

EXECUTIVE COMPENSATION COMMITTEE CHARTER
of the Executive Compensation Committee
of Kilroy Realty Corporation

I. PURPOSE

The purpose of the Executive Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of Kilroy Realty Corporation (the “Company”) is to (1) discharge the Board’s responsibilities relating to compensation of the Company’s executives, including by reviewing and approving corporate goals and objectives relevant to the compensation of the chief executive officer and other senior officers, and determining the compensation level for each based on this evaluation, including cash and equity incentive compensation awards, (2) prepare any report as required by the rules and regulations of the Securities and Exchange Commission (“SEC”), including the Committee’s annual report on executive compensation for inclusion in the Company’s proxy materials, (3) oversee the administration of the Company’s incentive compensation and equity-based plans and (4) carry out such other duties as the Board may delegate to the Committee. The Committee shall strive to ensure that compensation programs are designed to encourage high performance, promote accountability and assure that employee interests are aligned with the interests of the Company’s stockholders.

II. RESOURCES AND AUTHORITY OF THE COMMITTEE

In performing its duties under this Charter, the Committee shall have all of the power and authority of the Board to the extent permitted under applicable law, and may exercise such power and authority as the Committee deems appropriate, and in the Committee’s discretion. The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to select, retain, terminate and approve the fees and other retention terms of special counsel and other experts or consultants as it deems appropriate, without seeking approval of the Board or management, including sole authority to retain and terminate any compensation consultants retained to assist in the evaluation of director, CEO, or senior executive compensation. To the fullest extent permitted by law, the Committee shall have the power to determine which matters are within the scope of the powers and responsibilities delegated to it pursuant to this Charter.

III. MEMBERSHIP

The Committee shall be composed of at least two directors as determined by the Board, each of whom shall (1) satisfy the independence requirements of the New York Stock Exchange, (2) be a “non-employee director” within the meaning of Rule 16b-3 of the Securities Exchange Act of 1934, as amended (the “1934 Act”), and (3) be an “outside director” under the regulations promulgated under Section 162(m) of the Internal Revenue Code of 1986, as amended (the “Code”).

The members of the Committee, including the Chairman of the Committee, shall be appointed by the Board on the recommendation of the Nominating/Corporate Governance Committee. Committee members may be removed from the Committee, with or without cause, by the Board. Any action duly taken by the Committee shall be valid and effective, whether or

not the members of the Committee at the time of such action are later determined not to have satisfied the requirements for membership provided in this Charter.

IV. MEETINGS AND PROCEDURES

The Chairman (or in his or her absence, a member designated by the Chairman) shall preside at each Committee meeting. Agendas for Committee meetings shall be prepared by the Corporate Secretary in consultation with the Committee Chairman. A quorum shall be constituted by a majority of the Committee's members. The Committee shall have the authority to establish its own rules and procedures for notice and conduct of its meetings so long as they are not inconsistent with any provisions of the Company's bylaws that are applicable to the Committee.

The Committee shall meet in person or telephonically on a regularly scheduled basis at least two times per year and more frequently as the Committee deems necessary or desirable, at times and places determined by the Committee

All non-management directors that are not members of the Committee may attend and observe meetings of the Committee, but shall not participate in any discussion or deliberation unless invited to do so by the Committee, and in any event shall not be entitled to vote. The Committee may, at its discretion, include in its meetings any person whose presence the Committee believes to be necessary or appropriate, consistent with the maintenance of the confidentiality of compensation discussions. Notwithstanding the foregoing, the Committee may also exclude from its meetings any persons it deems appropriate, including but not limited to, any non-management director that is not a member of the Committee.

Minutes of each meeting are to be prepared by the person acting as secretary of the meeting. The Corporate Secretary will retain a copy of the minutes in the Company's permanent files. The Chairman of the Committee shall report to the Board following meetings of the Committee and as otherwise requested by the Chairman of the Board or the Chief Executive Officer.

The Committee shall have the sole authority, as it deems appropriate, to retain and/or replace, as needed, any independent counsel, compensation and benefits consultants and other outside experts or advisors that the Committee believes to be necessary or appropriate. The Committee may also utilize the services of the Company's regular legal counsel or other advisors to the Company. The Company shall provide for appropriate funding, as determined by the Committee, for payment of compensation to any such persons retained by the Committee.

V. DUTIES AND RESPONSIBILITIES

1. In consultation with senior management, the Committee shall establish the Company's general compensation philosophy, oversee the development and implementation of compensation structure, policy and programs and assess whether the compensation structure establishes appropriate incentives for management and employees.

2. The Committee shall, at least annually, review the compensation philosophy of the Company, review and approve corporate goals and objectives relating to the compensation of the chief executive officer, evaluate the performance of the chief executive officer in light of

those goals and objectives and determine and approve the compensation of the chief executive officer based on such evaluation. The Committee shall have sole authority to determine the chief executive officer's compensation.

3. The Committee shall, at least annually, review and approve all compensation for the Company's other officers, as that term is defined in the rules under Section 16 of the Exchange Act ("Officer"), including cash and equity incentive compensation awards. In addition, the Committee shall review and approve all Officers' employment agreements and severance arrangements.

4. The Committee shall administer and, at least annually, review all annual bonus, long-term incentive compensation, stock option, employee pension and welfare benefit plans (including the Company's 2006 Incentive Award Plan), and with respect to each plan shall have responsibility for:

(i) general administration;

(ii) setting performance targets under all annual bonus and long-term incentive compensation plans as appropriate and, in connection with the requirements of applicable United States Federal income tax laws, committing to writing any and all performance targets for all executive officers who may be "covered employees" under Section 162(m) of the Code within the first 90 days of the performance period to which such target relates or, if shorter, within the period provided by Section 162(m) of the Code in order for such target to be "pre-established" within the meaning of Section 162(m);

(iii) confirming to the Committee's satisfaction that any and all performance targets used for any performance-based equity compensation plans have been met before payment of any executive bonus or compensation or exercise of any executive award granted under any such plan(s);

(iv) approving all amendments to, and terminations of, all compensation plans and any awards under such plans;

(v) granting any awards under any performance-based annual bonus, long-term incentive compensation and equity compensation plans to officers, including stock options and other equity rights (e.g., restricted stock, stock purchase rights); and

(vi) approving which officers are entitled to awards under the Company's stock option plan(s).

All annual plan reviews shall include reviewing the plan's administrative costs, reviewing current plan features relative to any proposed new features, and assessing the performance of the plan's internal and external administrators if any duties have been delegated.

5. Review and be responsible for approving new compensation plans or any material changes to an existing compensation plan.

6. In consultation with senior management, oversee regulatory compliance with respect to compensation matters, including overseeing the Company's policies on structuring

compensation programs to preserve tax deductibility, and, as and when required, establishing performance goals and certifying that performance goals have been attained for purposes of Section 162(m) of the Internal Revenue Code.

7. The Committee shall determine the Company's policy with respect to change of control or "parachute" payments.

8. The Committee shall have sole authority, at the Committee's discretion, to retain and terminate a compensation consultant to assist in the execution of the Committee's duties, including sole authority to approve the compensation consultant's fees and other retention terms.

9. The Committee shall cause to be prepared and issued the reports required under "Committee Reports" below.

10. The Committee shall evaluate its own performance on an annual basis, including its compliance with this Charter, and provide any written material with respect to such evaluation to the Board, including any recommendations for changes in procedures or policies governing the Committee. The Committee shall conduct such evaluation and review in such manner as it deems appropriate.

11. The Committee shall review and reassess this Charter at least annually and submit any recommended changes to the Board for its consideration.

12. Any other duties or responsibilities expressly delegated to the Committee by the Board from time to time relating to the Company's compensation programs.

VI. DELEGATION OF DUTIES

In fulfilling its responsibilities, the Committee shall be entitled to delegate any or all of its responsibilities to a subcommittee of the Committee, except that it shall not delegate its responsibilities set forth in paragraphs 3, 4 and 10 of Section V above or for any matters that involve executive compensation or any matters where it has determined such compensation is intended to comply with Section 162(m) of the Code or is intended to be exempt from Section 16(b) under the 1934 Act pursuant to Rule 16b-3 by virtue of being approved by a committee of "outside directors."

VII. COMMITTEE REPORTS

The Committee shall produce the following reports and provide them to the Board.

1. An annual Report of the Compensation Committee on Executive Compensation for inclusion in the Company's annual proxy statement in accordance with applicable SEC rules and regulations.

2. Any written materials with respect to the annual performance evaluation of the Committee.