CAESARS APPROACH TO ESG DISCLOSURE

GRI: We publish an annual CSR report, prepared in accordance with GRI Standards: Core option. Our 2020-2021 CSR Report is our twelfth annual CSR Report.

SASB: For the first time in 2020-2021, Caesars Entertainment reports against the Sustainability Accounting Standards Board (SASB) Standards. We report against two Standards relevant for our business: Casinos & Gaming Industry Standard and the Hotels & Lodging Industry Standard.

TCFD: For the first time, we include an overview of climate change Governance, Strategy, Risk, and Metrics using the Task Force on Climate Related Financial Disclosures (TCFD) framework.


This ESG Update contains information from the Caesars Entertainment 2020-2021 CSR Report. For all details and data compilation methodologies, please refer to the Appendix.
Caesars Entertainment, Inc. (NASDAQ: CZR) is the largest casino-entertainment company in the US and one of the world’s most diversified casino-entertainment providers. Since its beginning in Reno, NV, in 1937, Caesars Entertainment, Inc. has grown through development of new resorts, expansions and acquisitions. Caesars Entertainment, Inc.’s resorts operate primarily under the Caesars®, Harrah’s®, Horseshoe®, and Eldorado® brand names. Caesars Entertainment, Inc. offers diversified gaming, entertainment and hospitality amenities, one-of-a-kind destinations, and a full suite of mobile and online gaming and sports betting experiences. All tied to its industry-leading Caesars Rewards loyalty program, the company focuses on building value with its guests through a unique combination of impeccable service, operational excellence and technology leadership. Caesars is committed to its Team Members, suppliers, communities and the environment through its PEOPLE PLANET PLAY framework.

**OUR MISSION**
Create the Extraordinary

**OUR VISION**
Create spectacular worlds that immerse, inspire and connect you. We don’t perform magic; we create it with excellence.

**OUR CODE OF COMMITMENT** is our public pledge to our guests, Team Members, communities, business partners and all those we reach through our business.

**PEOPLE**
We commit to supporting the wellbeing of all our Team Members, guests and local communities.

**PLANET**
We commit to taking care of the world we all call home.

**PLAY**
We commit to creating memorable experiences for our guests and leading the industry as a responsible business, including Responsible Gaming practices.

**OUR VALUES**

- **Blaze the Trail** - This is about leadership and innovation. It’s also about keeping integrity top of mind as we imagine possibilities for growth and change in our business.
- **All In on Service** - We build connections with each other and our guests by creating memorable moments, having fun and owning our family-style service culture.
- **Together We Win** - It takes all of us to achieve our goals. Working together as a diverse team and caring for and respecting each other is how the magic happens.

**OUR MATERIAL CSR IMPACTS**

- Positive economic contribution
- Empowering workplace
- Diversity, Equity and Inclusion
- Health and wellness
- Supporting local communities
- Science based carbon reduction goals
- Reduce energy consumption
- Reduce and recycle waste
- Responsible business conduct
- Creating memorable guest experiences
- Responsible Gaming

Our most significant impacts align with SDGs 3, 8 and 11.
**ENVIRONMENT**

In 2020, we were named to CDP’s A-List for both Climate Change and Water Security, the first time we have achieved a full A score in both categories since we started submitting data to CDP in 2010.

**CLIMATE TARGETS:**

Our Science Based Targets include becoming carbon neutral by 2050 to meet new scientific guidelines needed to achieve global warming levels that are “Well Below 2 degrees” which the scientific community believes is a threshold we must stay below to avoid catastrophic climate change.

<table>
<thead>
<tr>
<th>COMMITMENT</th>
<th>2020 UPDATE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Climate:</strong> Reduce absolute Scope 1 and 2 emissions by 35% by 2025 and by 100% by 2050 from a 2011 base-year</td>
<td>36.1% reduction versus 20111</td>
</tr>
<tr>
<td><strong>Suppliers:</strong> 60% of suppliers by spend will institute Science Based GHG reduction targets for their operations by 2023.</td>
<td>11%2</td>
</tr>
</tbody>
</table>

**LOW-CARBON SUPPLY CHAIN**

In 2020, 11% of suppliers by spend confirmed they had approved Science Based Targets (SBTs).2 In most cases, we find our engagement with our suppliers on CDP is unique; they receive such requests only from Caesars Entertainment, indicating the role we play in raising awareness and improving performance delivers a broader environmental benefit than for our supply chain alone. For example, in 2020, 49% of our suppliers received an invitation to participate in CDP only from Caesars Entertainment. Of these suppliers, 28% submitted their data to CDP. We view this progress as highly encouraging, though acknowledge there is more work to do.

**ELECTRIC VEHICLE CHARGING**

For years, to encourage cleaner forms of transportation, we have maintained Electric Vehicle (EV) charging stations at our properties for use by guests at no cost. Today, we have more than 150 EV charging ports available for guests at multiple locations across the U.S. We also host one of the largest and most advanced Tesla Supercharger station and energy center in Nevada at the LINQ Promenade in Las Vegas, with photovoltaic canopies, battery storage, 15 level II charging stations and 24 Tesla version 3 Superchargers. Guest use of the Tesla charging station has exceeded expectation, supporting more than 80,000 charging sessions since the station was opened in 2019 resulting in estimated avoided emissions of over 3,000 metric tons of CO2 to date.3

**REDDUCING AND RECYCLING WASTE**

Across our properties, multiple initiatives are in place to reduce waste, by adopting more efficient practices to eliminate waste at the source, waste segregation for reuse and recycling opportunities, or by donating surplus products to local nonprofits. In 2020, we diverted 45% of our total waste from landfills.

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1 We do not consider this target achieved as 2020 was a non-typical year with property closures and business interruptions during parts of the year. We continue to pursue climate goals in to meet our commitments for 2025 and 2050.
2 Based on Caesars Entertainment’s CDP submission reflecting 2019 performance in relation to 2019 spend. Suppliers representing an additional 13% of spend in 2019 also reported their commitment to setting Science Based Targets.
3 Estimated using data from the 2020 Tesla Impact Report and assuming average life-cycle emission from a mid-sized premium ICE versus a Tesla model 3.
# ENVIRONMENTAL METRICS

## ENERGY and EMISSIONS

<table>
<thead>
<tr>
<th></th>
<th>Units</th>
<th>2011</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>YOY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Scope 1 energy</td>
<td>GJ</td>
<td>4,086,061</td>
<td>3,794,215</td>
<td>4,016,603</td>
<td>3,011,051</td>
<td>-25%</td>
</tr>
<tr>
<td>Total Scope 2 energy</td>
<td>GJ</td>
<td>7,890,861</td>
<td>6,532,516</td>
<td>6,508,083</td>
<td>5,683,197</td>
<td>-13%</td>
</tr>
<tr>
<td>Total energy consumption</td>
<td>GJ</td>
<td>11,976,921</td>
<td>10,326,731</td>
<td>10,524,685</td>
<td>8,694,247</td>
<td>-17%</td>
</tr>
<tr>
<td>Energy intensity</td>
<td>GJ/1,000 FT²</td>
<td>173.48</td>
<td>147.13</td>
<td>149.73</td>
<td>125.52</td>
<td>-16%</td>
</tr>
<tr>
<td>Scope 1 (Direct emissions)</td>
<td>Tons CO₂e</td>
<td>269,079</td>
<td>264,505</td>
<td>264,505</td>
<td>217,293</td>
<td>-18%</td>
</tr>
<tr>
<td>Scope 2 (Purchased power) location based</td>
<td>Tons CO₂e</td>
<td>999,085</td>
<td>802,557</td>
<td>774,482</td>
<td>602,930</td>
<td>-22%</td>
</tr>
<tr>
<td>Scope 2 (Purchased power) market based</td>
<td>Tons CO₂e</td>
<td>999,085</td>
<td>774,482</td>
<td>768,170</td>
<td>592,893</td>
<td>-23%</td>
</tr>
<tr>
<td>Total GHG Emissions Scope 1+2</td>
<td>Tons CO₂e</td>
<td>1,268,164</td>
<td>1,067,062</td>
<td>1,038,987</td>
<td>820,223</td>
<td>-21%</td>
</tr>
<tr>
<td>Scope 3 Emissions from waste and business travel</td>
<td>Tons CO₂e</td>
<td>10,190</td>
<td>39,521</td>
<td>37,518</td>
<td>29,759</td>
<td>-21%</td>
</tr>
<tr>
<td>Emissions intensity Scope 1+2</td>
<td>Tons CO₂e/1,000 FT²</td>
<td>18.37</td>
<td>15.20</td>
<td>14.78</td>
<td>11.84</td>
<td>-20%</td>
</tr>
<tr>
<td>Emissions intensity Scope 1+2+3</td>
<td>Tons CO₂e/1,000 FT²</td>
<td>18.52</td>
<td>15.77</td>
<td>15.32</td>
<td>12.27</td>
<td>-20%</td>
</tr>
</tbody>
</table>

## WATER

<table>
<thead>
<tr>
<th></th>
<th>Units</th>
<th>2019</th>
<th>2020</th>
<th>YOY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Groundwater</td>
<td>MegaLiters</td>
<td>767</td>
<td>281</td>
<td>-63%</td>
</tr>
<tr>
<td>Third party water</td>
<td>MegaLiters</td>
<td>15,265</td>
<td>10,507</td>
<td>-31%</td>
</tr>
<tr>
<td>Total water withdrawal</td>
<td>MegaLiters</td>
<td>16,032</td>
<td>10,788</td>
<td>-33%</td>
</tr>
<tr>
<td>Total water consumption</td>
<td>MegaLiters</td>
<td>2,404</td>
<td>1,618</td>
<td>-33%</td>
</tr>
<tr>
<td>Water consumption intensity</td>
<td>MegaLiters/ 1,000 FT²</td>
<td>0.034</td>
<td>0.023</td>
<td>-32%</td>
</tr>
</tbody>
</table>

## WASTE

<table>
<thead>
<tr>
<th></th>
<th>Units</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Waste diverted from disposal</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Preparation for reuse (includes composting)</td>
<td>Tons</td>
<td>26,645</td>
</tr>
<tr>
<td>Recycling (including energy recovery)</td>
<td>Tons</td>
<td>6,451</td>
</tr>
<tr>
<td>Total waste diverted from disposal</td>
<td>Tons</td>
<td>33,096</td>
</tr>
<tr>
<td>Waste diverted</td>
<td>%</td>
<td>45%</td>
</tr>
<tr>
<td>Waste directed to disposal</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Landfill</td>
<td>Tons</td>
<td>40,300</td>
</tr>
<tr>
<td>Total waste directed to disposal</td>
<td>Tons</td>
<td>40,300</td>
</tr>
</tbody>
</table>

**NOTE:** All environmental performance for 2020 was materially impacted by closures and limited activities because of the COVID-19 pandemic. This affects comparability to prior years.
In 2020, of the net revenues we generated, 35% were distributed to and on behalf of our Team Members in compensation, benefits and taxes for their daily work and contribution to advancing our goals. Additionally, we paid almost $1 billion in taxes and fees to local, state and federal authorities – funds used to support community infrastructure, housing, education and all forms of local services that improve the quality of local life.

**In total, we distributed more than $3.7 billion to our stakeholders in 2020.**

**COVID-19:** Throughout the COVID-19 pandemic, including re-opening, our priority was our Team Members’ safety and wellbeing (including financial wellbeing). Approximately 90% of our Team Members were furloughed for different periods of time. We took extensive measures to support our Team Members including pay for furloughed Team Members, launching a new assistance fund, incentivized onsite vaccinations and full health and safety measures.

**Compensation:** In 2021, we implemented an important compensation upgrade for Team Members to include, at a minimum, $12 per hour for non-tipped, non-union Team Members, a compensation level 66% higher than the federal minimum wage currently in force.

**Diversity, Equity and Inclusion (DEI):** We set new, aggressive targets to increase the representation of women and people of color in leadership roles (supervisory roles and above) on a path to achieve full gender and racial parity by 2025.

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**OUR 2025 GOALS:**

**Women:** 50% of leadership roles will be held by women within both the mid-level and senior leadership populations.  

**Racial/Ethnic:** 50% of leadership roles will be held by people of color (POC). We also commit to increase the representation of POC in senior leadership by 50%.

**Supplier diversity:** In 2020, our operational and capital spend with certified diverse vendors totaled 10.4% and 6.1%, respectively, of total spend. (Refers to addressable spend that excludes taxes, utilities, and some highly regulated gaming trade sectors defined as addressable.)

**Community reinvestment:** In 2020, our total community reinvestment amounted to $48.4 million. This total figure includes more than $43.9 million in company, mandated and discretionary giving, $2.6 million as the value of >91,000 hours of Team Member volunteering in 2020, more than $1.3 million contributed through our Caesars Foundation, and additional in-kind giving.

In 2020, Caesars Entertainment turned each dollar of revenue into a contribution to its communities of 63 cents. That’s nearly 4 times the average community contribution for U.S. corporations (17 cents per dollar of revenue).

(Contribution is calculated as employee wages and benefits, taxes and licenses, and investments in the community through mandated and other giving. This analysis was conducted by Bea Boccalandro, author of Do Good At Work: How Simple Acts of Social Purpose Drive Success and Wellbeing, President of VeraWorks and Corporate Social Responsibility advisor to the Caesars leadership team.)

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4 Leadership roles include supervisors and above. Mid-level leadership roles include supervisors and managers. Senior leadership roles include Directors, Vice Presidents, Senior Vice Presidents and C-Suite.

5 Volunteer hours were substantially lower in 2020 than in any prior year, due to the COVID-19 pandemic.
GOVERNANCE

BOARD OF DIRECTORS

Our Board of Directors currently comprises nine members, two of whom are officers of the Company, including our Chief Executive Officer. The Board of Directors has determined that all seven of the Outside Directors are “independent” as defined under the listing standards of Nasdaq, and none of the Outside Directors has a direct or indirect material relationship with the Company. Two Directors are women (22%).

BOARD COMMITTEES

The Board is served by four standing committees, composed of independent Directors: Audit, Compensation, Nominating and Corporate Governance and the CSR Committee. The CSR Committee oversees defining and delivering our corporate mission and CSR strategy and supporting oversight of sustainability-related elements of corporate governance, such as Board diversity, Board education and more.

BOARD ENGAGEMENT IN CORPORATE SOCIAL RESPONSIBILITY

During 2020/2021, the Board of Directors, through the leadership of its CSR Committee, engaged in an educational program to create a standard level of knowledge and understanding of critical CSR topics for Caesars Entertainment. The Caesars External CSR Advisory Council held a workshop for the Board and senior management on climate change, Diversity, Equity and Inclusion (DEI) and social impact. The CSR Committee has been fully engaged in the process of further developing our CSR strategy and enhancing transparency, including support for new disclosures using the Sustainability Accounting Standards Board (SASB) Standards and the Task Force on Climate-related Financial Disclosures (TCFD) framework, as well as review and approval of this CSR Report. Specifically, the Board has maintained a strong involvement in setting and approving DEI goals.

RISK MANAGEMENT

We take a proactive approach to risk prevention and deploy processes to anticipate high-risk exposure areas and then take steps to mitigate identified risks. Our Internal Audit department defines an annual audit plan, based on an examination of issues and other organizational priorities. This is then reviewed and approved by the Audit Committee of the Board of Directors. Audit results are shared with the Audit Committee, and action plans are agreed upon to address findings. By early 2022, we plan to complete a new Environmental, Social and Governance (ESG) risk assessment, the results of which will be integrated into our risk planning and safeguarding processes.

ANTI-MONEY LAUNDERING

Anti-money laundering compliance is a top priority for Caesars. We are committed to full compliance with legal and regulatory requirements, and to preventing and detecting money laundering and other crimes through our gaming operations. We maintain a Bank Secrecy Act / Anti-Money Laundering (“BSA/AML”) program that fosters an understanding of BSA/AML responsibilities across all levels of the organization, and we implement robust procedures in support of this program.

DATA PRIVACY AND SECURITY

Information security and data privacy are fundamental to our successful operations and to the trust of our Team Members, guests and all those we serve. We maintain a dedicated cyber team that ensures complete embedding of core security processes in all our systems architecture: network and endpoint technology, vulnerability technology, threat intelligence, threat hunting and identity management. We adhere primarily to a National Institute of Standards and Technology (NIST) framework and provide regular reports relating to our NIST maturity level to our executive management. The Information Security team meets annually with the Audit Committee of the Board of Directors.
See our full 2020-2021 CSR Report: