- The Company reported solid leasing performance in Q1 2025 and encouraging forward leasing indicators across the portfolio, including a 40% year-over-year increase in portfolio-wide touring activity
- Return-to-office mandates, meaningful improvements in the health, safety, and vibrancy of KRC's submarkets, and materially growing demand from the burgeoning AI industry are driving significant increases in office demand

Q1 Leasing Highlights:



58K SF, New – Direct with Existing Subtenant

- Successfully converted an existing subtenant to a direct lease, marking our largest lease signed in the city of San Francisco since 2019



42K SF, Renewal / Expansion

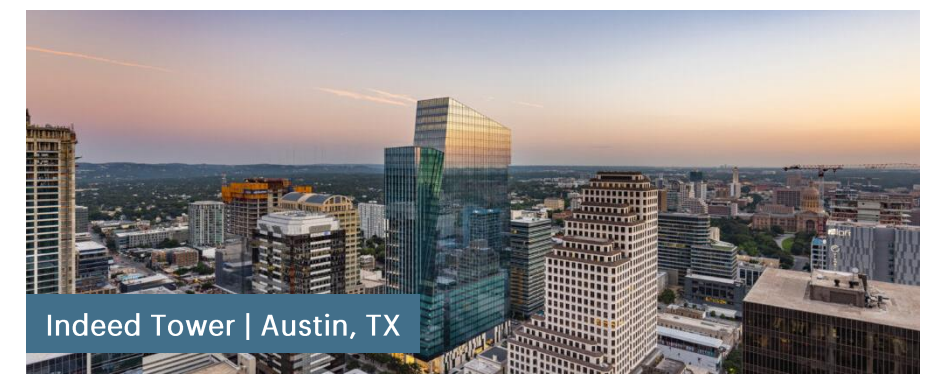
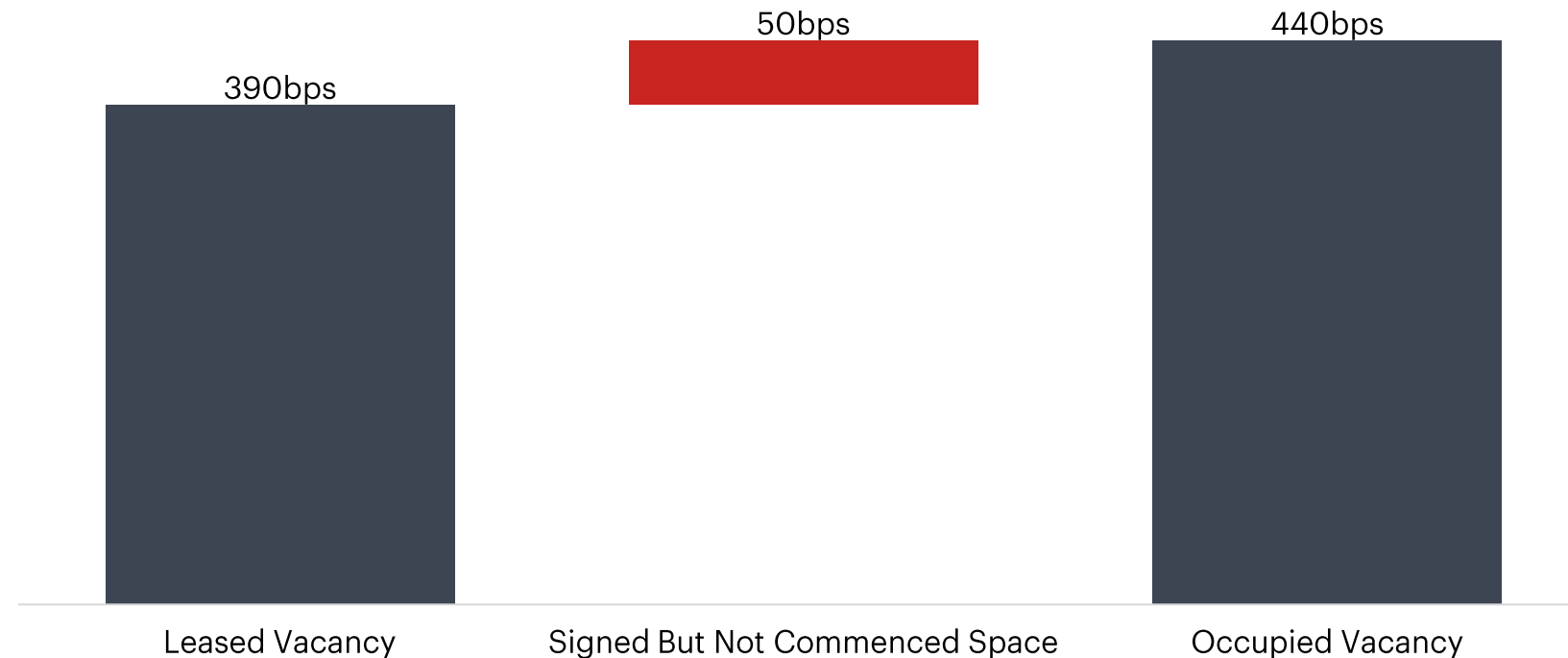
- Signed a 42K SF renewal and expansion with an existing AI tenant at West8 in Seattle, including a 34K SF expansion to their original 9K SF lease
- This transaction underscores continued AI-driven growth across our portfolio, extending beyond the Bay Area into tech-centric markets like Seattle

Leasing Performance and Outlook

KRC's High-Quality Vacancies Are Uniquely Positioned to Benefit From Improving Dynamics

- As of March 31, 2025, approximately **390bps** of portfolio leased vacancy and **440bps** of portfolio occupied vacancy was concentrated in the Company's recently developed or repositioned assets, including 2100 Kettner (San Diego), West8 (Seattle), and Indeed Tower (Austin)
 - These assets are ideally positioned to capture outsized market share as the environment continues to improve

High-Quality Remaining Vacancies



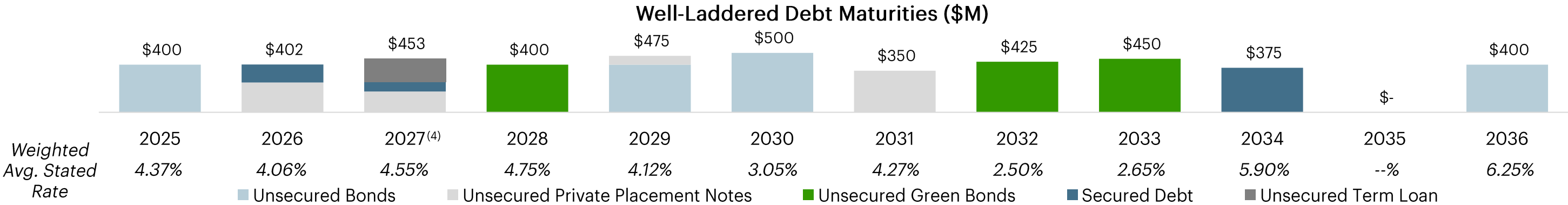
Strong Balance Sheet and Robust Liquidity Profile

Strong Balance Sheet and Robust Liquidity Profile

Well-Laddered Debt Maturity Profile and Substantial Unencumbered Asset Base Provide Valuable Financial and Operational Flexibility

- \$1.2B of available liquidity, as of March 31, 2025, comprised of ~\$147M of cash on hand and ~\$1.1B available under the fully undrawn unsecured revolving credit facility
- Well-covered dividend
 - Declared a quarterly cash dividend of \$0.54 per common share (\$2.16 per annum) for the first quarter of 2025, representing a 53% FFO payout ratio (current quarter) and a 6.6% dividend yield⁽¹⁾

Statistics and Ratios (as of March 31, 2025)	
Debt Statistics	
Weighted avg. stated interest rate	4.16%
Weighted avg. maturity	5.4 years
Unencumbered portfolio % ⁽²⁾	90%
Leverage and Coverage Ratios	
Net debt to adjusted EBITDA ⁽³⁾	6.9x
Fixed charge coverage	3.3x
Debt Statistics	
S&P Global Ratings	BBB- / Stable
Moody's	Baa3 / Stable



(1) As of March 31, 2025.
(2) As defined per the Company's credit agreement.
(3) Adjusted less interest income and calculated on a trailing 12-month basis.
(4) The maturity date of the unsecured term loan assumes the exercise of the two 12-month extensions, at the Company's election.

Environmental, Social, and Governance

Environmental, Social, and Governance

Sustainability Strategy

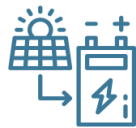
KRC’s vision is to improve the environmental and social performance of its portfolio and the Company, increasing the health and productivity of its tenants, employees, and communities, and enhancing its financial and operational performance

Environmental

Minimizing KRC’s environmental footprint



Energy, Carbon,
Water, and Waste
Reduction Projects



Renewable Energy
Generation and
Storage



Environmental
Building
Certifications

Social

Promoting the wellness of KRC’s tenants,
employees, communities, and partners



Diversity, Equity,
and Inclusion
Training



Healthy
Building
Certifications



Supply
Chain
Engagement

Governance

Maintaining best-in-class Environmental, Social,
and Governance (“ESG”) leadership and
transparency



Board of Directors
Governance of
ESG Issues









Excellence
in ESG
Reporting



Third Party
Assurance of ESG
Disclosures

Environmental, Social, and Governance

2030 Environmental Goals

	<p>ENERGY</p> <p>Energy Use Intensity (“EUI”): Achieve a 10% reduction in portfolio average EUI by 2030, relative to a 2023 baseline</p> <p>Onsite Solar: Expand installed onsite solar capacity to eight megawatts by 2030</p>
	<p>EMISSIONS</p> <p>Greenhouse Gas (“GHG”) Emissions Intensity: Achieve a 10% reduction in onsite GHG emissions intensity by 2030, relative to a 2023 baseline</p> <p>Carbon Neutral Operations: Maintain Carbon Neutral Operations through 2030</p>
	<p>WATER</p> <p>Water Audit: Complete in-house water audits at 100% of properties by 2030</p> <p>Water Submetering: Install submeters to more accurately measure high water usage points at 100% of properties by 2030</p>
	<p>WASTE</p> <p>Waste Education: Provide information, education, and/or training on recycling and composting practices to occupants of all KRC buildings by 2030</p> <p>Single-use Plastic: Eliminate single-use plastic water bottles, beverage cups, and utensils in 100% of KRC office kitchens by 2030</p>
	<p>CERTIFICATIONS</p> <p>LEED: Achieve 85% LEED certification for the stabilized portfolio by 2030</p> <p>ENERGY STAR: Achieve 70% ENERGY STAR certification for the stabilized portfolio by 2030</p> <p>Fitwel: Achieve 50% Fitwel certification for the stabilized portfolio by 2030</p>
	<p>NEW DEVELOPMENT</p> <p>Embodied Carbon: Reduce embodied carbon by at least 15% (compared to a regional industry average baseline) on all new development projects</p> <p>LEED: Achieve LEED Gold or LEED Platinum certification on all new development projects</p> <p>All-electric: Design and build all new development projects to be all-electric</p> <p>Onsite Solar: Conduct assessments for onsite solar feasibility at all new development projects</p>

Environmental, Social, and Governance

2030 Social Goals

- Our 2030 Social Goals focus on ensuring ready now bench strength and elevation organizational capabilities, a highly engaged workforce, and a positive impact on our local communities. These goals align with five tenets that define KRC’s culture – People, Courage, Teamwork, Integrity, and Performance and Accountability:



READY NOW BENCH STRENGTH AND ELEVATED ORGANIZATIONAL CAPABILTIES

Increase Organizational Continuity: Create succession plans and name strong candidates for each officer position in the Company



Elevate Organizational Knowledge, Skills, and Abilities: Create and execute enterprise-wide individual development plans that are consistent, where appropriate, with the newly created officer succession plans. Develop and execute on a formal training and development program for Asset Management teams, with the goal of supporting talent acquisition and improving talent retention within the functions



HIGHLY ENGAGED WORKFORCE

Increase Employee Engagement Opportunities: Develop additional channels to engage with employees through wellness, mentorship, and career-pathing programs



Drive Talent Retention Through Effective Leadership: Deliver a required manager capability program and measure the related performance of all leaders across the organization



POSITIVE IMPACT ON OUR LOCAL COMMUNITIES

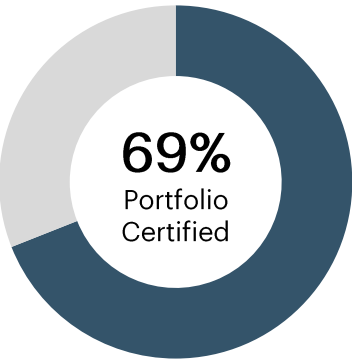
Become Known for Our Philanthropic Identity: Identify and embed KRC’s philanthropic identity. Establish ongoing partnerships with local community-serving organizations and provide physical spaces to support initiatives



Make a Meaningful Difference Through Philanthropic Efforts: Provide our teams with the time and support they need to foster strong partnerships with community organizations aligned with our philanthropic identity, drive higher levels of volunteer engagement by our people, and significantly expand our positive influence and outreach in our communities

Environmental, Social, and Governance

Building Certifications

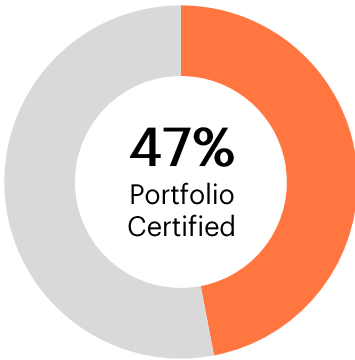


LEED



12,848,335 Total Certified SF

69% of KRC's stabilized portfolio is LEED certified, of which 92% is certified at the highest Gold and Platinum levels

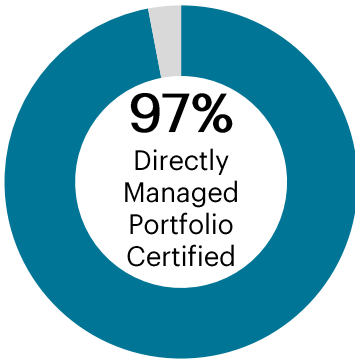


Fitwel



8,637,669 Total Certified SF

47% of KRC's total stabilized portfolio is Fitwel certified

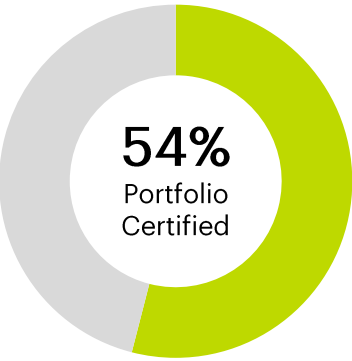


WELL Health-Safety



11,575,487 Total Certified SF

97% of KRC's Directly Managed Portfolio is WELL Health-Safety Rated

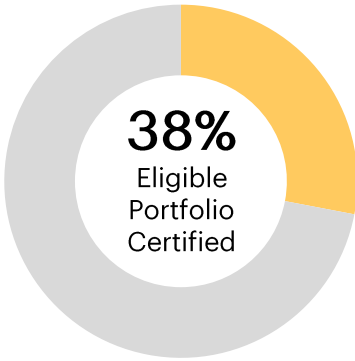


ENERGY STAR



10,078,171 Total Certified SF

54% of KRC's total stabilized portfolio is ENERGY STAR certified



BOMA 360



6,562,251 Total Certified SF

38% of KRC's eligible Office portfolio is BOMA 360 certified



WELL Building Standard



Columbia Square Living
One Paseo Living
Jardine

Environmental, Social, and Governance

Achievements and Accolades



Carbon Neutral Operations

KRC achieved Carbon Neutral Operations, 2020-2024



Best in Building Health

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



Energy Star

Partner of the Year, 2014-2024
Sustained Excellence, 2016-2024



Newsweek

Listed on America's Most Responsible
Companies, 2020-2025



GRESB

5-Star Designation for Standing Assets and
Development, 2015-2024



Green Lease Leader

Leader, 2014-2024
Gold Level, 2018-2024
Champion of the Decade, 2024



US EPA Green Power Partnership

Member of National Top 100
Green Power Users, 2021-2024



Calvert Research and Management

Top 10 Most Sustainable US REITs
Most Sustainable US REITs, 2020-2023



K I L R O Y

Where Innovation Works