

 PEOPLE | PLANET | PLAY

# CAESARS ENTERTAINMENT **ESG UPDATE 2022**



**CAESARS**  
ENTERTAINMENT®



# CAESARS ENTERTAINMENT

## ESG UPDATE 2022

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## CAESARS APPROACH TO ESG DISCLOSURE

**GRI:** We publish an annual CSR report, prepared in accordance with GRI Standards: Core option. Our 2022 CSR Report is our fourteenth annual CSR Report.

**SASB:** Caesars Entertainment reports against the Sustainability Accounting Standards Board (SASB) Standards: Casinos & Gaming Industry Standard and the Hotels & Lodging Industry Standard.

**TCFD:** Overview of our climate change mitigation response using the Taskforce on Climate Related Financial Disclosures (TCFD) framework.

**Materiality:** In 2022, Caesars Entertainment completed an ESG Materiality Assessment and an ESG Risk Assessment. Summaries of both processes can be viewed on our website:

[www.caesars.com/csreports](http://www.caesars.com/csreports)

This ESG Update contains information from the Caesars Entertainment 2022 CSR Report.

For all details and data compilation methodologies, please refer to the Appendix in this Report.

See our full suite of disclosures, including the Caesars Entertainment 2022 CSR Report here:

[www.caesars.com/csreports](http://www.caesars.com/csreports)

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## OVERVIEW

Caesars Entertainment, Inc. (NASDAQ: CZR) is the largest casino-entertainment company in the U.S. and one of the world's most diversified gaming-entertainment providers. Since its beginning in Reno, Nevada, in 1937, Caesars Entertainment has grown through development of new resorts, expansions and acquisitions. Caesars Entertainment's resorts operate primarily under the Caesars®, Harrah's®, Horseshoe® and Eldorado® brand names. Caesars Entertainment offers diversified amenities and one-of-a-kind destinations, with a focus on building loyalty and value with its guests through a unique combination of impeccable service, operational excellence and technology leadership. Caesars Entertainment is committed to its employees, suppliers, communities and the environment through its PEOPLE PLANET PLAY framework.

## Our Code of Commitment

### 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.

## MISSION

Create the Extraordinary.

## VISION

We Create Spectacular Worlds that immerse, inspire and connect. We don't perform magic; we create it with excellence.

## VALUES

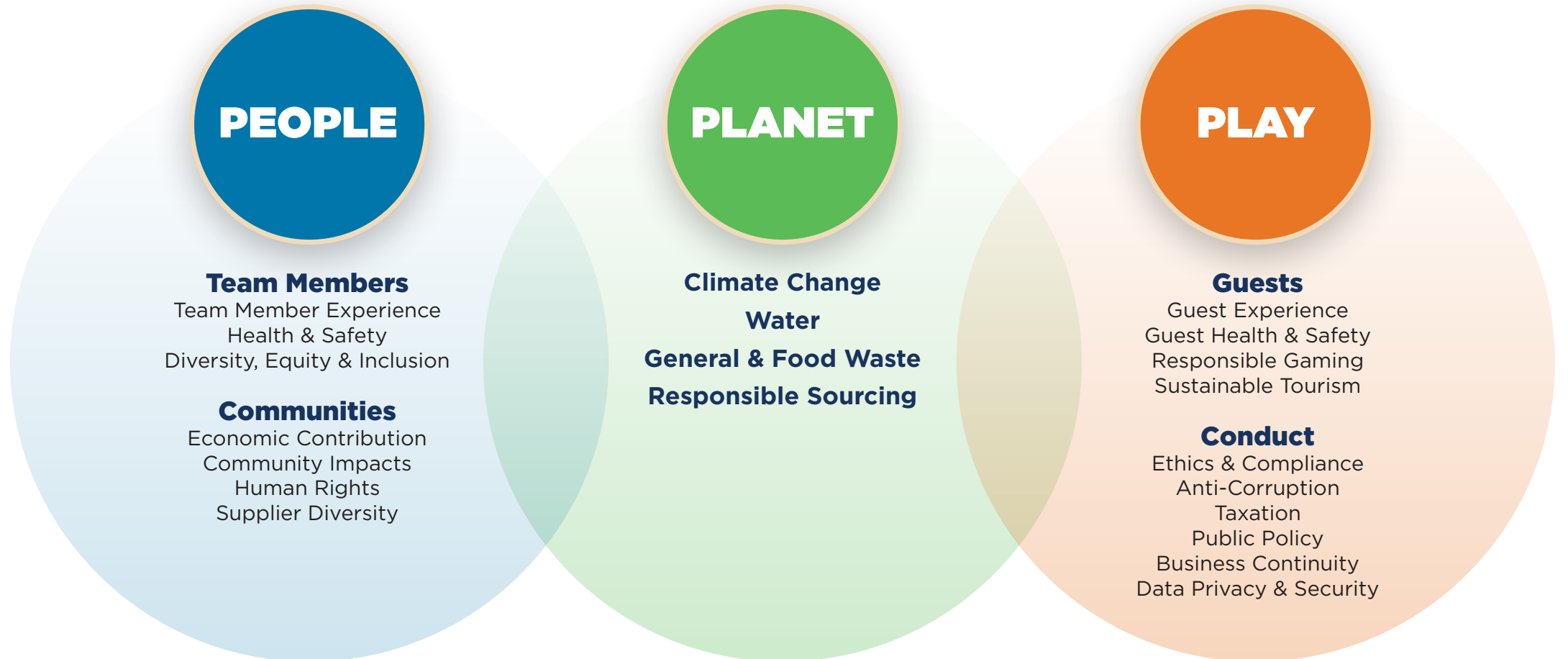
**Blaze The Trail:** This is about leadership and innovation. It's also about keeping integrity top of mind as we imagine possibilities for growth and change in our business. Blaze the Trail reflects our leadership in CSR as demonstrated through our ambitious climate goals and those for women and people of color in leadership.

**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. All-In On Service reflects our attentiveness to the needs of our guests across all our offerings, including our investment in Responsible Gaming.

**Together We Win:** Working together as a diverse team, caring for and respecting each other is how the magic happens. Together We Win means being an employer of choice for our Team Members and attracting, retaining and developing a diverse workforce in a caring, inclusive and empowering culture.

## OVERVIEW

### Our Material CSR Impacts



For details of our process, topic evaluations and definitions of all material topics, as well as our alignment with the United Nations Sustainable Development Goals, please see [Caesars Entertainment's 2022 ESG Materiality Assessment](#).

## CSR HIGHLIGHTS 2022

### PEOPLE

**\$10.3 billion** in economic value distributed to our stakeholders

**30%** of senior leadership roles held by women

**43%** of leadership roles held by people of color

**\$33.3 million** invested in 2.87 million hours of training and development of our Team Members

**76.1%** Team Member Engagement Index Score, up from 73.2% in 2021

**>\$80 million** total investment in our communities

### PLANET

**42% reduction** in Scope 1+2 GHG emissions since 2018

**59%** of waste diverted from landfills, up from 40% in 2021

**Three “A” ratings** in 2022 from CDP for our Climate Change, Water Security and Supply Chain submissions

**396** suppliers invited to participate in CDP’s Climate Change program

**70%** cage-free eggs of our total egg procurement volume

### PLAY

**\$1 billion** in capital spend to create new and enhance existing properties including upgrades and renovations to facilities and amenities

**28** jurisdictions in which Caesars Sportsbook is active, up from 21 in 2021

**2** newly enhanced 21+ Responsible Gaming policies across all gaming offerings and Caesars Rewards

**28,400** hours of Responsible Gaming training for our Team Members

## 2022 CSR Awards and Recognitions

**Points of Light Honoree for The Civic 50**

**Human Rights Campaign Corporate Equality Index - Best Places to Work for LGBTQ+ Equality**

**Disability Equality Index® - Best Places to Work for Disability Inclusion**

**Named as a Forbes Best Employer for Veterans**

**Named to Newsweek America’s Most Responsible Companies**

**Ranked 11th in the 2022 JUST Capital Rankings in the Restaurants and Leisure Sector**



## ENVIRONMENT

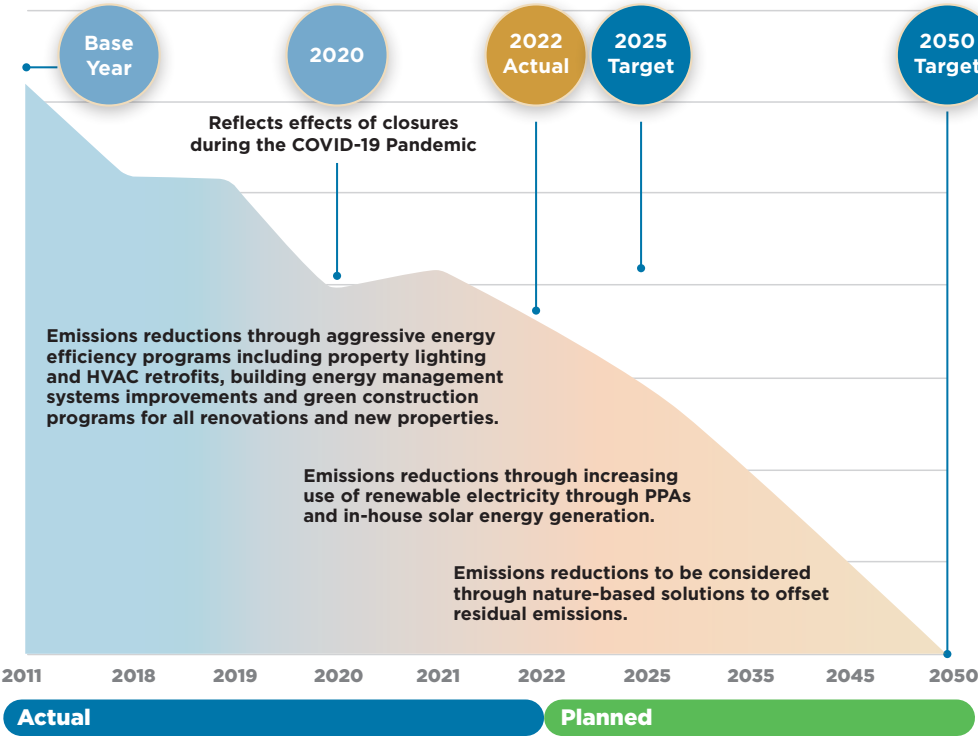
At Caesars Entertainment, in line with global efforts to mitigate the effects of increasing planet temperatures, we have taken action to reduce the environmental impacts of our activities across the entire scope of our operations and supply chain, leading our industry in many aspects of energy reductions, emissions avoidance and resource efficiency. We were among the first in our industry to commit to Science Based Targets, using 2011 as our base line. [Learn more.](#)

### Advancing our Science Based Targets

Currently, our Science Based Targets commit us to reducing 100% of our emissions by 2050 to meet scientific guidelines needed to achieve global warming levels that are “well below 2 degrees.” We are reviewing these targets to meet updated Science Based Target initiative (SBTi) guidelines to align with a threshold of “below 1.5 degrees,” which the scientific community now believes must be achieved to avoid catastrophic climate change. We plan to submit our proposal for our more ambitious climate targets to SBTi in 2023 upon completion of our review and development of revised targets for Scope 1, 2 and 3 emissions.

| Science Based Targets initiative (SBTi) Approved Targets   | Performance in 2022  |
|--|--|
| <b>Scope 1+2:</b><br>Reduce absolute Scope 1 and 2 emissions by 35% by 2025 and by 100% by 2050 from a 2011 base line        | <b>41.8%</b><br>reduction interim target achieved                          |
| <b>Scope 3:</b><br>60% of suppliers by spend will institute Science Based GHG reduction targets for their operations by 2023 | <b>9.1%</b><br>of suppliers instituted Science Based GHG reduction targets |

### Caesars Entertainment Pathway to Scope 1+2 CO<sub>2</sub>e Emissions Target by 2050



## ENVIRONMENT

**Renewable Energy:** We are integrating renewable energy as part of our total electricity consumption through Purchase Power Agreements and on-site solar power generation that provide 15-18% of our total electricity requirement to power our properties and offices.

**Green Building:** We aim to design and construct all new properties and renovations in line with green building principles, notably the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) standards. One of our most recent new buildings on the Las Vegas Strip, CAESARS FORUM, our flagship 550,000-square-foot conference center, was awarded LEED silver certification.

**Low-Carbon Supply Chain:** We continue to promote carbon efficiencies and climate consciousness throughout our supply chain. In 2022, we again invited our top suppliers (by spend) to submit their climate data to the CDP Climate Change through the CDP Supply Chain program. 369 suppliers were invited and 24% responded.

**Electric Vehicle Charging:** In 2022, our hosted Tesla charging stations in Las Vegas and Reno delivered over 170,000 charging sessions enabling approximately 18 million miles driven by electric vehicles. This clean transportation avoided approximately nine million pounds of CO2 emissions.

**Reducing 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 2022, we diverted 59% of our total waste from landfills.



## ENVIRONMENTAL METRICS

| Energy within the Organization  | Units        | 2011 EST.  | 2020      | 2021      | 2022      |
|---------------------------------|--------------|------------|-----------|-----------|-----------|
| Natural Gas including propane   | GJ           | 4,086,061  | 3,011,051 | 3,370,698 | 3,519,229 |
| Steam                           | GJ           | 470,522    | 551,120   | 342,087   | 422,091   |
| Chilled Water                   | GJ           | 139,679    | 121,824   | 106,029   | 116,736   |
| Electricity purchased from grid | GJ           | 7,280,659  | 4,747,936 | 4,895,701 | 4,814,315 |
| Renewable energy purchased      | GJ           | 0          | 262,318   | 334,714   | 416,826   |
| Total Scope 1 energy            | GJ           | 4,086,061  | 3,011,051 | 3,370,698 | 3,519,229 |
| Total Scope 2 energy            | GJ           | 7,890,861  | 5,683,197 | 5,678,531 | 5,769,969 |
| Total Energy Consumption        | GJ           | 11,976,921 | 8,694,247 | 9,049,229 | 9,289,198 |
| Energy Intensity                | GJ/1,000 FT² | 171.88     | 124.23    | 132.83    | 136.35    |

| Scope 1+2 Emissions                            | Units     | 2011      | 2019      | 2020    | 2021    | 2022    | YOY  |
|--|-----------|-----------|-----------|---------|---------|---------|------|
| Scope 1 (Direct Emissions)                     | Tons CO2e | 269,079   | 264,505   | 217,293 | 234,931 | 234,192 | 0%   |
| Scope 2 (Purchased Power) Location based       | Tons CO2e | 999,085   | 774,482   | 602,930 | 582,095 | 567,066 | -3%  |
| Scope 2 (Purchased Power) Market based         | Tons CO2e | 999,085   | 768,170   | 592,893 | 603,932 | 504,426 | -16% |
| Total GHG Emissions Scope 1+2 (Location based) | Tons CO2e | 1,268,164 | 1,038,987 | 820,223 | 817,026 | 801,258 | -2%  |
| Total GHG Emissions Scope 1+2 (Market Based)   | Tons CO2e | 1,268,164 | 1,032,675 | 810,186 | 838,863 | 738,618 | -12% |

| GRI 305-3 Scope 3 Emissions                                       | Units     | 2019      | 2020      | 2021      | 2022      | YOY |
|---|-----------|-----------|-----------|-----------|-----------|-----|
| Purchased goods and services                                      | Tons CO2e | 1,963,372 | 1,512,074 | 1,451,185 | 1,718,455 | 18% |
| Fuel-and-energy-related activities (not included in Scope 1 or 2) | Tons CO2e |           |           | 221,180   |           |     |
| Waste generated in operations                                     | Tons CO2e | 24,494    | 28,508    | 36,547    | 42,161    | 15% |
| Business travel   | Tons CO2e | 4,365     | 1,248     | 1,219     | 2,263     | 86% |
| Employee commuting  | Tons CO2e | 49,410    | 40,426    | 36,683    | 33,493    | -9% |
| Total Scope 3 Emissions   | Tons CO2e | 2,041,641 | 1,582,256 | 1,746,814 | 1,796,372 | 3%  |

## ENVIRONMENTAL METRICS

| Emissions Intensity | Units                | 2011  | 2019  | 2020  | 2021  | 2022  | YOY |
|---------------------|----------------------|-------|-------|-------|-------|-------|-----|
| Scope 1+2           | Tons CO2e /1,000 FT² | 18.20 | 14.63 | 11.72 | 11.99 | 11.76 | -2% |
| Scope 3             |                      |       | 28.75 | 22.61 | 25.64 | 26.37 | 3%  |
| Scope 1+2+3         |                      |       | 43.38 | 34.33 | 37.63 | 38.13 | 1%  |

| Water Withdrawal       | Units      | 2020   | 2021   | 2022   |
|------------------------|------------|--------|--------|--------|
| Groundwater            | MegaLiters | 281    | 386    | 402    |
| Third party water      | MegaLiters | 10,507 | 12,709 | 13,413 |
| Total Water Withdrawal | MegaLiters | 10,788 | 13,095 | 13,815 |

**Notes:** 100% of water withdrawal is sourced as freshwater (≤1,000 mg/L Total Dissolved Solids)

| Water Stress  | 2020 | 2021 | 2022 |
|---|------|------|------|
| Percentage of total water consumed in regions with High or Extremely High Baseline Water Stress | 27%  | 26%  | 26%  |

| Water Discharge by Destination | Units      | 2020  | 2021   | 2022   |
|--------------------------------|------------|-------|--------|--------|
| Third party water              | MegaLiters | 9,170 | 11,131 | 11,742 |
| Total Water Discharge          | MegaLiters | 9,170 | 11,131 | 11,742 |

| Water Consumption           | Units                 | 2020  | 2021  | 2022  |
|-----------------------------|-----------------------|-------|-------|-------|
| Total water consumption     | MegaLiters            | 1,618 | 1,964 | 2,073 |
| Water consumption intensity | MegaLiters/ 1,000 FT² | 0.023 | 0.029 | 0.030 |

## SOCIAL

**Economic Contribution:** In 2022, 25% of our net revenue was distributed in the form of compensation, benefits and taxes for our Team Members’ daily work and contribution to advancing our goals. Additionally, we paid more than \$2 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 \$10.3 billion to our stakeholders in 2022.**

**Team Member Engagement:** In early 2022, we launched our first comprehensive “All-In, We Win” Team Member survey to gain insights into what drives our Team Members’ happiness and success at work. More than 17,000 active Team Members participated in our 2022 survey with an overall Engagement Index Score of 76.1%.

**Benefits:** In 2022, we announced an all-new education assistance program for our Team Members in the U.S. The “All-In On Education” program reflects Caesars Entertainment’s commitment to developing greater educational resources for our Team Members and their families. Expanding our existing tuition assistance program, All-In On Education provides up to \$5,250 per calendar year in tuition funding for qualifying full-time Team Members and \$2,625 for part-time Team Members.

**In 2022, Caesars Entertainment Team Members engaged in more than 2.87 million hours of training, averaging more than 56 hours per Team Member for the year.**

**Diversity, Equity and Inclusion (DEI):** We are on a path to achieving full gender and racial parity across our organization.

**Community Reinvestment:** In 2022, our total community reinvestment amounted to over \$80 million. This total figure

| Our 2025 DEI Goals  | Performance in 2022  |
|---|--|
| <b>Women:</b> 50% of leadership roles* will be held by women within both the mid-level and senior leadership populations.   | <b>45%</b> in mid-level leadership roles<br><b>30%</b> in senior leadership roles                                    |
| <b>Racial/Ethnic:</b> 50% of leadership roles* will be held by people of color. We also commit to increasing the representation of people of color in senior leadership by 50%. | <b>43%</b> in leadership roles<br><b>106%</b> increase in senior leadership roles since the baseline of Dec 31, 2020 |

\*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. Goals cover direct Team Members in the U.S. For definition, see GRI 2-7 in the GRI Data Tables.

\*\*Note that performance data in 2021 does not include Caesars Digital Team Members. Through the acquisition of William Hill, Caesars Digital Team Members are included in 2022.

includes more than \$73 million in mandated and discretionary giving by the company, \$2.4 million as the value of over 78,000 hours of Team Member volunteering in 2022, more than \$3.5 million contributed through our Caesars Foundation, and additional in-kind giving that amounts to \$1.5 million.

**Supplier Diversity:** In 2022, we intensified efforts to increase spending with our current diverse supply base, recognizing the challenges diverse suppliers have faced through the COVID-19 pandemic and ongoing economic climate. We spent \$50 million with diverse MWDBE suppliers in 2022.

**In 2022, our operational and capital spend\* with certified diverse vendors totaled 9.3% and 7.1%, respectively, of total addressable spend.**

\*Addressable spend does not include taxes, utilities and some highly regulated gaming trade sectors defined as addressable.

## GOVERNANCE

| Caesars Entertainment Board of Directors*             |                                      |
|---|--------------------------------------|
| Total number of Directors (including the Chair)       | <b>9</b>                             |
| Separation of Chair and Chief Executive Officer roles | <b>Yes</b>                           |
| Independent directors                                 | <b>7 (78%)</b>                       |
| Lead independent director                             | <b>Yes</b>                           |
| Non-executive directors                               | <b>7 (78%)</b>                       |
| Directors with financial expertise                    | <b>7 (78%)</b>                       |
| Directors with gaming expertise                       | <b>7 (78%)</b>                       |
| Directors with ESG expertise                          | <b>9 (100%)</b>                      |
| Women directors                                       | <b>2 (22%)</b>                       |
| Directors from ethnically diverse groups              | <b>0 (0%)</b>                        |
| Age span of directors                                 | <b>46-83 years (average age: 67)</b> |
| Tenure of directors                                   | <b>2.8 years</b>                     |

\*Board of Directors composition is per the Proxy Statement filed April 28, 2023.

| Environment          | Social                        | Governance              |
|----------------------|-------------------------------|-------------------------|
| Climate Change       | Team Member Experience        | Ethics & Compliance     |
| Water                | Diversity, Equity & Inclusion | Anti-Corruption         |
| General & Food Waste | Guest Experience              | Data Privacy & Security |
| Responsible Sourcing | Health & Safety               |                         |
|                      | Community Impacts             |                         |
|                      | Responsible Gaming            |                         |

**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:** In 2022, the Board was engaged in our strategic stakeholder engagement mapping, materiality analysis and ESG risk assessment. It approved all outcomes and materials for publication. The CSR Committee of the Board of Directors reviewed and approved our 2022 CSR Report as well as all related disclosures.

**New Public Policy Positions:** In 2022, following our CSR materiality assessment, we further enhanced our transparency by publishing position statements on key CSR topics for the benefit of all stakeholders. Through an interactive process with key business and functional leaders across the Company, we developed and published the following position statements:

## GOVERNANCE

**ESG Risk Management:** In 2022, we completed a comprehensive ESG risk assessment, which informed our risk planning processes. We identified eight ESG risks that, if not effectively addressed, could potentially affect Caesars Entertainment's financial value creation over time. The key risks identified are:

- 1. Anti-Corruption**
- 2. Climate Change**
- 3. Data Privacy & Security**
- 4. Ethics & Compliance**
- 5. Guest Health & Safety**
- 6. Health & Safety**
- 7. Human Rights**
- 8. Responsible Gaming**

**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. The Information Security team meets quarterly with the Audit Committee of the Board of Directors.



**See our 2022 CSR Report:**  
[caesars.com/corporate-social-responsibility/csr-reports](https://caesars.com/corporate-social-responsibility/csr-reports)